FLINT™

flintcorp.com

Financial Statements

Q2|2024

CONDENSED CONSOLIDATED INTERIM FINANCIAL STATEMENTS OF

FLINT CORP.

FOR THE THREE AND SIX MONTHS ENDED JUNE 30, 2024 AND 2023

(UNAUDITED)

Consolidated Interim Balance Sheets

(In thousands of Canadian dollars)

(Unaudited)

	Notes	June 30, 2024	December 31, 2023
Assets			
Cash	7	$ 906	$ 9,696
Accounts receivable	7	158,516	139,904
Inventories		5,218	6,251
Prepaid expenses		3,787	2,948
Total current assets		168,427	158,799
Property, plant and equipment	2	54,632	55,717
Goodwill and intangible assets		1,320	1,455
Long-term investments		554	661
Total assets		**$ 224,933**	**$ 216,632**
Liabilities and shareholders' deficit			
Accounts payable and accrued liabilities		$ 53,769	$ 50,015
Current portion of lease liabilities		9,656	9,031
Current portion of long-term incentive plan liability		2,341	2,668
Current portion of other secured borrowings	3	539	1,383
Total current liabilities		66,305	63,097
Long-term incentive plan liability		2,016	2,918
ABL facility	3	7,305	—
Term loan facility	3	40,293	40,278
Lease liabilities		24,460	25,187
Other secured borrowings	3	10,847	11,117
Senior secured debentures	3	134,461	129,171
Total liabilities		285,687	271,768
Common shares	6	462,057	462,057
Preferred shares	6	141,930	141,930
Contributed surplus		20,679	20,679
Deficit		(685,420)	(679,802)
Total shareholders' deficit		(60,754)	(55,136)
Total liabilities and shareholders' deficit		**$ 224,933**	**$ 216,632**

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)

	Notes	Three months ended June 30, 2024	Three months ended June 30, 2023	Six months ended June 30, 2024	Six months ended June 30, 2023
Revenue	4	$ 164,922	$ 168,567	$ 311,185	$ 319,046
Cost of revenue		(146,944)	(151,307)	(280,197)	(288,418)
Gross profit		17,978	17,260	30,988	30,628
Selling, general and administrative expenses	5	(10,181)	(9,572)	(20,237)	(17,740)
Long-term incentive plan expense		(775)	(1,050)	(1,375)	(2,045)
Amortization of intangible assets		(67)	(130)	(135)	(262)
Depreciation expense	2	(2,715)	(2,580)	(5,332)	(5,176)
Income from long-term investments		106	78	144	117
Interest expense		(4,733)	(4,654)	(9,315)	(9,010)
Restructuring expenses		(581)	(171)	(976)	(778)
Impairment of goodwill and intangible assets		—	(7,289)	—	(7,289)
Impairment of property, plant and equipment		—	(4,173)	—	(4,173)
Gain on sale of property, plant and equipment		274	68	443	190
Other income		106	110	421	110
Loss from continuing operations		(588)	(12,103)	(5,374)	(15,428)
Loss from discontinued operations (net of income taxes)		(18)	(4)	(244)	(4)
Net loss and comprehensive loss		**$ (606)**	**$ (12,107)**	**$ (5,618)**	**$ (15,432)**
Net loss per share (dollars)					
Basic and diluted:					
Continuing operations		$ 0.00	$ (0.11)	$ (0.05)	$ (0.14)
Discontinued operations		$ 0.00	$ 0.00	$ 0.00	$ 0.00
Net loss		$ 0.00	$ (0.11)	$ (0.05)	$ (0.14)

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, 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)

	Notes	Number of Common Shares	Common Shares	Preferred Shares	Contributed Surplus	Deficit	Total Shareholders' Deficit
December 31, 2022		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (666,895)	$ (42,229)
Net loss		—	—	—	—	(15,432)	(15,432)
At June 30, 2023		110,001,239	$ 462,057	$ 141,930	$ 20,679	$ (682,327)	$ (57,661)

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 six months ended June 30,	Notes	2024	2023
Operating activities:			
Net loss		$ (5,618)	$ (15,432)
Adjustments for:			
Amortization of intangible assets		135	262
Depreciation expense	2	5,332	5,176
Income from long-term investment		(144)	(117)
Accretion expense		132	142
Non-cash interest expense		5,205	4,812
Impairment of goodwill and intangible assets		—	7,289
Impairment of property, plant and equipment		—	4,173
Amortization of deferred financing costs	3	167	179
Gain on sale of property, plant and equipment		(443)	(190)
Other		37	(110)
Changes in non-cash working capital		(16,214)	721
Cash flow (used in) provided by operating activities		(11,411)	6,905
Investing activities:			
Purchase of property, plant and equipment		(1,595)	(1,813)
Net proceeds on disposal of property, plant and equipment		2,643	853
Dividend proceeds from equity investment		250	—
Cash flow provided by (used in) investing activities		1,298	(960)
Financing activities:			
Repayment of other secured borrowings	3	(1,162)	(887)
Increase (decrease) in ABL facility	3	7,661	(3,579)
Refinancing fees		(186)	(11)
Repayment of lease liabilities		(4,990)	(4,202)
Cash flow provided by (used in) financing activities		1,323	(8,679)
Decrease in cash		(8,790)	(2,734)
Cash, beginning of period		9,696	3,134
Cash, end of period		$ 906	$ 400

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 August 1, 2024.

As of January 1, 2024, the level of disaggregation of financial results reported to the Company's chief operating decision makers has been revised in conjunction with an internal reorganization. As a result, the Company has one reportable segment as at June 30, 2024. Previously, the Company had two reportable segments: the Maintenance and Construction Services segment and the Wear Technology Overlay Services segment.

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, 2023. 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 the prior year to conform to the current period 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, 2023, except for the adoption of new standards effective as of January 1, 2024, as described below.

(i) Non-current Liabilities with Covenants and Classification of Liabilities as Current or Non-current - Amendments to IAS 1

The amendments to IAS 1 clarify what is meant by a right to defer settlement; that a right to defer settlement must exist at the end of the reporting period; that classification is unaffected by the likelihood that an entity will exercise its deferral right; that only if an embedded derivative in a convertible liability is itself an equity instrument would the terms of a liability not impact its classification; as well as certain disclosure matters.

(ii) Lease Liability in a Sale and Leaseback - Amendments to IFRS 16

The amendments to IFRS 16 specify the requirements that a seller-lessee uses in measuring the lease liability arising in a sale and leaseback transaction, to ensure the seller-lessee does not recognize any amount of the gain or loss that relates to the right of use it retains.

(iii) Supplier Finance Arrangements - Amendments to IAS 7 and IFRS 7

The amendments to IAS 7 and IFRS 7 specify disclosure requirements to enhance the current requirements, which are intended to assist users of financial statements in understanding the effects of supplier finance arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

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

2. Property, plant and equipment

	Land and buildings	Computer hardware	Furniture, tools and equipment	Leasehold improve-ments	Right-of-use assets	Automotive and heavy equipment	Total
Cost							
As at December 31, 2023	$ 18,491	$ 1,908	$ 19,115	$ 786	$ 56,726	$ 44,845	$ 141,871
Additions	—	97	1,362	—	3,647	136	5,242
Remeasurement	—	—	—	—	1,205	—	1,205
Disposals	(1,731)	—	(88)	—	—	(3,702)	(5,521)
Asset class transfer	—	—	(177)	—	(1,030)	1,207	—
As at June 30, 2024	$ 16,760	$ 2,005	$ 20,212	$ 786	$ 60,548	$ 42,486	$ 142,797
Accumulated depreciation and impairment							
As at December 31, 2023	$ 2,995	$ 1,460	$ 12,708	$ 467	$ 32,598	$ 35,926	$ 86,154
Depreciation	267	71	577	107	3,469	841	5,332
Disposals	(294)	—	(83)	—	—	(2,944)	(3,321)
Asset class transfer	—	—	—	—	(747)	747	—
As at June 30, 2024	$ 2,968	$ 1,531	$ 13,202	$ 574	$ 35,320	$ 34,570	$ 88,165
Net book value							
As at December 31, 2023	$ 15,496	$ 448	$ 6,407	$ 319	$ 24,128	$ 8,919	$ 55,717
As at June 30, 2024	$ 13,792	$ 474	$ 7,010	$ 212	$ 25,228	$ 7,916	$ 54,632

Right-of-use assets consist of the following:

	Land and buildings	Automotive and heavy equipment	Total
Cost			
As at December 31, 2023	$ 39,138	$ 17,588	$ 56,726
Additions	—	3,647	3,647
Remeasurement	1,205	—	1,205
Asset class transfer	—	(1,030)	(1,030)
As at June 30, 2024	$ 40,343	$ 20,205	$ 60,548
Accumulated depreciation and impairment			
As at December 31, 2023	$ 25,649	$ 6,949	$ 32,598
Depreciation	1,876	1,593	3,469
Asset class transfer	—	(747)	(747)
As at June 30, 2024	$ 27,525	$ 7,795	$ 35,320
Net book value			
As at December 31, 2023	$ 13,489	$ 10,639	$ 24,128
As at June 30, 2024	$ 12,818	$ 12,410	$ 25,228

Remeasurement

During the first quarter of 2024, the Company amended a building lease to include additional leased premises. This amendment to the lease agreement represents a lease modification, and therefore the lease liability and right-of-use asset were remeasured during the quarter. This remeasurement resulted in an increase to the lease liability and related right-of-use asset of $1,205. The lease amendment will impact future cash flows, with fixed payments of $21 per month in the first year of the amendment, increasing to $23 per month in years two to four, with a final increase to $26 per month in years five to seven.

3. ABL Facility, Term Loan Facility and Other Borrowings

On May 31, 2024, FLINT extended the maturity dates of (a) the ABL Facility to April 14, 2027 (previously April 14, 2025), (b) the Term Loan Facility to the earlier of (i) the date that is 180 days following the maturity of the ABL Facility and (ii) October 14, 2027 (previously October 14, 2025), and (c) the Senior Secured Debentures to October 14, 2027 (previously March 23, 2026).

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, 2024 was $50,000 (December 31, 2023 - $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, 2023 - Lender's prime rate plus 2.5%).

As at June 30, 2024, $7,661 (December 31, 2023 - nil) was drawn on the ABL Facility, and there were $700 (December 31, 2023 - $2,147) of letters of credit reducing the amount available to be drawn. As at June 30, 2024, the net amount of deferred financing costs were $356 (December 31, 2023 - $323).

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, 2024, 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, 2024, $40,500 (December 31, 2023 - $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, 2023 - fixed rate of 8.0%). The net amount of deferred financing costs were $207 as at June 30, 2024 (December 31, 2023 - $222).

c. Other Secured Borrowings

On June 26, 2019, the Company received $19,000 from two secured loans 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 $13,500 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 $5,500 loan had monthly principal payments of $75. The interest rate on the loan was the BDC Floating Base Rate less 0.5%. Interest accrued and was payable monthly. The Company allocated $85 in deferred financing costs to this loan that were amortized over the life of the loan. The final payment for this loan occurred on June 6, 2024.

The loans are 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 agreements with BDC require 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, 2024, FLINT was in compliance with all financial covenants under the loan agreements with BDC.

d. Senior Secured Debentures

Balance as at December 31, 2022	$	119,048
Accretion		306
Debentures issued to settle interest		9,817
Balance as at December 31, 2023	$	129,171
Accretion		85
Debentures issued to settle interest		5,205
Balance as at June 30, 2024	$	134,461

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. Revenue

The following are amounts for each significant category of revenue recognized:

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Rendering of services	$ 148,942	$ 154,346	$ 281,025	$ 288,802
Sales of goods	15,980	14,221	30,160	30,244
Total	$ 164,922	$ 168,567	$ 311,185	$ 319,046

5. Selling, general and administrative expenses

	Three months ended June 30,		Six months ended June 30,	
	2024	2023	2024	2023
Salaries and benefits	$ 7,125	$ 6,495	$ 13,867	$ 11,855
Occupancy and office costs	1,195	1,131	2,264	2,128
Professional fees	974	955	2,327	1,716
Travel and advertising	422	542	915	1,001
Insurance	465	449	864	1,040
Total	$ 10,181	$ 9,572	$ 20,237	$ 17,740

6. 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, 2023	127,732	40,111	110,001,239
Balance as at June 30, 2024	127,732	40,111	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, 2024, the accrued and unpaid dividends on the Series 1 and Series 2 Preferred Shares totaled $101,802 (December 31, 2023 - $93,456). 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 434,375,452 (December 31, 2023 - 396,281,829) Common Shares would be issued, which represents approximately 394.9% (December 31, 2023 - 360.3%) of the Common Shares outstanding as at June 30, 2024.

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, 2024, no Series 1 or Series 2 Preferred Shares were converted into Common Shares (year ended December 31, 2023 - 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 766,059,000 (December 31, 2023 - 766,059,000) additional Common Shares would be issuable upon conversion of the face amount of the Preferred Shares into Common Shares, representing approximately 696.4% (December 31, 2023 - 696.4%) of the Common Shares outstanding as at June 30, 2024.

The only potentially dilutive securities as at June 30, 2024 were the Preferred Shares. All potentially dilutive securities were anti-dilutive for the three and six months ended June 30, 2024, and therefore were not included in the calculation of diluted earnings per share.

7. 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, 2024		December 31, 2023
Cash	$	906	$	9,696
Accounts receivable		158,516		139,904
Total	$	159,422	$	149,600

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, 2024, $109,767 (December 31, 2023 - $93,685) related to trade receivables and $48,749 (December 31, 2023 - $46,219) related to accrued revenue and other (i.e., for work performed but not yet invoiced).

Trade receivables are non-interest bearing and are generally due on 30-90 day terms. As at June 30, 2024, approximately $10,678 of FLINT's trade receivables had been outstanding longer than 90 days (December 31, 2023 - $12,295). Management has fully evaluated the outstanding receivables as at June 30, 2024 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, 2024.

(iii) Customer concentration risk

There were no material changes to customer concentration for the three and six months ended June 30, 2024.

(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, 2025. To maintain compliance with its financial covenants through June 30, 2025, the Company has the ability to pay interest on the Senior Secured Debentures in kind, which requires approval by the holder of the Senior Secured Debentures at its sole discretion (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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OFFICERS

Barry Card
Chief Executive Officer

Jennifer Stubbs
Chief Financial Officer

Neil Wotton
Chief Operating Officer

Kent Chicilo
Senior Vice President, Legal

Robert Farthing
Vice President, Operational Delivery and Environmental Services

James Healey
Vice President, Finance and Corporate Controlling

Deloris Rushton
Vice President, Human Resources

Herb Thomas
Vice President, Operations

Angela Thompson
Vice President, Corporate Services

Clint Tisnic
Vice President, Operational Finance

BANKER
TD Canada Trust

AUDITORS
Ernst & Young LLP

LEGAL COUNSEL
Blake, Cassels & Graydon LLP
McCarthy Tetrault LLP

TRANSFER AGENT
Computershare Investor Services Inc.

EXCHANGE LISTING
Toronto Stock Exchange
Symbol: FLNT

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

Corporate Office

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