Flow Capital announces 6 year cumulative investment performance

26.4% IRR since inception; $67.6 million deployed

TORONTO, June 12th, 2024 - Flow Capital Corp (TSXV:FW) ("Flow Capital" or "Flow") reports on its investment performance since the company's inception six years ago.

Key highlights:

- 26.4% annual portfolio level IRR since inception (March 2018 to March 2024)
- $67.6 million total invested into 22 portfolio companies
- $1.23 book value per share, up from $0.45 in 2019

Since, March 2018, post the merger of two predecessor companies, Flow has been focused exclusively on the growth venture debt segment of the venture debt market, a $40 billion annual market in North America. Flow makes loans into high growth companies, primarily in the technology sector. Our loans enable entrepreneurs to scale their businesses while avoiding or delaying an expensive and dilutive equity issue.

Investment performance since March 2018[1]

	# of Investments	Capital Invested	Capital Returned	Value Remaining[2]	IRR
Investments where debt has been repaid	9	$23.2M	$35.0M	$4.1M	35.0%
Currently Active Investments	13	$44.4M	$12.7M	$44.3M	18.7%
Totals	**22**	**$67.6M**	**$47.6M**	**$48.5M**	**26.4%**

1. Data in the table above covers the period of new investments from March 2018 and includes all payments, fees, and equity gains until April 2024.
2. Includes warrants, equity, and equity-like bonuses. Warrant values are calculated using the Black-Scholes pricing model. See Flow Capital's financial statements and MD&A for the period ended March 31, 2024.

As a result of the strong portfolio returns and profitability, Flow has seen its book value per share grow from $0.45 in December 31, 2019, to $1.23 as of March 31, 2024. This represents a compound annual growth rate of 27% over the four and a quarter years, materially outperforming the TSX Small Cap Index. “Since March 2018, we have been laser focused on generating shareholders returns by growing book value per share,” said Alex Baluta CEO of Flow Capital. “Similar to the way Warren Buffett tracks his book value per share growth in Berkshire Hathaway, we have included a chart showing our book value performance over the 4 1/4 years”.

Book Value per Share since December 2019

	Flows’ Book Value per Share	% Change	S&P/TSX Small Cap Index	% Change
December 31, 2019	$0.45		594	
December 31, 2020	$0.56	23.4%	655	10.3%
December 31, 2021	$0.75	34.0%	774	18.2%
December 31, 2022	$1.22[3]	62.7%	688	(11.1%)
December 31, 2023	$1.19[4]	(2.3%)	702	2%
March 31, 2024	$1.23	2.9%	753	7.3%
Compound annual growth rate		**27%**		**6%**

3. Consistent historical and projected profitability allowed the recognition of a $7.9 million deferred tax asset which increased BVPS by $0.25.
4. Dilution as a result of the exercise of outstanding warrants and options decreased BVPS by $0.08.

“We are proud of the success of our portfolio companies over the past six years. By focussing on senior secured loans into high growth companies, we have generated meaningful value for our shareholders, while providing a compelling return and income stream for our debenture holders, who today are earning a yield between 10.25% - 11.33% (depending on unit currency and class). Looking forward, as the equity markets rebound, we continue to be optimistic about our growth potential over the next five years,” said Alex Baluta, CEO of Flow.

“And, as I always like to point out, we are not running an equity portfolio, but a secured debt portfolio, with equity upside. I believe our market focus and our business model enables us to earn equity-like returns—or better, but with secured debt-like risk,” continued Mr. Baluta. “We encourage investors to review our financial statements and MD&A in detail and then contact us with questions.”

About Flow Capital

Flow Capital Corp. is a Canadian based, publicly listed venture debt lender. Since 2018 we have financed high growth companies in the US, the UK, and Canada. We help companies speed their growth without the dilutive effect of an equity issue or the difficulties associated with traditional lenders, such as banks. We specialize in revenue generating VC sponsored and founder owned businesses seeking $3 to $7 million in capital to fund continued growth. To learn more about us, visit www.flowcap.com.

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Forward-Looking Information and Statements