FLINT™

FIRST QUARTER

2025

flintcorp.com

FLINT Announces First Quarter 2025 Financial Results

Reports Adjusted EBITDAS of $5.1 million, representing a 61% improvement from prior year

Calgary, Alberta (May 8, 2025) – FLINT Corp. ("FLINT" or the "Company") (TSX: FLNT) today announced its results for the three months ended March 31, 2025. All amounts are in Canadian dollars and expressed in millions of dollars unless otherwise noted.

"EBITDAS" and "Adjusted EBITDAS" are not standard measures under IFRS. Please refer to the Advisory regarding Non-GAAP Financial Measures at the end of this press release for a description of these items and limitations of their use.

"Our commitment to quality execution and scaling the business has been demonstrated this quarter, as we were able to improve our operating results compared to prior year, despite the decrease in revenues. In addition, our liquidity is at an all-time high, which is a result of our improved finance performance and the significant advances made in our cash management cycle," said Barry Card, Chief Executive Officer.

"Activity levels in the first quarter were down slightly compared to the same period last year with revenues approximately 6% lower. Despite that, gross profit margin was $14.4 million and Adjusted EBITDAS was $5.1 million, up 11% and 61%, respectively, from the first quarter of 2024. We expect activity levels to increase in the second quarter as we execute our spring turnaround program. For the remainder of 2025, we expect activity levels to be fairly consistent with 2024, although there is increased uncertainly as to the timing of some contracts due to the current economic and geopolitical environment," added Mr. Card.

FIRST QUARTER HIGHLIGHTS

- Revenues for the three months ended March 31, 2025 were $137.9 million, representing a decrease of $9.0 million or 6.1% from the same period in 2024.
- Gross profit for the three months ended March 31, 2025 was $14.4 million, representing an increase of $1.4 million or 10.7% from the same period in 2024. Gross profit margin for the three months ended March 31, 2025 was 10.4%, compared to 8.9% for the same period in 2024.
- Adjusted EBITDAS for the three months ended March 31, 2025 was $5.1 million, representing an increase of $1.9 million or 60.5% from the same period in 2024. Adjusted EBITDAS margin was 3.7% for the three months ended March 31, 2025 compared to 2.2% for the same period in 2024.
- SG&A expenses for the three months ended March 31, 2025 were $9.4 million, representing a decrease of $0.7 million or 6.9% from the same period in 2024. As a percentage of revenue, SG&A expenses for the three months ended March 31, 2025 were 6.8%, consistent with 6.8% for the same period in 2024.
- Liquidity, including cash and available credit facilities, was $89.1 million at March 31, 2025, as compared to $77.0 million at March 31, 2024.
- Loss from continuing operations for the three months ended March 31, 2025 was $3.3 million, representing an improvement of $1.5 million or 30.4% form the same period in 2024.
- New contract awards and renewals totaled approximately $78.0 million for the three months ended March 31, 2025 and $7.4 million for the month of April. Approximately 74% of the work is expected to be completed in 2025.

FIRST QUARTER FINANCIAL RESULTS

($ thousands, except per share amounts)	Three months ended March 31, 2025	2024	% Change
Revenue ($)	137,881	146,863	(6.1)
Gross Profit ($)	14,401	13,010	10.7
Gross Profit Margin (%)	10.4	8.9	1.5
Adjusted EBITDAS (1)	5,118	3,188	60.5
Adjusted EBITDAS Margin (%)	3.7	2.2	1.5
SG&A ($)	9,361	10,056	(6.9)
SG&A Margin (%)	6.8	6.8	—
Net loss from continuing operations ($)	(3,332)	(4,786)	30.4
Net loss ($)	(3,341)	(5,012)	33.3
Basic and Diluted:			
Net loss per share from continuing operations ($)	(0.03)	(0.05)	40.0
Net loss per share ($)	(0.03)	(0.05)	40.0

(1) EBITDAS and Adjusted EBITDAS are not standard measures under IFRS and they are defined in the section "Advisory regarding Non-GAAP Financial Measures"

Revenue for the three months ended March 31, 2025 was $137,881 compared to $146,863 for the same period in 2024, representing a decrease of 6.1%. The decrease in revenue was primarily due to the timing of maintenance and construction work as compared to the same period in 2024.

Gross profit for the three months ended March 31, 2025 was $14,401 compared to $13,010 for the same period in 2024, representing an increase of 10.7%. Gross profit margin for three months ended March 31, 2025 was 10.4%, compared to 8.9% for the same period in 2024. The increase in gross profit, both on an absolute basis and as a percentage of revenue, was primarily due to the mix of work compared to the same period of 2024.

SG&A expenses for the three months ended March 31, 2025 were $9,361, in comparison to $10,056 for the same period in 2024, representing a decrease of 6.9%. As a percentage of revenue, SG&A expenses for the three months ended March 31, 2025 were 6.8%, consistent with 6.8% for the same period in 2024. Spending in 2024 was elevated due to the focus on continuous improvement initiatives designed to scale the business more efficiently in future periods.

For the three months ended March 31, 2025, Adjusted EBITDAS was $5,118 compared to $3,188 for the same period in 2024. As a percentage of revenue, Adjusted EBITDAS was 3.7% for the three months ended March 31, 2025 compared to 2.2% for the same period in 2024.

Loss from continuing operations for the three months ended March 31, 2025 was $3,332 in comparison to a loss of $4,786 for the same period in 2024. The loss variance was driven primarily by the increase in gross profit margin.

CORPORATE UPDATES

On March 25, 2025, the Company released its third Sustainability Report as part of its ongoing commitment to environmental, social and governance matters. A copy of the 2024 Sustainability Report is accessible on the Company’s website at www.flintcorp.com.

The annual and special meeting of holders of common shares will be held at the Bow Valley Square Conference Centre (Hamilton Room), +30 Level, 205 – 5th Avenue S.W., Calgary, Alberta on Tuesday, June 24, 2025, at 9:00a.m. (Calgary time).

LIQUIDITY AND CAPITAL RESOURCES

FLINT has an asset-based revolving credit facility (the “ABL Facility”) providing for maximum borrowings up to $50.0 million with a Canadian chartered bank. The amount available under the ABL Facility will vary from time to time based on the borrowing base determined with reference to the accounts receivable of FLINT and certain of its subsidiaries. The maturity date of the ABL Facility is April 14, 2027.

The Company anticipates that its liquidity (cash on hand and available credit facilities) and cash flows from operations will be sufficient to meet its short-term contractual obligations and to maintain compliance with its financial covenants. To maintain compliance with its financial covenants through March 31, 2026, the Company can request approval from the holder of the Senior Secured Debentures to pay interest on the Senior Secured Debentures in kind.

As at March 31, 2025, the issued and outstanding share capital included 110,001,239 Common Shares, 127,732 Series 1 Preferred Shares, and 40,100 Series 2 Preferred Shares.

The Series 1 Preferred Shares (having an aggregate value of $127.732 million) are convertible at the option of the holder into Common Shares at a price of $0.35/share and the Series 2 Preferred Shares (having an aggregate value of $40.100 million) are convertible into Common Shares at a price of $0.10/share.

The Series 1 and Series 2 Preferred Shares have a 10% fixed cumulative preferential cash dividend payable when the Company has sufficient monies to be able to do so, including under the provisions of applicable law and contracts affecting the Company. The Board of Directors of the Company does not intend to declare or pay any cash dividends until the Company's balance sheet and liquidity position supports the payment. As at March 31, 2025, the accrued and unpaid dividends on the Series 1 and Series 2 shares totaled $114.4 million. Any accrued and unpaid dividends are convertible in certain circumstances at the option of the holder into additional Series 1 and Series 2 Preferred Shares.

ADDITIONAL INFORMATION

Our unaudited condensed consolidated interim financial statements for the three months ended March 31, 2025 and the related Management's Discussion and Analysis of the operating and financial results can be accessed on our website at www.flintcorp.com and will be available shortly through SEDAR+ at www.sedarplus.ca.

About FLINT Corp.

With a legacy of excellence and experience stretching back more than 100 years, FLINT provides solutions for the Energy and Industrial markets including: Oil & Gas (upstream, midstream and downstream), Petrochemical, Mining, Power, Agriculture, Forestry, Infrastructure and Water Treatment. With offices strategically located across Canada and a dedicated workforce, we provide maintenance, construction, wear technology and environmental services that help our customers bring their resources to our world. For more information about FLINT, please visit www.flintcorp.com or contact:

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Jennifer Stubbs
Chief Financial Officer
FLINT Corp.

Advisory regarding Forward-Looking Information

Certain information included in this press release may constitute "forward-looking information" within the meaning of Canadian securities laws. In some cases, forward-looking information can be identified by terminology such as "may", "will", "should", "expect", "plan", "anticipate", "believe", "estimate", "predict", "potential", "continue" or the negative of these terms or other similar expressions concerning matters that are not historical facts. This press release contains forward-looking information relating to: our business plans, strategies and objectives; the expectation for activity levels to increase in the second quarter and that for the remainder of 2025, we expect activity levels to be fairly consistent with 2024, although there is increased uncertainly as to the timing of some projects due to the current economic and geopolitical environment; contract renewals and project awards, including the estimated value thereof and the timing of completing the associated work; the company's approach to dividends and the sufficiency of our liquidity and cash flow from operations to meet our short-term contractual obligations and maintain compliance with our financial covenants through March 31, 2026.

Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information including, but not limited to, compliance with debt covenants, access to credit facilities and other sources of capital for working capital requirements and capital expenditure needs, availability of labour, dependence on key personnel, economic conditions, commodity prices, interest rates, regulatory change, weather and risks related to the integration of acquired businesses. These factors should not be considered exhaustive. Risks and uncertainties about FLINT's business are more fully discussed in FLINT's disclosure materials, including its annual information form and management's discussion and analysis of the operating and financial results, filed with the securities regulatory authorities in Canada and available on SEDAR+ at www.sedarplus.ca. In formulating the forward-looking information, management has assumed that business and economic conditions affecting FLINT will continue substantially in the ordinary course, including, without limitation, with respect to general levels of economic activity, regulations, taxes and interest rates. Although the forward-looking information is based on what management of FLINT consider to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events or results will be consistent with this forward-looking information, and management's assumptions may prove to be incorrect.

This forward-looking information is made as of the date of this press release, and FLINT does not assume any obligation to update or revise it to reflect new events or circumstances except as required by law. Undue reliance should not be placed on forward-looking information. Forward-looking information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes.

Advisory regarding Non-GAAP Financial Measures

The terms ''EBITDAS'' and "Adjusted EBITDAS" (collectively, the ''Non-GAAP financial measures'') are financial measures used in this press release that are not standard measures under IFRS. FLINT's method of calculating the Non-GAAP Financial Measures may differ from the methods used by other issuers. Therefore, the Non-GAAP Financial Measures, as presented, may not be comparable to similar measures presented by other issuers.

EBITDAS refers to income (loss) from continuing operations in accordance with IFRS, before depreciation and amortization, interest expense, income tax expense (recovery) and long-term incentive plan expenses. EBITDAS is used by management and the directors of FLINT as well as many investors to determine the ability of an issuer to generate cash from operations. Management believes that in addition to income (loss) from continuing operations and cash provided by operating activities, EBITDAS is a useful supplemental measure from which to determine FLINT's ability to generate cash available for debt service, working capital, capital expenditures and income taxes. FLINT has provided a reconciliation of income (loss) from continuing operations to EBITDAS below.

Adjusted EBITDAS refers to EBITDAS excluding restructuring expense, gain on sale of property, plant and equipment, other income and one-time incurred expenses. FLINT has used Adjusted EBITDAS as the basis for the analysis of its past operating financial performance. Adjusted EBITDAS is a measure that management believes (i) is a useful supplemental measure from which to determine FLINT's ability to generate cash available for debt service, working capital, capital expenditures, and income taxes, and (ii) facilitates the comparability of the results of historical periods and the analysis of its operating financial performance which may be useful to investors. FLINT has provided a reconciliation of income (loss) from continuing operations to Adjusted EBITDAS below.

Investors are cautioned that the Non-GAAP Financial Measures are not alternatives to measures under IFRS and should not, on their own, be construed as an indicator of performance or cash flows, a measure of liquidity or as a measure of actual return on the shares. These Non-GAAP Financial Measures should only be used with reference to FLINT's consolidated interim and annual financial statements, which are available on SEDAR+ at www.sedarplus.ca or on FLINT's website at www.flintcorp.com.

(In thousands of Canadian dollars)	Three months ended March 31, 2025	2024
Loss from continuing operations	(3,332)	(4,786)
Add:		
Amortization of intangible assets	65	68
Depreciation expense	2,765	2,617
Long-term incentive plan expense	1,000	600
Interest expense	4,529	4,582
EBITDAS	5,027	3,081
Add (deduct):		
Gain on sale of property, plant and equipment	(314)	(169)
Restructuring expenses	554	395
Other income	(156)	(315)
One-time incurred expenses	7	196
Adjusted EBITDAS	5,118	3,188

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FIRST QUARTER 2025

MD&A

Management’s Discussion and Analysis

May 8, 2025

The following is management’s discussion and analysis (“MD&A”) of the consolidated results of operations, balance sheets and cash flows of FLINT Corp. ("FLINT" or the "Company") for the three months ended March 31, 2025 and 2024. This MD&A should be read in conjunction with FLINT’s unaudited condensed consolidated interim financial statements and the notes thereto for the three months ended March 31, 2025 and 2024.

All amounts in this MD&A are in Canadian dollars and expressed in thousands of dollars unless otherwise noted. The accompanying unaudited condensed consolidated interim financial statements of FLINT have been prepared by and are the responsibility of management. The contents of this MD&A have been approved by the Board of Directors of FLINT on the recommendation of its Audit Committee. This MD&A is dated May 8, 2025 and is current to that date unless otherwise indicated.

The unaudited condensed consolidated interim financial statements have been prepared in accordance with International Financial Reporting Standards (“IFRS”), as issued by the International Accounting Standards Board (“IASB”).

This MD&A makes reference to certain measures that are not defined in IFRS. These measures do not have any standard meaning prescribed by IFRS and are therefore unlikely to be comparable to similar measures presented by other issuers. This MD&A also contains information that may constitute “forward-looking information” with the meaning of Canadian securities laws. See "Advisory regarding Forward-Looking Information" and "Advisory regarding Non-GAAP Financial Measures".

References to “we”, “us”, “our” or similar terms, refer to FLINT, unless the context otherwise requires.

OVERVIEW OF OUR BUSINESS

FLINT's services include maintenance and turnarounds, facility construction, fabrication, modularization and machining, wear technologies and weld overlays, pipeline installation and integrity, electrical and instrumentation, workforce supply, heavy equipment operators, and environmental services. FLINT is a leading provider of these services to energy and industrial markets, including oil and gas (upstream, midstream and downstream), petrochemical, mining, power, agriculture, forestry, infrastructure and water treatment. Its operations, assets and employees are mainly located in Canada with some activity in the United States.

FLINT utilizes EBITDAS and Adjusted EBITDAS as performance measures to evaluate its results. These measures are considered to be non-GAAP financial measures under IFRS. See "Advisory regarding Non-GAAP Financial Measures".

Advisory regarding Forward-Looking Information

Certain information included in this MD&A may constitute “forward-looking information” within the meaning of Canadian securities laws. In some cases, forward-looking information can be identified by terminology such as “may”, “will”, “should”, “expect”, “plan”, “anticipate”, “believe”, “estimate”, “predict”, “potential”, “continue” or the negative of these terms or other similar expressions concerning matters that are not historical facts. Specifically, this MD&A contains forward-looking information relating to: our business plans; strategies and objectives; the sufficiency of our liquidity and cash flow from operations to meet our short-term contractual obligations and maintain compliance with our financial covenants through March 31, 2026; the Company’s approach to dividends; the company's execution of its organic growth strategy that targets both industrial end market and geographic diversification; that view that demand will increase in 2025 for natural gas from heating, power, and LNG export; that the market for skilled labour in Canada remains tight; and the Company’s focus on its programs to attract, retain and develop its people and to deliver high quality services to its valued customers in a safe and efficient manner.

Forward-looking information involves significant risks and uncertainties. A number of factors could cause actual events or results to differ materially from the events and results discussed in the forward-looking information including, but not limited to, compliance with debt covenants, access to credit facilities and other sources of capital for working capital requirements and capital expenditure needs, availability of labour, dependence on key personnel, economic conditions, commodity prices, interest rates, regulatory change, weather and risks related to the integration of acquired businesses. These factors should not be considered exhaustive. Risks and uncertainties about FLINT’s business are more fully discussed in FLINT’s disclosure materials, including its annual information form and management’s discussion and analysis of the operating and financial results, filed with the securities regulatory authorities in Canada and available on SEDAR+ at www.sedarplus.ca. In formulating the forward-looking information, management has assumed that business and economic conditions affecting FLINT will continue substantially in the ordinary course, including, without limitation, with respect to general levels of economic activity, regulations, taxes and interest rates. Although the forward-looking information is based on what management of FLINT consider to be reasonable assumptions based on information currently available to it, there can be no assurance that actual events or results will be consistent with this forward-looking information, and management’s assumptions may prove to be incorrect.

This forward-looking information is made as of the date of this MD&A, and FLINT does not assume any obligation to update or revise it to reflect new events or circumstances except as required by law. Undue reliance should not be placed on forward-looking information. Forward-looking information is provided for the purpose of providing information about management's current expectations and plans relating to the future. Readers are cautioned that such information may not be appropriate for other purposes.

Advisory regarding Non-GAAP Financial Measures

The terms ‘‘EBITDAS’’ and “Adjusted EBITDAS” (collectively, the ‘‘Non-GAAP Financial Measures’’) are financial measures used in this MD&A that are not standard measures under IFRS. FLINT’s method of calculating the Non-GAAP Financial Measures may differ from the methods used by other issuers. Therefore, the Non-GAAP Financial Measures, as presented, may not be comparable to similar measures presented by other issuers.

EBITDAS refers to income (loss) from continuing operations in accordance with IFRS, before depreciation and amortization, interest expense, income tax expense (recovery) and long-term incentive plan expense. EBITDAS is used by management and the directors of FLINT as well as many investors to determine the ability of an issuer to generate cash from operations. Management believes that in addition to income (loss) from continuing operations and cash provided by operating activities, EBITDAS is a useful supplemental measure from which to determine FLINT’s ability to generate cash available for debt service, working capital, capital expenditures and income taxes. FLINT has provided a reconciliation of income (loss) from continuing operations to EBITDAS below.

Adjusted EBITDAS refers to EBITDAS excluding restructuring expense, gain on sale of property, plant and equipment, other income and one-time incurred expenses. FLINT has used Adjusted EBITDAS as the basis for the analysis of its past operating financial performance. Adjusted EBITDAS is a measure that management believes (i) is a useful supplemental measure from which to determine FLINT’s ability to generate cash available for debt service, working capital, capital expenditures, and income taxes, and (ii) facilitates the comparability of the results of historical periods and the analysis of its operating financial performance which may be useful to investors. FLINT has provided a reconciliation of income (loss) from continuing operations to Adjusted EBITDAS below.

Investors are cautioned that the Non-GAAP Financial Measures are not alternatives to measures under IFRS and should not, on their own, be construed as an indicator of performance or cash flows, a measure of liquidity or as a measure of actual return on the shares. These Non-GAAP Financial Measures should only be used with reference to FLINT’s consolidated interim and annual financial statements, which are available on SEDAR+ at www.sedarplus.ca or on FLINT’s website at www.flintcorp.com.

FIRST QUARTER 2025 SUMMARY OF RESULTS – CONTINUING OPERATIONS

(In thousands of Canadian dollars)

Three months ended March 31,	2025	2024
Revenue	$ 137,881	$ 146,863
Cost of revenue	(123,480)	(133,853)
Gross profit	14,401	13,010
Selling, general and administrative expenses	(9,361)	(10,056)
Long-term incentive plan expense	(1,000)	(600)
Amortization of intangible assets	(65)	(68)
Depreciation expense	(2,765)	(2,617)
Income from long-term investments	71	38
Interest expense	(4,529)	(4,582)
Restructuring expenses	(554)	(395)
Gain on sale of property, plant and equipment	314	169
Other income	156	315
Loss from continuing operations	(3,332)	(4,786)
Add:		
Amortization of intangible assets	65	68
Depreciation expense	2,765	2,617
Long-term incentive plan expense	1,000	600
Interest expense	4,529	4,582
EBITDAS (1)	5,027	3,081
Add (deduct):		
Gain on sale of property, plant and equipment	(314)	(169)
Restructuring expenses	554	395
Other income	(156)	(315)
One-time incurred expenses	7	196
Adjusted EBITDAS (1)	$ 5,118	$ 3,188

(1) EBITDAS and Adjusted EBITDAS are not standard measures under IFRS and they are defined in the section "Advisory regarding Non-GAAP Financial Measures".

	Three months ended March 31,	
Net loss per share (dollars)	2025	2024
Basic and diluted:		
Continuing operations	$ (0.03)	$ (0.05)
Net loss	$ (0.03)	$ (0.05)

Selected Balance Sheet Accounts	March 31, 2025	December 31, 2024
Total assets	$ 227,127	$ 235,238
Term loan facility	40,339	40,324
Senior secured debentures	134,593	134,593
Other secured borrowings	10,990	11,125
Shareholders' deficit	$ 57,205	$ 53,864

FIRST QUARTER 2025 RESULTS

Revenue for the three months ended March 31, 2025 was $137,881 compared to $146,863 for the same period in 2024, representing a decrease of 6.1%. The decrease in revenue was primarily due to the timing of maintenance and construction work as compared to the same period in 2024.

Gross profit for the three months ended March 31, 2025 was $14,401 compared to $13,010 for the same period in 2024, representing an increase of 10.7%. Gross profit margin for the three months ended March 31, 2025 was 10.4% compared to 8.9% for the same period in 2024. The increase in gross profit, both on an absolute basis and as a percentage of revenue, was primarily due to the mix of work compared to the same period of 2024.

SG&A expenses for the three months ended March 31, 2025 were $9,361, in comparison to $10,056 for the same period in 2024, representing a decrease of 6.9%. As a percentage of revenue, SG&A expenses for the three months ended March 31, 2025 were 6.8% consistent with 6.8% for the same period in 2024. Spending in 2024 was elevated due to the focus on continuous improvement initiatives designed to scale the business more efficiently in future periods.

Non-cash items that impacted the 2025 results were depreciation and amortization. For the three months ended March 31, 2025, depreciation and amortization expenses were $2,830 compared to $2,685 for the same period in 2024. Depreciation and amortization expenses were relatively consistent with the prior period.

For the three months ended March 31, 2025, interest expenses was $4,529 compared to $4,582 for the same period in 2024. Interest expenses were relatively consistent with prior period.

Loss from continuing operations for the three months ended March 31, 2025 was $3,332 in comparison to a loss of $4,786 for the same period in 2024, representing a decrease of 30.4%. The loss variance was driven primarily by the increase in gross profit margin.

For the three months ended March 31, 2025, Adjusted EBITDAS was $5,118 compared to $3,188 for the same period in 2024. As a percentage of revenue, Adjusted EBITDAS was 3.7% for the three months ended March 31, 2025 compared to 2.2% for the same period in 2024.

LIQUIDITY AND CAPITAL RESOURCES

For three months ended March 31,		2025		2024
Cash flow provided by operating activities	$	42,941	$	25,847
Cash flow provided by investing activities		361		216
Cash flow used in financing activities		(2,712)		(2,810)
Cash, end of period	$	51,547	$	32,949

Operating Activities

Cash flow provided by operating activities in 2025 is a result of a decrease in accounts receivable due to the improvement in the Company's cash management process.

The Company anticipates that its liquidity (cash on hand and available credit facilities) and cash flows from operations will be sufficient to meet its short-term contractual obligations. To maintain compliance with its financial covenants through March 31, 2026, the Company can request approval from the holder of the Senior Secured Debentures to pay interest on the Senior Secured Debentures in kind.

Investing Activities

Cash flow provided by investing activities during the three months ended March 31, 2025 consisted of proceeds from the disposal of certain property, plant and equipment ("PP&E") partially offset by the purchase of PP&E.

Financing Activities

Net cash used in financing activities for the three months ended March 31, 2025 consisted of lease principal payments and principal payments on other secured borrowings.

ABL Facility, Term Loan Facility and Other Borrowings

a. ABL Facility

FLINT has an asset-based revolving credit facility (the "ABL Facility") providing for maximum borrowings of up to $50,000 with a Canadian chartered bank (the "Lender"). The ABL Facility matures on April 14, 2027.

The amount available under the ABL Facility will vary from time to time based on the borrowing base determined with reference to the accounts receivable of the Company. The ABL Facility borrowing base as at March 31, 2025 was $38,814 (December 31, 2024 - $50,000). The obligations under the ABL Facility are secured by, among other things, a first ranking lien on all of the existing and after acquired accounts receivable of the Company and the other guarantors, being certain of the Company's direct subsidiaries. The interest rate on the ABL Facility is the Lender's prime rate plus 1.75% (December 31, 2024 - Lender's prime rate plus 1.75%).

As at March 31, 2025, nil (December 31, 2024 - nil) was drawn on the ABL Facility, and there were $400 (December 31, 2024 - $400) of letters of credit reducing the amount available to be drawn. As at March 31, 2025, the net amount of deferred financing costs was $271 (December 31, 2024 - $304).

The financial covenants applicable under the ABL Facility are as follows:

- The Company must maintain a fixed charge coverage ratio equal to or greater than 1.00:1.00 for each twelve month period calculated and tested as of the last day of each fiscal quarter; and

- For each fiscal year, the Company must not expend or become obligated for (i) any capital expenditures in an aggregate amount exceeding $20,000 and (ii) any non-financed capital expenditures in an aggregate amount exceeding $8,000.

As at March 31, 2025, FLINT was in compliance with all financial covenants under the ABL Facility.

b. Term Loan Facility

FLINT has a term loan facility providing for maximum borrowings of up to $40,500 (the “Term Loan Facility”) with Canso Investment Counsel Ltd., in its capacity as portfolio manager for and on behalf of certain accounts that it manages (“Canso”). The Term Loan Facility matures on the earlier of (a) the date that is 180 days following the maturity date of the ABL Facility and (b) October 14, 2027.

As at March 31, 2025, $40,500 (December 31, 2024 - $40,500) was outstanding under the Term Loan Facility. The Term Loan Facility is required to be used for specific purposes and cannot be redrawn once repaid. The interest rate on the Term Loan Facility is a fixed rate of 8.0% (December 31, 2024 - fixed rate of 8.0%). The net amount of deferred financing costs was $161 as at March 31, 2025 (December 31, 2024 - $176).

c. Other Secured Borrowings

On June 26, 2019, the Company received a secured loan with the Business Development Bank of Canada (“BDC”) as a partial source of funds for the acquisition of certain assets of the production services division of AECOM Production Services Ltd. (the "AECOM PSD Business").

The loan has monthly principal payments of $45, with the final payment to occur on October 2, 2045. The interest rate on the loan is the BDC Floating Base Rate less 1.0%. Interest accrues and is payable monthly. The Company allocated $195 in deferred financing costs to this loan that will be amortized over the life of the loan.

The loan is secured by a first security interest on the real property and equipment acquired through the acquisition of the AECOM PSD Business and a security interest in all other present and future property, subject to the priorities granted to existing lenders under the ABL Facility, the Term Loan Facility, the senior secured debentures and other existing commitments.

The loan agreement with BDC requires the Company to maintain a fixed charge coverage ratio equal to or greater than 1.00:1.00 for each twelve month period calculated and tested as of the last day of each fiscal year.

As at March 31, 2025, FLINT was in compliance with all financial covenants under the loan agreement with BDC.

d. Senior Secured Debentures

On March 23, 2016, the Company issued 8.0% senior secured debentures due March 23, 2026 (the "Senior Secured Debentures") pursuant to a trust indenture between FLINT, as issuer, and BNY Trust Company of Canada, as debenture trustee, as amended and supplemented (the "Senior Secured Indenture"), on a private placement basis to Canso. On June 2, 2020, the debenture trustee was changed to Computershare Trust Company of Canada. On May 31, 2024, the maturity date of the Senior Secured Debentures was extended to October 14, 2027.

The Senior Secured Debentures bear interest at an annual rate of 8.0% payable in arrears on June 30 and December 31 of each year. The Senior Secured Debentures are redeemable at the option of the Company and, in certain circumstances, are mandatorily redeemable. The Senior Secured Debentures are secured by first-ranking liens over all of the property of the Company and its guarantor subsidiaries, other than certain limited classes of collateral over which the Company has granted a prior-ranking lien in favour of the ABL Facility, the Term Loan Facility and the other secured loans.

The Senior Secured Debentures limit the ability of the Company and its subsidiaries to make certain distributions and dispositions, incur indebtedness, grant liens and limitations with respect to acquisitions, mergers, investments, non-arm's length transactions, reorganizations and hedging arrangements (subject to certain exceptions).

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

FLINT prepares its consolidated financial statements in accordance with IFRS. The preparation of the consolidated financial statements in conformity with IFRS requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosures of contingent assets and liabilities, and the reported amounts of revenues and expenses for the period of the consolidated financial statements. Based on the current environment, significant market uncertainty exists that could impact the estimates and assumptions made by FLINT. Significant accounting policies and methods used in the preparation of the consolidated financial statements, including use of estimates and judgments, are described in Note 1 of the annual consolidated financial statements for the year ended December 31, 2024.

CONTINGENCIES

Contingencies are provided for when they are likely to occur and can be reasonably estimated. FLINT is subject to claims and litigation proceedings arising in the normal course of operations. The known claims and litigation proceedings are not expected to materially affect the Company's financial position or reported results of operations.

TRANSACTIONS WITH RELATED PARTIES

As at March 31, 2025, directors and officers beneficially owned an aggregate of 7,611,907 Common Shares, representing approximately 6.9% of the issued and outstanding Common Shares.

SHARE CAPITAL

The authorized share capital of the Company consists of: (i) an unlimited number of Common Shares, and (ii) Preferred Shares issuable in series to be limited in number to an amount equal to not more than one half of the issued and outstanding Common Shares at the time of issuance of such Preferred Shares.

The following table summarizes the number of Preferred and Common Shares outstanding:

	Preferred Shares		Common
	Series 1	Series 2	Shares
Balance as at December 31, 2024	127,732	40,100	110,001,239
Balance as at March 31, 2025	127,732	40,100	110,001,239

The Series 1 and Series 2 Preferred Shares have a 10.0% fixed cumulative preferential cash dividend payable when the Company shall have sufficient monies to be able to do so, including under the provisions of applicable law and contracts affecting the Company. The Board of Directors of the Company does not intend to declare or pay any cash dividends until the Company's balance sheet and liquidity position supports the payment. Any accrued and unpaid dividends are convertible in certain circumstances at the option of the holder into additional Series 1 and Series 2 Preferred Shares.

As at March 31, 2025, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled $114,372 (December 31, 2024 - $110,234). Assuming that the holders of the Preferred Shares exercise the right to convert such accrued and unpaid dividends into additional Preferred Shares and then convert such Preferred Shares into Common Shares, approximately 491,713,484 (December 31, 2024 - 472,827,081) Common Shares would be issued, which represents approximately 447.0% (December 31, 2024 - 429.8%) of the Common Shares outstanding as at March 31, 2025.

In addition, holders of the Series 1 and Series 2 Preferred Shares have the right, at their option, to convert their Preferred Shares into Common Shares at a price of $0.35 and $0.10 per Common Share, respectively, subject to adjustment in certain circumstances. During the three months ended March 31, 2025 and year ended December 31, 2024 no Series 1 or Series 2 Preferred Shares were converted into Common Shares.

The Series 1 and Series 2 Preferred Shares are redeemable by the Company for cash at 110% of the purchase price for such shares, plus accrued but unpaid dividends, once all of the outstanding Senior Secured Debentures have been repaid and are subject to repayment in the event of certain change of control transactions.

Based upon the conversion rights of the Series 1 and Series 2 Preferred Shares there could be significant dilution to the current holders of Common Shares. Up to approximately 765,948,571 (December 31, 2024 - 765,948,571) additional Common Shares would be issuable upon conversion of the face amount of the Preferred Shares into Common Shares, representing approximately 696.3% (December 31, 2024 - 696.3%) of the Common Shares outstanding as at March 31, 2025.

As the terms of the Preferred Shares do not create an unavoidable obligation to pay cash, the Preferred Shares are accounted for within shareholders' deficit, net of transaction costs.

OUTLOOK

We continue to execute our organic growth strategy that targets both industrial end market and geographic diversification. We are seeing the results of this strategy with renewed and expanded scopes with existing customers and the addition of new customers across Canada.

For our customers in the energy industry, planned production increases from OPEC+ combined with recent developments in global trade policy has created uncertainty around supply and demand which has resulted in the short term outlook for oil prices to fall, however there is continued optimism that demand will increase in 2025 for natural gas from heating, power, and LNG export. The increased uncertainty and volatility of the global economic and geopolitical environment has had an impact on the timing of our customers spending across all the industries we serve.

The market for skilled labour in Canada remains tight. We remain focused on our programs to attract, retain and develop our people and to deliver high quality services to our valued customers in a safe and efficient manner.

FLINT has a suite of more than 40 service offerings that encompass the full asset lifecycle. Through the extensive regional coverage provided by our network of operating facilities across Canada, we believe that FLINT is well positioned to further consolidate the services required at various operating sites while generating efficiencies and cost reductions for our customers. We are also continually working to improve our service delivery to help our customers bring their resources to our world.

RISK FACTORS

The Company's risk factors have not changed materially from those disclosed in the "Risk Factors" section of the MD&A for the year ended December 31, 2024.

For additional information regarding the risks that the Company is exposed to, see the disclosure provided under the heading “Risk Factors” in the Company’s Annual Information Form for the year ended December 31, 2024, which is available on the SEDAR+ website at www.sedarplus.ca.

DISCLOSURE CONTROLS AND PROCEDURES AND INTERNAL CONTROL OVER FINANCIAL REPORTING

We are required to comply with National Instrument 52-109 "Certification of Disclosure in Issuers' Annual and Interim Filings". This instrument requires us to disclose in our interim MD&A any weaknesses in or changes to our internal control over financial reporting during the period that may have materially affected, or are reasonably likely to materially affect, our internal controls over financial reporting. We confirm that no such weaknesses were identified in, or changes were made to, internal controls over financial reporting during the three months ended March 31, 2025.

Internal control systems, no matter how well designed, have inherent limitations. Therefore, even those systems determined to be effective can provide only reasonable assurance with respect to financial statement preparation and presentation. Also, projections of any evaluation of effectiveness to future periods are subject to the risk that controls may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

SELECTED QUARTERLY INFORMATION

(In thousands of Canadian dollars, except per share amount)

	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3	2023 Q2
Revenue ($)	137,881	187,175	211,594	164,922	146,863	149,682	187,017	168,567
Gross Profit ($)	14,401	20,180	23,757	17,978	13,010	17,145	19,740	17,260
Gross Profit Margin (%)	10.4	10.8	11.2	10.9	8.9	11.5	10.6	10.2
Adjusted EBITDAS	5,118	10,551	13,433	8,305	3,188	8,868	10,796	7,894
Net (loss) income from continuing operations ($)	(3,332)	1,694	5,305	(588)	(4,786)	(255)	2,789	(12,103)
Net (loss) income ($)	(3,341)	1,657	5,233	(606)	(5,012)	(261)	2,786	(12,107)
Net (loss) income per share from continuing operations ($)	(0.03)	0.01	0.05	0.00	(0.05)	(0.01)	0.03	(0.11)
Net (loss) income per share ($)	(0.03)	0.01	0.05	0.00	(0.05)	(0.01)	0.03	(0.11)

FLINT's revenues are somewhat seasonal as there are scheduled shutdown turnaround projects in the spring and fall which increase revenues over and above the standard maintenance and operational support services.

ADDITIONAL INFORMATION

Additional information relating to the Company is available in the Company's Annual Information Form for the year ended December 31, 2024.

FLINT™

flintcorp.com

FIRST QUARTER 2025

FINANCIAL STATEMENTS

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF

FLINT CORP.

FOR THE THREE MONTHS ENDED MARCH 31, 2025 AND 2024

(UNAUDITED)

Consolidated Interim Balance Sheets

(In thousands of Canadian dollars)

(Unaudited)

	Notes		March 31, 2025		December 31, 2024
Assets					
Cash	6	$	51,547	$	10,957
Accounts receivable	6		115,653		162,158
Inventories			3,404		3,978
Prepaid expenses			2,750		3,536
Total current assets			173,354		180,629
Property, plant and equipment	2		51,923		52,765
Intangible assets			1,124		1,189
Long-term investments			726		655
Total assets		**$**	**227,127**	**$**	**235,238**
Liabilities and shareholders' deficit					
Accounts payable and accrued liabilities		$	62,054	$	64,261
Current portion of lease liabilities			10,004		10,015
Current portion of long-term incentive plan liability			2,637		2,874
Current portion of other secured borrowings	3		539		539
Total current liabilities			75,234		77,689
Long-term incentive plan liability			1,668		3,333
Term loan facility	3		40,339		40,324
Lease liabilities			22,047		22,577
Other secured borrowings	3		10,451		10,586
Senior secured debentures	3		134,593		134,593
Total liabilities			284,332		289,102
Common shares	5		462,057		462,057
Preferred shares	5		141,930		141,930
Contributed surplus			20,679		20,679
Deficit			(681,871)		(678,530)
Total shareholders' deficit			(57,205)		(53,864)
Total liabilities and shareholders' deficit		**$**	**227,127**	**$**	**235,238**

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Interim Statements of Loss and Comprehensive Loss

(In thousands of Canadian dollars)

(Unaudited)

For three months ended March 31,	Notes	2025	2024
Revenue		$ 137,881	$ 146,863
Cost of revenue		(123,480)	(133,853)
Gross profit		14,401	13,010
Selling, general and administrative expenses	4	(9,361)	(10,056)
Long-term incentive plan expense		(1,000)	(600)
Amortization of intangible assets		(65)	(68)
Depreciation expense	2	(2,765)	(2,617)
Income from long-term investments		71	38
Interest expense		(4,529)	(4,582)
Restructuring expenses		(554)	(395)
Gain on sale of property, plant and equipment		314	169
Other income		156	315
Loss from continuing operations		(3,332)	(4,786)
Loss from discontinued operations (net of income taxes)		(9)	(226)
Net loss and comprehensive loss		**$ (3,341)**	**$ (5,012)**
Net loss per share (dollars)			
Basic and diluted:			
Continuing operations		$ (0.03)	$ (0.05)
Discontinued operations		$ 0.00	$ (0.00)
Net loss		$ (0.03)	$ (0.05)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Interim Statements of Shareholders' Deficit

(In thousands of Canadian dollars, except number of shares)

(Unaudited)

	Notes	Number of Common Shares	Common Shares	Preferred Shares	Contributed Surplus	Deficit	Total Shareholders' Deficit
December 31, 2024		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (678,530)	$ (53,864)
Net loss		—	—	—	—	(3,341)	(3,341)
At March 31, 2025		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (681,871)	$ (57,205)

	Notes	Number of Common Shares	Common Shares	Preferred Shares	Contributed Surplus	Deficit	Total Shareholders' Deficit
December 31, 2023		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (679,802)	$ (55,136)
Net loss		—	—	—	—	(5,012)	(5,012)
At March 31, 2024		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (684,814)	$ (60,148)

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Consolidated Interim Statements of Cash Flows

(In thousands of Canadian dollars)

(Unaudited)

For three months ended March 31,	Notes	2025	2024
Operating activities:			
Net loss		$ (3,341)	$ (5,012)
Adjustments for:			
Amortization of intangible assets		65	68
Depreciation expense	2	2,765	2,617
Income from long-term investment		(71)	(38)
Amortization of deferred financing costs	3	48	88
Gain on sale of property, plant and equipment	2	(314)	(169)
Other		67	10
Changes in non-cash working capital		43,722	28,283
Cash flow provided by operating activities		42,941	25,847
Investing activities:			
Purchase of property, plant and equipment	2	(77)	(356)
Proceeds on disposal of property, plant and equipment	2	438	322
Dividend proceeds from long-term investment		—	250
Cash flow provided by investing activities		361	216
Financing activities:			
Repayment of other secured borrowings	3	(135)	(435)
Repayment of lease liabilities		(2,577)	(2,375)
Cash flow used in financing activities		(2,712)	(2,810)
Increase in cash		40,590	23,253
Cash, beginning of period		10,957	9,696
Cash, end of period		$ 51,547	$ 32,949

The accompanying notes are an integral part of these condensed consolidated interim financial statements.

Notes to Condensed Consolidated Interim Financial Statements

(In thousands of Canadian dollars)

(Unaudited)

Reporting entity

FLINT Corp. ("FLINT" or the "Company") is a corporation formed pursuant to the *Business Corporations Act* (Alberta). The head office is located at Bow Valley Square 2, Suite 3500, 205 - 5th Avenue S.W., Calgary, Alberta T2P 2V7. FLINT's services include maintenance and turnarounds, facility construction, fabrication, modularization and machining, wear technologies and weld overlays, pipeline installation and integrity, electrical and instrumentation, workforce supply, heavy equipment operators, and environmental services. FLINT is a leading provider of these services to energy and industrial markets, including oil and gas (upstream, midstream and downstream), petrochemical, mining, power, agriculture, forestry, infrastructure and water treatment.

These unaudited condensed consolidated interim financial statements ("interim financial statements") were authorized for issuance in accordance with a resolution of the Board of Directors of FLINT passed on May 8, 2025.

1. Material accounting policies

a. Basis of presentation

These interim financial statements have been prepared in accordance with IAS 34 *Interim Financial Reporting* as issued by the International Accounting Standards Board ("IASB"). Accordingly, certain information normally disclosed in annual consolidated financial statements has been omitted or condensed. The interim financial statements should be read in conjunction with the Company's audited consolidated financial statements and notes thereto for the year ended December 31, 2024. There have been no significant changes in accounting policies compared to those described in the most recent annual consolidated financial statements. Certain amounts in the previous periods presented herein have been reclassified from prior year to conform to the current presentation.

These interim financial statements have been prepared on an historical cost basis and presented in Canadian dollars rounded to the nearest thousand unless otherwise indicated.

b. Seasonality of operations

FLINT's revenues are somewhat seasonal, in that its customers typically schedule shutdown turnaround projects in the spring and fall which increase revenues over and above the standard maintenance and operational support services. This typically results in higher activity levels and revenues for FLINT in the second and third quarters of the year.

c. New standards, interpretations and amendments adopted by the Company

The accounting policies utilized in the preparation of the interim financial statements are consistent with those followed in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2024, except for the adoption of new standards effective as of January 1, 2025, as described below.

(i) IAS 21 *The Effects of Changes in Foreign Exchange Rates* has been amended to impact a transaction or an operation in a foreign currency that is not exchangeable into another currency at a measurement date for a specified purpose. Under the amendments, new disclosures, such as the spot exchange rate used, must be provided to help users assess the impact of using an estimated exchange rate on the financial statements.

The adoption of these amendments had no impact on the Company's interim financial statements.

d. Standards issued but not yet effective

The new and amended standards and interpretations that are issued, but not yet effective, up to the date of issuance of the financial statements are disclosed below. The Company intends to adopt these new and amended standards and interpretations, if applicable, when they become effective.

(i) IFRS 9 *Financial Instruments* and IFRS *7 Financial Instruments: Disclosures* have been amended to clarify that financial liabilities are derecognized on the settlement date, which is the date the obligation is discharged, canceled, or expired. The amendments also introduce an optional accounting policy that allows entities to derecognized financial liabilities settled through electronic payment systems before the settlement date, provided specific conditions are met.

Further, the amendments to IFRS 9 and IFRS 7 introduce new disclosure requirements for financial assets and liabilities with contractual terms that can change cash flows due to contingent events not directly related to basic lending risks. Once in effect, entities must disclose a qualitative description of the contingent event, quantitative information on possible changes to the entity's contractual cash flows, and the gross carrying amount or amortized cost of affected financial instruments.

These amendments are effective for annual reporting periods beginning on or after January 1, 2026, with earlier application permitted. The amendments are to be applied retrospectively, but entities are not required to restate comparative periods.

The Company is currently assessing the impact of these amendments on its financial statements.

(ii) IFRS 18 *Presentation and Disclosures in Financial Statements* replacing IAS 1 *Presentation of Financial Statements* introduces new requirements for presentation within the Consolidated Statements of Income (Loss) and Comprehensive Income (Loss), including specified totals and subtotals. Furthermore, entities are required to classify all income and expenses within the statement of profit or loss into one of five categories: operating, investing, financing, income taxes and discontinued operations.

It also requires disclosure of newly defined management-defined performance measures, subtotals of income and expenses, and includes new requirements for aggregation and disaggregation of financial information based on the identified 'roles' of the primary financial statements ("PFS") and the notes. In addition, narrow-scope amendments have been made to IAS 7 *Statement of Cash Flows*, which include changing the starting point for determining cash flows from operations under the indirect method, from 'profit or loss' to 'operating profit or loss' and removing the optionality around classification of cash flows from dividends and interest. In addition, there are consequential amendments to several other standards.

IFRS 18, and the amendments to the other standards, is effective for reporting periods beginning on or after January 1, 2027, but earlier application is permitted and must be disclosed. IFRS 18 will apply retrospectively.

The Company is currently assessing the impact of this standard and related amendments on its financial statements.

2. Property, plant and equipment

	Land and buildings	Furniture, tools and other assets	Right-of-use assets	Automotive and heavy equipment	Total
Cost					
As at December 31, 2024	$ 16,760	$ 24,110	$ 62,198	$ 38,331	$ 141,399
Additions	—	77	—	—	77
Remeasurement	—	—	1,968	—	1,968
Disposals	—	—	—	(1,162)	(1,162)
Asset class transfer	—	—	(710)	710	—
As at March 31, 2025	$ 16,760	$ 24,187	$ 63,456	$ 37,879	$ 142,282
Accumulated depreciation					
As at December 31, 2024	$ 3,207	$ 15,944	$ 37,547	$ 31,936	$ 88,634
Depreciation	117	441	1,902	305	$ 2,765
Disposals	—	—	—	(1,040)	$ (1,040)
Asset class transfer	—	—	(538)	538	$ —
As at March 31, 2025	$ 3,324	$ 16,385	$ 38,911	$ 31,739	$ 90,359
Net book value					
As at December 31, 2024	$ 13,553	$ 8,166	$ 24,651	$ 6,395	$ 52,765
As at March 31, 2025	$ 13,436	$ 7,802	$ 24,545	$ 6,140	$ 51,923

Right-of-use assets consist of the following:

		Land and buildings		Automotive and heavy equipment		Total
Cost						
As at December 31, 2024	$	40,612	$	21,586	$	62,198
Remeasurement		1,969		(1)		1,968
Asset class transfer		—		(710)		(710)
As at March 31, 2025	$	42,581	$	20,875	$	63,456
Accumulated depreciation						
As at December 31, 2024	$	29,421	$	8,126	$	37,547
Depreciation		924		978		1,902
Asset class transfer		—		(538)		(538)
As at March 31, 2025	$	30,345	$	8,566	$	38,911
Net book value						
As at December 31, 2024	$	11,191	$	13,460	$	24,651
As at March 31, 2025	$	12,236	$	12,309	$	24,545

Remeasurement

During the first quarter of 2025, the Company amended several lease agreements to extend the lease terms. As these amendments represent lease modifications under IFRS 16, the related lease liabilities and right-of-use assets were remeasured during the quarter. This resulted in an increase of $1,969 to both the lease liability and right-of-use asset. Apart from the lease term extensions, one lease modification includes a scheduled rent increase that will impact future cash flows, with fixed payments increasing from $27 to $29 per month beginning in the fourth quarter of 2025. No other changes were made to the lease agreements.

3. ABL Facility, Term Loan Facility and Other Borrowings

a. ABL Facility

FLINT has a $50,000 asset-based revolving credit facility (the "ABL Facility") maturing on April 14, 2027. The amount available under the ABL Facility will vary from time to time based on the borrowing base determined with reference to the accounts receivable of the Company. The ABL Facility borrowing base as at March 31, 2025 was $38,814 (December 31, 2024 - $50,000). The obligations under the ABL Facility are secured by, among other things, a first ranking lien on all of the existing and after acquired accounts receivable of the Company and the other guarantors, being certain of the Company's direct subsidiaries. The interest rate on the ABL Facility is the Lender's prime rate plus 1.75% (December 31, 2024 - Lender's prime rate plus 1.75%).

As at March 31, 2025, nil (December 31, 2024 - nil) was drawn on the ABL Facility, and there were $400 (December 31, 2024 - $400) of letters of credit reducing the amount available to be drawn. As at March 31, 2025, the net amount of deferred financing costs was $271 (December 31, 2024 - $304).

The financial covenants applicable under the ABL Facility are as follows:

- The Company must maintain a fixed charge coverage ratio equal to or greater than 1.00:1.00 for each twelve month period calculated and tested as of the last day of each fiscal quarter; and

- For each fiscal year, the Company must not expend or become obligated for (i) any capital expenditures in an aggregate amount exceeding $20,000 and (ii) any non-financed capital expenditures in an aggregate amount exceeding $8,000.

As at March 31, 2025, FLINT was in compliance with all financial covenants under the ABL Facility.

b. Term Loan Facility

FLINT has a term loan facility providing for maximum borrowings of up to $40,500 (the “Term Loan Facility”) with Canso Investment Counsel Ltd., in its capacity as portfolio manager for and on behalf of certain accounts that it manages (“Canso”). The Term Loan Facility matures on the earlier of (a) the date that is 180 days following the maturity date of the ABL Facility and (b) October 14, 2027.

As at March 31, 2025, $40,500 (December 31, 2024 - $40,500) was outstanding under the Term Loan Facility. The Term Loan Facility is required to be used for specific purposes and cannot be redrawn once repaid. The interest rate on the Term Loan Facility is a fixed rate of 8.0% (December 31, 2024 - fixed rate of 8.0%). The net amount of deferred financing costs was $161 as at March 31, 2025 (December 31, 2024 - $176).

c. Other Secured Borrowings

On June 26, 2019, the Company received a secured loan with the Business Development Bank of Canada (“BDC”) as a partial source of funds for the acquisition of certain assets of the production services division of AECOM Production Services Ltd. (the "AECOM PSD Business").

The loan has monthly principal payments of $45, with the final payment to occur on October 2, 2045. The interest rate on the loan is the BDC Floating Base Rate less 1.0%. Interest accrues and is payable monthly. The Company allocated $195 in deferred financing costs to this loan that will be amortized over the life of the loan.

The loan is secured by a first security interest on the real property and equipment acquired through the acquisition of the AECOM PSD Business and a security interest in all other present and future property, subject to the priorities granted to existing lenders under the ABL Facility, the Term Loan Facility, the senior secured debentures and other existing commitments.

The loan agreement with BDC requires the Company to maintain a fixed charge coverage ratio equal to or greater than 1.00:1.00 for each twelve month period calculated and tested as of the last day of each fiscal year.

As at March 31, 2025, FLINT was in compliance with all financial covenants under the loan agreement with BDC.

d. Senior Secured Debentures

Balance as at December 31, 2023	$	129,171
Accretion		217
Debentures issued to settle interest		5,205
Balance as at December 31, 2024	$	134,593
Balance as at March 31, 2025	$	134,593

On March 23, 2016, the Company issued 8.0% senior secured debentures due March 23, 2026 (the "Senior Secured Debentures") pursuant to a trust indenture between FLINT, as issuer, and BNY Trust Company of Canada, as debenture trustee, as amended and supplemented (the "Senior Secured Indenture"), on a private placement basis to Canso. On June 2, 2020, the debenture trustee was changed to Computershare Trust Company of Canada. On May 31, 2024, the maturity date of the Senior Secured Debentures was extended to October 14, 2027.

The Senior Secured Debentures bear interest at an annual rate of 8.0% payable in arrears on June 30 and December 31 of each year. The Senior Secured Debentures are redeemable at the option of the Company and, in certain circumstances, are mandatorily redeemable. The Senior Secured Debentures are secured by first-ranking liens over all of the property of the Company and its guarantor subsidiaries, other than certain limited classes of collateral over which the Company has granted a prior-ranking lien in favour of the ABL Facility, the Term Loan Facility and the other secured loans.

The Senior Secured Debentures provide for certain events of default and covenants of the Company, including financial and reporting covenants and restrictive covenants limiting the ability of the Company and its subsidiaries to make certain distributions and dispositions, incur indebtedness, grant liens and limitations with respect to acquisitions, mergers, investments, non-arm’s length transactions, reorganizations and hedging arrangements (subject to certain exceptions).

4. Selling, general and administrative expenses

For three months ended March 31,	2025	2024
Salaries and benefits	$ 6,581	$ 6,742
Occupancy and office costs	1,229	1,069
Professional fees	785	1,353
Travel and advertising	384	493
Insurance	382	399
Total	$ 9,361	$ 10,056

5. Share capital and loss per share

The authorized share capital of the Company consists of: (i) an unlimited number of Common Shares, and (ii) Preferred Shares issuable in series to be limited in number to an amount equal to not more than one half of the issued and outstanding Common Shares at the time of issuance of such Preferred Shares.

The following table summarizes the number of Preferred and Common Shares outstanding:

	Preferred Shares		Common
	Series 1	Series 2	Shares
Balance as at December 31, 2024	127,732	40,100	110,001,239
Balance as at March 31, 2025	127,732	40,100	110,001,239

The Series 1 and Series 2 Preferred Shares have a 10.0% fixed cumulative preferential cash dividend payable when the Company shall have sufficient monies to be able to do so, including under the provisions of applicable law and contracts affecting the Company. The Board of Directors of the Company does not intend to declare or pay any cash dividends until the Company’s balance sheet and liquidity position supports the payment. Any accrued and unpaid dividends are convertible in certain circumstances at the option of the holder into additional Series 1 and Series 2 Preferred Shares.

As at March 31, 2025, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled $114,372 (December 31, 2024 - $110,234). Assuming that the holders of the Preferred Shares exercise the right to convert such accrued and unpaid dividends into additional Preferred Shares and then convert such Preferred Shares into Common Shares, approximately 491,713,484 (December 31, 2024 - 472,827,081) Common Shares would be issued, which represents approximately 447.0% (December 31, 2024 - 429.8%) of the Common Shares outstanding as at March 31, 2025.

In addition, holders of the Series 1 and Series 2 Preferred Shares have the right, at their option, to convert their Preferred Shares into Common Shares at a price of $0.35 and $0.10 per Common Share, respectively, subject to adjustment in certain circumstances. During the three months ended March 31, 2025, and year ended December 31, 2024 no Series 1 or Series 2 Preferred Shares were converted into Common Shares.

The Series 1 and Series 2 Preferred Shares are redeemable by the Company for cash at 110% of the purchase price for such shares, plus accrued but unpaid dividends, once all of the outstanding Senior Secured Debentures have been repaid and are subject to repayment in the event of certain change of control transactions.

Based upon the conversion rights of the Series 1 and Series 2 Preferred Shares there could be significant dilution to the current holders of Common Shares. Up to approximately 765,948,571 (December 31, 2024 - 765,948,571) additional Common Shares would be issuable upon conversion of the face amount of the Preferred Shares into Common Shares, representing approximately 696.3% (December 31, 2024 - 696.3%) of the Common Shares outstanding as at March 31, 2025.

The only potentially dilutive securities as at March 31, 2025 were the Preferred Shares. All potentially dilutive securities were anti-dilutive for the three months ended March 31, 2025, and therefore were not included in the calculation of diluted earnings per share.

6. Financial instruments and risk management

Financial instruments consist of cash, accounts receivable, accounts payable and accrued liabilities, the ABL Facility, the Term Loan Facility, the Senior Secured Debentures and other secured borrowings.

a. Risk management

FLINT's Board of Directors has overall responsibility for the establishment and oversight of FLINT's risk management framework. FLINT has exposure to credit risk, interest rate risk, customer concentration risk, and liquidity risk.

(i) Credit risk

The Company has exposure to credit risk, which is the risk of financial loss to FLINT if a customer or counterparty to a financial instrument fails to meet its contractual obligations and arises principally from FLINT's accounts receivable. The following table outlines FLINT's maximum exposure to credit risk:

	March 31, 2025	December 31, 2024
Cash	$ 51,547	$ 10,957
Accounts receivable	115,653	162,158
Total	$ 167,200	$ 173,115

Cash is held at a Canadian Schedule 1 Bank and is therefore considered low credit risk.

FLINT has a credit policy under which each new customer is analyzed individually for creditworthiness before standard payment terms and conditions are offered. FLINT's exposure to credit risk with its customers is influenced mainly by the individual characteristics of each customer. When available, FLINT reviews credit bureau ratings, bank accounts and financial information for each new customer. FLINT's customers are primarily Canadian companies operating in energy and industrial markets, all of which have strong creditworthiness.

Of the total balance of accounts receivable at March 31, 2025, $79,368 (December 31, 2024 - $111,283) related to trade receivables and $36,285 (December 31, 2024 - $50,875) related to accrued revenue and other (i.e., for work performed but not yet invoiced). $29,755 of the accrued revenue and other as at March 31, 2025, represents an unconditional right to consideration (December 31, 2024 - $43,353).

Trade receivables are non-interest bearing and are generally due on 30-90 day terms. As at March 31, 2025, approximately $7,129 of FLINT's trade receivables had been outstanding longer than 90 days (December 31, 2024 - $9,721). Management has fully evaluated the outstanding receivables as at March 31, 2025 and has determined that the lifetime expected credit losses of the trade receivables is immaterial at this time.

(ii) Interest rate risk

Interest rate risk arises from the possibility of the future cash flows of a financial instrument fluctuating as a result of changes in the market rates of interest. FLINT is subject to interest rate risk on its ABL Facility and other secured borrowings. The required cash flow to service certain credit facilities will fluctuate as a result of changes in market rates.

There were no material changes to interest rate risk for the three months ended March 31, 2025.

(iii) Customer concentration risk

There were no material changes to customer concentration for the three months ended March 31, 2025.

(iv) Liquidity risk

Liquidity risk is the risk that FLINT will not be able to meet its financial obligations as they come due. FLINT's approach to managing liquidity is to ensure, as far as possible, that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to its reputation.

FLINT's strategy is that long-term debt should always form part of its capital structure, assuming an appropriate cost. As existing debt approaches maturity, FLINT will replace it with new debt, convert it into equity or refinance or restructure, depending on the state of the capital markets at the time.

FLINT manages its liquidity risk by continuously monitoring forecast and actual gross profit and cash flows from operations. The Company anticipates that its liquidity (cash on hand and available credit facilities) and cash flows from operations will be sufficient to meet its short-term contractual obligations and to maintain compliance with its financial covenants through March 31, 2026. To maintain compliance with its financial covenants through March 31, 2026, the Company can request approval from the holder of the Senior Secured Debentures to pay interest on the Senior Secured Debentures in kind (see Note 3).

CORPORATE INFORMATION

BOARD OF DIRECTORS

Sean McMaster (1) (2)
Chair of the Board

Barry Card
Director

H. Fraser Clarke (1) (2)
Director

Katrisha Gibson (1) (3)
Director

Karl Johannson (2) (3)
Director

Dean MacDonald (3)
Director

Notes:
(1) Member of the Audit Committee
(2) Member of the Corporate Governance and Compensation Committee
(3) Member of the Health, Safety and Environment Committee

OFFICERS

Barry Card
Chief Executive Officer

Jennifer Stubbs
Chief Financial Officer

Neil Wotton
Chief Operating Officer

Kent Chicilo
Senior Vice President, Legal

James Healey
Vice President, Finance and Corporate Controlling

Deloris Rushton
Vice President, Human Resources and Marketing

Herb Thomas
Vice President, Maintenance and Construction

Angela Thompson
Vice President, Commercial and Environmental Services

Clint Tisnic
Vice President, Operational Finance

HEAD OFFICE

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McCarthy Tetrault LLP

AUDITORS
Ernst & Young LLP

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Helping customers bring their resources to our world. We will be the service company of choice for our stakeholders.