



SECOND QUARTER

2025

FLINT Announces Second Quarter 2025 Financial Results

Reports Adjusted EBITDAS of \$9.6 million, representing a 16% improvement from prior year

Calgary, Alberta (July 31, 2025) – FLINT Corp. ("FLINT" or the "Company") (TSX: FLNT) today announced its results for the three and six months ended June 30, 2025. All amounts are in Canadian dollars and expressed in thousands 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 continued commitment to quality execution and disciplined business optimization was once again evident this quarter. Despite a year over year decline in revenues, we delivered improved operating results, demonstrating the resilience of our operating model and the strength of our team," said Barry Card, Chief Executive Officer.

"Second quarter revenues, gross profit, and Adjusted EBITDAS all increased compared to the first quarter of 2025. Activity levels were slightly lower than the same period last year, with revenues down approximately 10% in that timeframe. At the same time, gross profit in the second quarter of 2025 reached \$18.5 million, and Adjusted EBITDAS was \$9.6 million, representing increases of 3% and 16%, respectively, over the second quarter of 2024. Given the current economic and geopolitical landscape, we are seeing delays in the timing of work awarded and executed by our customers. As a result, we anticipate activity levels for the remainder of 2025 to remain broadly consistent with the first half of the year," added Mr. Card.

SECOND QUARTER HIGHLIGHTS

- Revenue for the three months ended June 30, 2025 was \$148.3 million, representing a decrease of \$16.6 million or 10.1% from the same period in 2024 and an increase of \$10.4 million or 7.6% from the first quarter of 2025.
- Gross profit for the three months ended June 30, 2025 was \$18.5 million, representing an increase of \$0.5 million or 2.9% from the same period in 2024 and an increase of \$4.1 million or 28.5% from the first quarter of 2025.
- Gross profit margin for the three months ended June 30, 2025 was 12.5%, as compared to 10.9% in the same period in 2024 and 10.4% in the first quarter of 2025.
- Adjusted EBITDAS for the three months ended June 30, 2025 was \$9.6 million, representing an increase of \$1.3 million or 16.1% from the same period in 2024 and an increase of \$4.5 million or 88.3% from the first quarter of 2025.
- Adjusted EBITDAS margin was 6.5% for the three months ended June 30, 2025, representing an increase of 1.5% from the same period in 2024 and an increase of 2.8% from the first quarter of 2025.
- Selling, general and administrative ("SG&A") expenses for the three months ended June 30, 2025 were \$9.4 million, representing a decrease of \$0.8 million or 7.5% from the same period in 2024 and was consistent with the first quarter of 2025. As a percentage of revenue, SG&A expenses for the three months ended June 30, 2025 was 6.3%, as compared to 6.2% in the same period in 2024 and 6.8% in the first quarter of 2025.
- Liquidity, including cash and available credit facilities, was \$97.4 million at June 30, 2025, as compared to \$41.7 million from the same period in 2024, representing an increase of \$55.7 million or 133.5%.
- New contract awards and renewals totaled approximately \$56.8 million for the three months ended June 30, 2025 and \$8.8 million for the first three weeks of July. Approximately 68% of the work is expected to be completed in 2025.

SECOND QUARTER FINANCIAL RESULTS

(\$ thousands, except per share amounts)	Three months ended June 30,			Six months ended June 30,		
	2025	2024	% Change	2025	2024	% Change
Revenue (\$)	148,302	164,922	(10.1)	286,183	311,785	(8.2)
Gross Profit (\$)	18,508	17,978	2.9	32,909	30,988	6.2
Gross Profit Margin (%)	12.5	10.9	1.6	11.5	9.9	1.6
Adjusted EBITDAS ⁽¹⁾	9,639	8,305	16.1	14,757	11,493	28.4
Adjusted EBITDAS Margin (%)	6.5	5.0	1.5	5.2	3.7	1.5
SG&A (\$)	9,416	10,181	(7.5)	18,777	20,237	(7.2)
SG&A Margin (%)	6.3	6.2	0.1	6.6	6.5	0.1
Net income (loss) from continuing operations (\$)	1,106	(588)	288.1	(2,226)	(5,374)	58.6
Net income (loss) (\$)	1,100	(606)	281.5	(2,241)	(5,618)	60.1
Basic and Diluted:						
Net income (loss) per share from continuing operations (\$)	0.01	0.00	—	(0.02)	(0.05)	59.5
Net income (loss) per share (\$)	0.01	0.00	—	(0.02)	(0.05)	59.5

(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 and six months ended June 30, 2025 was \$148,302 and \$286,183 compared to \$164,922 and \$311,785 for the same periods in 2024, representing a decrease of 10.1% and 8.2%. The decrease in revenue was primarily due to the timing of construction and maintenance work as compared to the same periods in 2024.

Gross profit for the three and six months ended June 30, 2025 was \$18,508 and \$32,909 compared to \$17,978 and \$30,988 for the same periods in 2024, representing an increase of 2.9% and 6.2%. Gross profit margin for three and six months ended June 30, 2025 was 12.5% and 11.5%, compared to 10.9% and 9.9% for the same periods 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 periods in 2024.

SG&A expenses for the three and six months ended June 30, 2025 were \$9,416 and \$18,777, in comparison to \$10,181 and \$20,237 for the same periods in 2024, representing a decrease of 7.5% and 7.2%. As a percentage of revenue, SG&A expenses for the three and six months ended June 30, 2025 were 6.3% and 6.6% compared to 6.2% and 6.5% for the same periods in 2024. The decrease in SG&A expenses is primarily driven by reduced personnel expenses.

For the three and six months ended June 30, 2025, Adjusted EBITDAS was \$9,639 and \$14,757 compared to \$8,305 and \$11,493 for the same periods in 2024. As a percentage of revenue, Adjusted EBITDAS was 6.5% and 5.2% for the three and six months ended June 30, 2025 compared to 5.0% and 3.7% for the same periods in 2024.

Income from continuing operations for the three and six months ended June 30, 2025 was income of \$1,106 and a loss of \$2,226 compared to a loss of \$588 and a loss of \$5,374 for the same periods in 2024. The variance was driven primarily by the increase in gross profit and lower SG&A expenses.

LIQUIDITY AND CAPITAL RESOURCES

FLINT has an asset-based revolving credit facility (the “ABL Facility”) providing for maximum borrowings of 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. To maintain compliance with its financial covenants through June 30, 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 June 30, 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 June 30, 2025, the accrued and unpaid dividends on the Series 1 and Series 2 shares totaled \$118.6 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.

CORPORATE UPDATES

The annual meeting of holders of common shares of the Corporation was held on June 24, 2025. At the meeting, shareholders approved the election of Sean McMaster, Barry Card, H. Fraser Clarke, Katrisha Gibson, Karl Johansson and Dean MacDonald as directors and the appointment of Ernst & Young LLP as auditors.

ADDITIONAL INFORMATION

Our unaudited condensed interim financial statements for the three and six months ended June 30, 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:

Barry Card

Chief Executive Officer

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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. Specifically, this press release 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 to June 30, 2026; the payment of interest owing on the Senior Secured Debentures in kind; the Company’s approach to dividends; and that we anticipate activity levels for the remainder of 2025 to remain broadly consistent with the first half of 2025.

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 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.

(In thousands of Canadian dollars)	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Income (loss) from continuing operations	1,106	(588)	(2,226)	(5,374)
Add:				
Amortization of intangible assets	64	67	129	135
Depreciation expense	2,635	2,715	5,400	5,332
Long-term incentive plan expense	900	775	1,900	1,375
Interest expense	4,715	4,733	9,244	9,315
EBITDAS	9,420	7,702	14,447	10,783
Add (deduct):				
Gain on sale of property, plant and equipment	(398)	(274)	(712)	(443)
Restructuring expenses	314	581	868	976
Other income	(171)	(106)	(327)	(421)
One-time incurred expenses	474	402	481	598
Adjusted EBITDAS	9,639	8,305	14,757	11,493



FLINT™

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SECOND QUARTER 2025

MD&A

Management's Discussion and Analysis

July 31, 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 and six months ended June 30, 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 and six months ended June 30, 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 July 31, 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 June 30, 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 proposed production increases by OPEC+, geopolitical and economic uncertainties and variable trade conditions could impact supply and demand in 2026, which may result in oil price pressure; forecasts for natural gas show a notable uptick in consumption for heating, power and LNG exports into 2026, which may result in improved economics; 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

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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.

SECOND QUARTER 2025 SUMMARY OF RESULTS – CONTINUING OPERATIONS

(In thousands of Canadian dollars)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Revenue	\$ 148,302	\$ 164,922	\$ 286,183	\$ 311,785
Cost of revenue	(129,794)	(146,944)	(253,274)	(280,797)
Gross profit	18,508	17,978	32,909	30,988
Selling, general and administrative expenses	(9,416)	(10,181)	(18,777)	(20,237)
Long-term incentive plan expense	(900)	(775)	(1,900)	(1,375)
Amortization of intangible assets	(64)	(67)	(129)	(135)
Depreciation expense	(2,635)	(2,715)	(5,400)	(5,332)
Income from long-term investments	73	106	144	144
Interest expense	(4,715)	(4,733)	(9,244)	(9,315)
Restructuring expenses	(314)	(581)	(868)	(976)
Gain on sale of property, plant and equipment	398	274	712	443
Other income	171	106	327	421
Income (loss) from continuing operations	1,106	(588)	(2,226)	(5,374)
Add:				
Amortization of intangible assets	64	67	129	135
Depreciation expense	2,635	2,715	5,400	5,332
Long-term incentive plan expense	900	775	1,900	1,375
Interest expense	4,715	4,733	9,244	9,315
EBITDAS ⁽¹⁾	9,420	7,702	14,447	10,783
Add (deduct):				
Gain on sale of property, plant and equipment	(398)	(274)	(712)	(443)
Restructuring expenses	314	581	868	976
Other income	(171)	(106)	(327)	(421)
One-time incurred expenses	474	402	481	598
Adjusted EBITDAS ⁽¹⁾	\$ 9,639	\$ 8,305	\$ 14,757	\$ 11,493

(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 June 30,		Six months ended June 30,	
Net income (loss) per share (dollars)	2025	2024	2025	2024
Basic & Diluted:				
Continuing operations	\$ 0.01	\$ 0.00	\$ (0.02)	\$ (0.05)
Discontinued operations	\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Net income (loss)	\$ 0.01	\$ 0.00	\$ (0.02)	\$ (0.05)

Selected Balance Sheet Accounts	June 30, December 31,	
	2025	2024
Total assets	\$ 220,943	\$ 235,238
Term loan facility	40,355	40,324
Senior secured debentures	134,731	134,593
Other secured borrowings	10,860	11,125
Shareholders' deficit	\$ 56,105	\$ 53,864

THREE MONTHS ENDED

Revenue for the three months ended June 30, 2025 was \$148,302 compared to \$164,922 for the same period in 2024, representing a decrease of 10.1%. The decrease in revenue was primarily due to the timing of construction and maintenance work as compared to the same period in 2024.

Gross profit for the three months ended June 30, 2025 was \$18,508 compared to \$17,978 for the same period in 2024, representing an increase of 2.9%. Gross profit margin for the three months ended June 30, 2025 was 12.5% compared to 10.9% 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.

Selling, general and administrative ("SG&A") expenses for the three months ended June 30, 2025 were \$9,416 in comparison to \$10,181 for the same period in 2024, representing a decrease of 7.5%. As a percentage of revenue, SG&A expenses for the three months ended June 30, 2025 were 6.3% compared to 6.2% for the same period in 2024. The decrease in SG&A expenses is primarily driven by reduced personnel expenses partially offset by higher professional fees. SG&A expenses as a percentage of revenue was relatively consistent with the prior period.

Non-cash items that impacted the 2025 results were depreciation and amortization. For the three months ended June 30, 2025, depreciation and amortization expenses were \$2,699 compared to \$2,782 for the same period in 2024, representing a decrease of 3.0%. Depreciation and amortization expenses were relatively consistent with the prior period.

For the three months ended June 30, 2025, interest expenses were \$4,715 compared to \$4,733 for the same period in 2024, representing a decrease of 0.4%. Interest expenses were relatively consistent with the prior period.

Income from continuing operations for the three months ended June 30, 2025 was \$1,106, compared to a loss of \$588 for the same period in 2024, representing an increase of 288.1%. The income variance was primarily driven by lower SG&A expenses, increase in gross profit and lower restructuring expenses.

For the three months ended June 30, 2025, Adjusted EBITDAS was \$9,639 compared to \$8,305 for the same period in 2024, representing an increase of 16.1%. As a percentage of revenue, Adjusted EBITDAS was 6.5% for the three months ended June 30, 2025 compared to 5.0% for the same period in 2024.

SIX MONTHS ENDED

Revenue for the six months ended June 30, 2025 was \$286,183 compared to \$311,785 for the same period in 2024, representing a decrease of 8.2%. The decrease in revenue was primarily due to the same factors that impacted the three months ended.

Gross profit for the six months ended June 30, 2025 was \$32,909 compared to \$30,988 for the same period in 2024, representing an increase of 6.2%. Gross profit margin for the six months ended June 30, 2025 was 11.5% compared to 9.9% for the same period in 2024. The increase in gross profit and gross profit margin relates to the same factors that impact the three months ended.

SG&A expenses for the six months ended June 30, 2025 were \$18,777 in comparison to \$20,237 for the same period in 2024, representing a decrease of 7.2%. As a percentage of revenue, SG&A expenses for the six months ended June 30, 2025 were 6.6% compared to 6.5% for the same period in 2024. The decrease in SG&A expenses is primarily driven by reduced personnel expenses. SG&A expenses as a percentage of revenue was relatively consistent with the prior period.

Non-cash items that impacted the 2025 results were depreciation and amortization. For the six months ended June 30, 2025, depreciation and amortization expenses were \$5,529 compared to \$5,467 for the same period in 2024, representing an increase of 1.1%. Depreciation and amortization expenses were relatively consistent with the prior period.

For the six months ended June 30, 2025, interest expenses were \$9,244 compared to \$9,315 for the same period in 2024, representing a decrease of 0.8%. Interest expenses were relatively consistent with the prior period.

Loss from continuing operations for the six months ended June 30, 2025 was \$2,226 in comparison to a loss of \$5,374 for the same period in 2024, representing an increase of 58.6%. The loss variance was driven primarily by the increase in gross profit and lower SG&A expenses.

For the six months ended June 30, 2025, Adjusted EBITDAS was \$14,757 compared to \$11,493 for the same period in 2024, representing an increase of 28.4%. As a percentage of revenue, Adjusted EBITDAS was 5.2% for the six months ended June 30, 2025, compared to 3.7% for the same period in 2024.

LIQUIDITY AND CAPITAL RESOURCES

For the six months ended June 30,	2025	2024
Cash flow provided by (used in) operating activities	\$ 41,727	\$ (11,411)
Cash flow provided by investing activities	1,041	1,298
Cash flow (used in) provided by financing activities	(5,383)	1,323
Cash, end of period	\$ 48,342	\$ 906

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 June 30, 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 six months ended June 30, 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 six months ended June 30, 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 June 30, 2025 was \$50,000 (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 June 30, 2025, nil (December 31, 2024 - nil) was drawn on the ABL Facility, and there were \$100 (December 31, 2024 - \$400) of letters of credit reducing the amount available to be drawn. As at June 30, 2025, the net amount of deferred financing costs was \$239 (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 June 30, 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 June 30, 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 \$145 as at June 30, 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 June 30, 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 June 30, 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 Shares
	Series 1	Series 2	
Balance as at December 31, 2024	127,732	40,100	110,001,239
Balance as at June 30, 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 June 30, 2025, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled \$118,556 (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 510,809,736 (December 31, 2024 - 472,827,081) Common Shares would be issued, which represents approximately 464.4% (December 31, 2024 - 429.8%) of the Common Shares outstanding as at June 30, 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 six months ended June 30, 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 June 30, 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 energy sector clients, oil prices increased early in the second quarter of 2025 on geopolitical risks before moderating by quarter end. Looking forward, proposed production increases by OPEC+, geopolitical and economic uncertainties and variable trade conditions could impact supply and demand in 2026, which may result in oil price pressure. Conversely, forecasts for natural gas show a notable uptick in consumption for heating, power and LNG exports into 2026, which may result in improved economics. These intertwined uncertainties and persistent market volatility continue to influence the timing of our customers investment decisions across every industry we support.

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 six months ended June 30, 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 Q2	2025 Q1	2024 Q4	2024 Q3	2024 Q2	2024 Q1	2023 Q4	2023 Q3
Revenue (\$)	148,302	137,881	187,175	211,594	164,922	146,863	149,682	187,017
Gross Profit (\$)	18,508	14,401	20,180	23,757	17,978	13,010	17,145	19,740
Gross Profit Margin (%)	12.5	10.4	10.8	11.2	10.9	8.9	11.5	10.6
Adjusted EBITDAS	9,639	5,118	10,551	13,433	8,305	3,188	8,868	10,796
Net income (loss) from continuing operations (\$)	1,106	(3,332)	1,694	5,305	(588)	(4,786)	(255)	2,789
Net income (loss) (\$)	1,100	(3,341)	1,657	5,233	(606)	(5,012)	(261)	2,786
Net income (loss) per share from continuing operations (\$)	0.01	(0.03)	0.01	0.05	0.00	(0.05)	(0.01)	0.03
Net income (loss) per share (\$)	0.01	(0.03)	0.01	0.05	0.00	(0.05)	(0.01)	0.03

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.



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SECOND QUARTER 2025

FINANCIAL STATEMENTS



Second Quarter 2025

 flintcorp.com

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF
FLINT CORP.
FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2025 AND 2024
(UNAUDITED)

Consolidated Interim Balance Sheets

(In thousands of Canadian dollars)

(Unaudited)

	Notes	June 30, 2025	December 31, 2024
Assets			
Cash	6	\$ 48,342	\$ 10,957
Accounts receivable	6	113,675	162,158
Inventories		2,984	3,978
Prepaid expenses		5,055	3,536
Total current assets		170,056	180,629
Property, plant and equipment	2	49,028	52,765
Intangible assets		1,060	1,189
Long-term investments		799	655
Total assets		\$ 220,943	\$ 235,238
Liabilities and shareholders' deficit			
Accounts payable and accrued liabilities		\$ 56,359	\$ 64,261
Current portion of lease liabilities		9,899	10,015
Current portion of long-term incentive plan liability		3,073	2,874
Current portion of other secured borrowings	3	539	539
Total current liabilities		69,870	77,689
Long-term incentive plan liability		2,132	3,333
Term loan facility	3	40,355	40,324
Lease liabilities		19,639	22,577
Other secured borrowings	3	10,321	10,586
Senior secured debentures	3	134,731	134,593
Total liabilities		277,048	289,102
Common shares	5	462,057	462,057
Preferred shares	5	141,930	141,930
Contributed surplus		20,679	20,679
Deficit		(680,771)	(678,530)
Total shareholders' deficit		(56,105)	(53,864)
Total liabilities and shareholders' deficit		\$ 220,943	\$ 235,238

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

Consolidated Interim Statements of Income (Loss) and Comprehensive Income (Loss)

(In thousands of Canadian dollars)

(Unaudited)

		Three months ended June 30,		Six months ended June 30,	
	Notes	2025	2024	2025	2024
Revenue		\$ 148,302	\$ 164,922	\$ 286,183	\$ 311,785
Cost of revenue		(129,794)	(146,944)	(253,274)	(280,797)
Gross profit		18,508	17,978	32,909	30,988
Selling, general and administrative expenses	4	(9,416)	(10,181)	(18,777)	(20,237)
Long-term incentive plan expense		(900)	(775)	(1,900)	(1,375)
Amortization of intangible assets		(64)	(67)	(129)	(135)
Depreciation expense	2	(2,635)	(2,715)	(5,400)	(5,332)
Income from long-term investments		73	106	144	144
Interest expense		(4,715)	(4,733)	(9,244)	(9,315)
Restructuring expenses		(314)	(581)	(868)	(976)
Gain on sale of property, plant and equipment		398	274	712	443
Other income		171	106	327	421
Income (loss) from continuing operations		1,106	(588)	(2,226)	(5,374)
Loss from discontinued operations (net of income taxes)		(6)	(18)	(15)	(244)
Net income (loss) and comprehensive income (loss)		\$ 1,100	\$ (606)	\$ (2,241)	\$ (5,618)
Net income (loss) per share (dollars)					
Basic and diluted:					
Continuing operations		\$ 0.01	\$ 0.00	\$ (0.02)	\$ (0.05)
Discontinued operations		\$ 0.00	\$ 0.00	\$ 0.00	\$ 0.00
Net income (loss)		\$ 0.01	\$ 0.00	\$ (0.02)	\$ (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)

	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	—	—	—	—	(2,241)	(2,241)
At June 30, 2025	110,001,239	\$ 462,057	\$ 141,930	\$ 20,679	\$ (680,771)	\$ (56,105)

	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	—	—	—	—	(5,618)	(5,618)
At June 30, 2024	110,001,239	\$ 462,057	\$ 141,930	\$ 20,679	\$ (685,420)	\$ (60,754)

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 the six months ended June 30,	Notes	2025	2024
Operating activities:			
Net loss		\$ (2,241)	\$ (5,618)
Adjustments for:			
Amortization of intangible assets		129	135
Depreciation expense	2	5,400	5,332
Income from long-term investment		(144)	(144)
Accretion expense		142	132
Non-cash interest expense		—	5,205
Amortization of deferred financing costs	3	96	167
Gain on sale of property, plant and equipment	2	(712)	(443)
Other income		68	37
Changes in non-cash working capital		38,989	(16,214)
Cash flow provided by (used in) operating activities		41,727	(11,411)
Investing activities:			
Purchase of property, plant and equipment	2	(271)	(1,595)
Proceeds on disposal of property, plant and equipment	2	1,312	2,643
Dividend proceeds from equity investment		—	250
Cash flow provided by investing activities		1,041	1,298
Financing activities:			
Repayment of other secured borrowings	3	(270)	(1,162)
Increase in ABL facility	3	—	7,661
Refinancing fees	3	—	(186)
Repayment of lease liabilities		(5,113)	(4,990)
Cash flow (used in) provided by financing activities		(5,383)	1,323
Increase (decrease) in cash		37,385	(8,790)
Cash, beginning of the period		10,957	9,696
Cash, end of the period		\$ 48,342	\$ 906

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 July 31, 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 derecognize 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	—	271	—	—	271
Remeasurement	—	—	1,992	—	1,992
Disposals	—	(181)	(91)	(3,420)	(3,692)
Asset class transfer	—	—	(1,940)	1,940	—
As at June 30, 2025	\$ 16,760	\$ 24,200	\$ 62,159	\$ 36,851	\$ 139,970
Accumulated depreciation					
As at December 31, 2024	\$ 3,207	\$ 15,944	\$ 37,547	\$ 31,936	\$ 88,634
Depreciation	232	885	3,693	590	5,400
Disposals	—	(180)	(39)	(2,873)	(3,092)
Asset class transfer	—	—	(1,536)	1,536	—
As at June 30, 2025	\$ 3,439	\$ 16,649	\$ 39,665	\$ 31,189	\$ 90,942
Net book value					
As at December 31, 2024	\$ 13,553	\$ 8,166	\$ 24,651	\$ 6,395	\$ 52,765
As at June 30, 2025	\$ 13,321	\$ 7,551	\$ 22,494	\$ 5,662	\$ 49,028

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
Disposals	—	(91)	(91)
Remeasurement	2,001	(9)	1,992
Asset class transfer	—	(1,940)	(1,940)
As at June 30, 2025	\$ 42,613	\$ 19,546	\$ 62,159
Accumulated depreciation			
As at December 31, 2024	\$ 29,421	\$ 8,126	\$ 37,547
Asset class transfer	—	(1,536)	(1,536)
Depreciation	1,851	1,842	3,693
Disposals	—	(39)	(39)
As at June 30, 2025	\$ 31,272	\$ 8,393	\$ 39,665
Net book value			
As at December 31, 2024	\$ 11,191	\$ 13,460	\$ 24,651
As at June 30, 2025	\$ 11,341	\$ 11,153	\$ 22,494

Remeasurement

During the second quarter of 2025, the Company amended one lease agreement to extend the lease term and the Company terminated one lease. As the amendment to the lease represents a lease modification under IFRS 16, the related lease liability and right-of-use asset were remeasured during the quarter. This, along with several amendments during the first quarter of 2025, resulted in an increase of \$2,001 to both the lease liability and right-of-use asset. Apart from the lease term extensions as of the six months ended June 30, 2025, 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 June 30, 2025 was \$50,000 (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 June 30, 2025, nil (December 31, 2024 - nil) was drawn on the ABL Facility, and there were \$100 (December 31, 2024 - \$400) of letters of credit reducing the amount available to be drawn. As at June 30, 2025, the net amount of deferred financing costs was \$239 (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 June 30, 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 June 30, 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 \$145 as at June 30, 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 June 30, 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
Accretion		138
Balance as at June 30, 2025	\$	134,731

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).

On June 30, 2024, Canso, in its capacity as portfolio manager for and on behalf of certain accounts that it manages and sole holder of the Senior Secured Debentures, agreed to accept the issuance of Senior Secured Debentures on June 30, 2024 with a principal amount of \$5,205 in order to satisfy the interest that would otherwise become due and payable on such date.

4. Selling, general and administrative expenses

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Salaries and benefits	\$ 5,783	\$ 7,125	\$ 12,364	\$ 13,867
Occupancy and office costs	1,261	1,195	2,490	2,264
Professional fees	1,517	974	2,302	2,327
Travel and advertising	474	422	858	915
Insurance	381	465	763	864
Total	\$ 9,416	\$ 10,181	\$ 18,777	\$ 20,237

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 June 30, 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 June 30, 2025, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled \$118,556 (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 510,809,736 (December 31, 2024 - 472,827,081) Common Shares would be issued, which represents approximately 464.4% (December 31, 2024 - 429.8%) of the Common Shares outstanding as at June 30, 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 and six months ended June 30, 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 June 30, 2025.

The only potentially dilutive securities as at June 30, 2025 were the Preferred Shares. All potentially dilutive securities were anti-dilutive for the three and six months ended June 30, 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:

		June 30, 2025	December 31, 2024
Cash	\$	48,342	\$ 10,957
Accounts receivable		113,675	162,158
Total	\$	162,017	\$ 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 June 30, 2025, \$77,421 (December 31, 2024 - \$111,283) related to trade receivables and \$36,254 (December 31, 2024 - \$50,875) related to accrued revenue and other (i.e., for work performed but not yet invoiced). \$29,474 of the accrued revenue and other as at June 30, 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 June 30, 2025, approximately \$5,458 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 June 30, 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 and six months ended June 30, 2025.

(iii) Customer concentration risk

There were no material changes to customer concentration for the three and six months ended June 30, 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 June 30, 2026. To maintain compliance with its financial covenants through June 30, 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

HEAD OFFICE

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McCarthy Tetrault LLP

AUDITORS

Ernst & Young LLP

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

TRANSFER AGENT

Computershare Investor Services Inc.

EXCHANGE LISTING

Toronto Stock Exchange

Symbol: FLNT



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



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