# INTERIM CONDENSED
# CONSOLIDATED FINANCIAL STATEMENTS

## INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (unaudited)

| *($ Canadian thousands)* | | **March 31, 2022** | | December 31, 2021 |
|---|---|---|---|---|
| **Assets** | | | | |
| Current assets | | | | |
| Cash and cash equivalents | **$** | **133,214** | $ | 172,758 |
| Accounts receivable (Note 2) | | **222,046** | | 212,206 |
| Contract assets (Note 2) | | **114,178** | | 82,760 |
| Inventories (Note 3) | | **195,559** | | 172,687 |
| Work-in-progress related to finance leases (Note 3) | | **32,377** | | 36,169 |
| Current portion of finance leases receivable (Note 6) | | **20,235** | | 15,248 |
| Income taxes receivable | | **3,545** | | 3,732 |
| Derivative financial instruments (Note 15) | | **258** | | 294 |
| Other current assets | | **13,713** | | 13,853 |
| Total current assets | | **735,125** | | 709,707 |
| Property, plant and equipment (Note 4) | | **93,509** | | 96,414 |
| Rental equipment (Note 4) | | **594,040** | | 610,328 |
| Lease right-of-use assets (Note 5) | | **47,280** | | 49,887 |
| Finance leases receivable (Note 6) | | **117,322** | | 88,110 |
| Deferred tax assets (Note 11) | | **9,261** | | 9,293 |
| Other assets | | **58,824** | | 51,315 |
| Intangible assets | | **8,399** | | 10,118 |
| Goodwill (Note 7) | | **563,215** | | 566,270 |
| Total assets | **$** | **2,226,975** | $ | 2,191,442 |
| **Liabilities and Shareholders' Equity** | | | | |
| Current liabilities | | | | |
| Accounts payable and accrued liabilities | **$** | **256,296** | $ | 240,747 |
| Warranty provision | | **5,608** | | 6,636 |
| Income taxes payable | | **10,976** | | 9,318 |
| Deferred revenues (Note 8) | | **109,217** | | 84,614 |
| Current portion of lease liabilities (Note 10) | | **13,286** | | 13,906 |
| Derivative financial instruments (Note 15) | | **409** | | 180 |
| Total current liabilities | | **395,792** | | 355,401 |
| Long-term debt (Note 9) | | **339,126** | | 331,422 |
| Lease liabilities (Note 10) | | **41,157** | | 43,108 |
| Deferred tax liabilities (Note 11) | | **90,796** | | 91,972 |
| Other liabilities | | **18,002** | | 15,785 |
| Total liabilities | **$** | **884,873** | $ | 837,688 |
| Shareholders' equity | | | | |
| Share capital | **$** | **375,540** | $ | 375,524 |
| Contributed surplus | | **659,067** | | 658,615 |
| Retained earnings | | **272,351** | | 274,962 |
| Accumulated other comprehensive income | | **35,144** | | 44,653 |
| Total shareholders' equity | | **1,342,102** | | 1,353,754 |
| Total liabilities and shareholders' equity | **$** | **2,226,975** | $ | 2,191,442 |

*See accompanying Notes to the interim condensed consolidated financial statements, including guarantees, commitments, and contingencies (Note 17).*

# INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (unaudited)

| *($ Canadian thousands, except per share amounts)* | Three months ended March 31, 2022 | 2021[1] |
|---|---|---|
| Revenue (Note 12) | **$ 323,069** | $ 203,205 |
| Cost of goods sold | **269,426** | 157,729 |
| Gross margin | **53,643** | 45,476 |
| Selling and administrative expenses | **46,804** | 38,455 |
| Operating income | **6,839** | 7,021 |
| Loss on disposal of property, plant and equipment (Note 4) | **-** | (25) |
| Equity earnings (loss) from associate and joint venture | **284** | (412) |
| Earnings before finance costs and income taxes | **7,123** | 6,584 |
| Net finance costs (Note 14) | **3,871** | 4,992 |
| Earnings before income taxes | **3,252** | 1,592 |
| Income taxes (Note 11) | **3,621** | (1,411) |
| Net earnings (loss) | **$ (369)** | $ 3,003 |
| | | |
| Earnings (loss) per share – basic | **$ (0.00)** | $ 0.03 |
| Earnings (loss) per share – diluted | **$ (0.00)** | $ 0.03 |
| | | |
| Weighted average number of shares – basic | **89,679,811** | 89,678,845 |
| Weighted average number of shares – diluted | **89,679,811** | 89,762,110 |

*See accompanying Notes to the interim condensed consolidated financial statements.*

*[1] Certain March 31, 2021 balances have been reclassified. Refer to Note 1 for additional detail.*

# INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
## (unaudited)

| | Three months ended March 31, | | | |
|---|---|---|---|---|
| *($ Canadian thousands)* | | **2022** | | 2021 |
| Net earnings (loss) | **$** | **(369)** | $ | 3,003 |
| Other comprehensive income (loss): | | | | |
| Other comprehensive income (loss) that may be reclassified to profit or loss in subsequent periods: | | | | |
| Change in fair value of derivatives designated as cash flow hedges, net of income tax recovery | | **(145)** | | 72 |
| Loss on derivatives designated as cash flow hedges transferred to net earnings in the current year, net of income tax expense | | **(45)** | | (206) |
| Unrealized gain on translation of foreign denominated debt | | **783** | | 675 |
| Unrealized loss on translation of financial statements of foreign operations | | **(10,102)** | | (21,489) |
| Other comprehensive loss | **$** | **(9,509)** | $ | (20,948) |
| Total comprehensive income (loss) | **$** | **(9,878)** | $ | (17,945) |

*See accompanying Notes to the interim condensed consolidated financial statements.*

# INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (unaudited)

| *($ Canadian thousands)* | | Three months ended March 31, 2022 | | 2021 |
|---|---|---|---|---|
| **Operating Activities** | | | | |
| Net earnings (loss) | **$** | **(369)** | $ | 3,003 |
| Items not requiring cash and cash equivalents: | | | | |
| Depreciation and amortization | | **21,890** | | 21,072 |
| Equity (earnings) loss from associate and joint venture | | **(284)** | | 412 |
| Deferred income taxes (Note 11) | | **258** | | (4,520) |
| Share-based compensation expense (Note 13) | | **4,049** | | 5,267 |
| Loss on disposal of property, plant and equipment (Note 4) | | **-** | | 25 |
| | | **25,544** | | 25,259 |
| Net change in non-cash working capital and other (Note 16) | | **(22,919)** | | 34,692 |
| Cash provided by operating activities | **$** | **2,625** | $ | 59,951 |
| **Investing Activities** | | | | |
| Additions to: | | | | |
| Property, plant and equipment (Note 4) | **$** | **(899)** | $ | (1,319) |
| Rental equipment (Note 4) | | **(2,540)** | | (11,329) |
| Proceeds on disposal of: | | | | |
| Rental equipment (Note 4) | | **80** | | 528 |
| Change in other assets | | **(33,595)** | | 1,441 |
| Cash used in investing activities | **$** | **(36,954)** | $ | (10,679) |
| **Financing Activities** | | | | |
| Proceeds from (repayment of) long-term debt (Note 9) | **$** | **7,399** | $ | (27,823) |
| Lease liability principal repayment (Note 10) | | **(3,513)** | | (3,336) |
| Lease interest (Note 10) | | **(695)** | | (793) |
| Dividends paid | | **(2,242)** | | (1,793) |
| Stock option exercises (Note 13) | | **12** | | - |
| Debt refinancing costs | | **(6,203)** | | - |
| Cash used in financing activities | **$** | **(5,242)** | $ | (33,745) |
| Effect of exchange rate changes on cash and cash equivalents denominated in foreign currencies | **$** | **27** | $ | (561) |
| Increase (decrease) in cash and cash equivalents | | **(39,544)** | | 14,966 |
| Cash and cash equivalents, beginning of period | | **172,758** | | 95,676 |
| Cash and cash equivalents, end of period | **$** | **133,214** | $ | 110,642 |

*See accompanying Notes to the interim condensed consolidated financial statements.*

# INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (unaudited)

| *($ Canadian thousands)* | Share capital | Contributed surplus | Retained earnings | Foreign currency translation adjustments | Hedging reserve | Accumulated other comprehensive income | Total |
|---|---|---|---|---|---|---|---|
| At January 1, 2021 | $ 375,524 | $ 656,832 | $ 301,040 | $ 63,270 | $ 29 | $ 63,299 | $ 1,396,695 |
| Net earnings | - | - | 3,003 | - | - | - | 3,003 |
| Other comprehensive loss | - | - | - | (20,814) | (134) | (20,948) | (20,948) |
| Effect of stock option plans | - | 440 | - | - | - | - | 440 |
| Dividends | - | - | (1,794) | - | - | - | (1,794) |
| At March 31, 2021 | $ 375,524 | $ 657,272 | $ 302,249 | $ 42,456 | $ (105) | $ 42,351 | $ 1,377,396 |
| At January 1, 2022 | $ 375,524 | $ 658,615 | $ 274,962 | $ 44,544 | $ 109 | $ 44,653 | $ 1,353,754 |
| Net loss | - | - | (369) | - | - | - | (369) |
| Other comprehensive loss | - | - | - | (9,319) | (190) | (9,509) | (9,509) |
| Effect of stock option plans | 16 | 452 | - | - | - | - | 468 |
| Dividends | - | - | (2,242) | - | - | - | (2,242) |
| **At March 31, 2022** | **$ 375,540** | **$ 659,067** | **$ 272,351** | **$ 35,225** | **$ (81)** | **$ 35,144** | **$ 1,342,102** |

*See accompanying Notes to the interim condensed consolidated financial statements.*

# NOTES TO THE INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

*(All amounts in thousands of Canadian dollars, except per share amounts or as otherwise noted.)*

## NOTE 1. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

### (a) Statement of Compliance

These unaudited interim condensed consolidated financial statements have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"), and were approved and authorized for issue by the Board of Directors on May 4, 2022.

### (b) Basis of Presentation and Measurement

These unaudited interim condensed consolidated financial statements for the three months ended March 31, 2022 and 2021 were prepared in accordance with IAS 34 and do not include all the disclosures included in the annual consolidated financial statements for the year ended December 31, 2021. Accordingly, these unaudited interim condensed consolidated financial statements should be read in conjunction with the annual consolidated financial statements. Certain comparative figures have been reclassified to conform to the current period's presentation.

Management has performed a continuing review of the classification of the function of expenditures incurred. Following its review, management has corrected the classification of certain costs related to facilities, insurance, and compensation, resulting in a net reclassification of costs from selling and administrative expenses ("SG&A") to cost of goods sold ("COGS"). This correction provides more relevant information and reflects costs that are directly attributable to the production of goods or the supply of services. The impact of the net reclassification on COGS and gross margin for the three-month comparative period ending March 31, 2021 is $4.1 million. The impact of the net reclassification on COGS and gross margin for the year ending December 31, 2021, is $17.3 million. There is no impact to net earnings or earnings per share. These reclassifications are summarized in the tables below:

| Excerpt from unaudited interim condensed consolidated statements of earnings for the three months ended March 31, 2021 *($ Canadian thousands)* | As previously reported | Reclassification | Revised |
|---|---|---|---|
| Revenue | $ 203,205 | $ - | $ 203,205 |
| COGS | 153,657 | 4,072 | 157,729 |
| Gross margin | 49,548 | (4,072) | 45,476 |
| SG&A | 42,527 | (4,072) | 38,455 |
| Net earnings | 3,003 | - | 3,003 |

| Excerpt from consolidated statements of earnings for the year ended December 31, 2021 *($ Canadian thousands)* | As previously reported | Q1 2021 Reclass | Q2 2021 Reclass | Q3 2021 Reclass | Q4 2021 Reclass | Revised |
|---|---|---|---|---|---|---|
| Revenue | $ 960,156 | - | - | - | - | $ 960,156 |
| COGS | 740,602 | 4,072 | 4,577 | 4,105 | 4,578 | 757,934 |
| Gross margin | 219,554 | (4,072) | (4,577) | (4,105) | (4,578) | 202,222 |
| SG&A | 165,263 | (4,072) | (4,577) | (4,105) | (4,578) | 147,931 |
| Net earnings | (18,455) | - | - | - | - | (18,455) |

The unaudited interim condensed consolidated financial statements are presented in Canadian dollars rounded to the nearest thousand, except per share amounts or as otherwise noted, and are prepared on a going concern basis under the historical cost basis with certain financial assets and financial liabilities recorded at fair value. There have been no significant changes in accounting policies compared to those described in the annual consolidated financial statements for the year ended December 31, 2021.

# NOTE 2. ACCOUNTS RECEIVABLE AND CONTRACT ASSETS

Accounts receivable consisted of the following:

| | March 31, 2022 | December 31, 2021 |
|---|---|---|
| Trade receivables | **$ 222,686** | $ 213,815 |
| Less: allowance for doubtful accounts | **(10,103)** | (10,334) |
| Trade receivables, net | **$ 212,583** | $ 203,481 |
| Other receivables | **9,463** | 8,725 |
| Total accounts receivable | **$ 222,046** | $ 212,206 |

Aging of trade receivables:

| | March 31, 2022 | December 31, 2021 |
|---|---|---|
| Current to 90 days | **$ 178,646** | $ 183,105 |
| Over 90 days | **44,040** | 30,710 |
| | **$ 222,686** | $ 213,815 |

Movement in allowance for doubtful accounts:

| | March 31, 2022 | December 31, 2021 |
|---|---|---|
| Balance, January 1 | **$ 10,334** | $ 11,439 |
| Impairment provision additions on receivables | **26** | 275 |
| Amounts settled and derecognized during the period | **(112)** | (1,317) |
| Currency translation effects | **(145)** | (63) |
| Closing balance | **$ 10,103** | $ 10,334 |

Movement in contract assets:

| | March 31, 2022 | December 31, 2021 |
|---|---|---|
| Balance, January 1 | **$ 82,760** | $ 66,722 |
| Unbilled revenue recognized | **89,868** | 244,372 |
| Amounts billed | **(57,401)** | (228,327) |
| Currency translation effects | **(1,049)** | (7) |
| Closing balance | **$ 114,178** | $ 82,760 |

Amounts recognized as contract assets are typically billed to customers within three months.

# NOTE 3. INVENTORIES

Inventories consisted of the following:

| | | March 31, 2022 | | December 31, 2021 |
|---|---|---|---|---|
| Direct materials | **$** | **87,331** | $ | 83,943 |
| Repair and distribution parts | | **58,056** | | 54,156 |
| Work-in-progress | | **47,056** | | 31,298 |
| Equipment | | **3,116** | | 3,290 |
| Total inventories | **$** | **195,559** | $ | 172,687 |

| | | March 31, 2022 | | December 31, 2021 |
|---|---|---|---|---|
| Work-in-progress related to finance leases | **$** | **32,377** | $ | 36,169 |

The amount of inventory and overhead costs recognized as an expense and included in cost of goods sold for the three months ended March 31, 2022 was $269.4 million (March 31, 2021 – $157.7 million). Cost of goods sold is made up of direct materials, direct labour, depreciation on manufacturing assets, post-manufacturing expenses, and overhead. Cost of goods sold also includes inventory write-downs pertaining to obsolescence and aging together with recoveries of past write-downs upon disposition. The net amount of inventory write-downs charged to the interim condensed consolidated statements of earnings and included in cost of goods sold for March 31, 2022 was $1.0 million (March 31, 2021 – $1.6 million).

The costs related to the construction of rental assets determined to be finance leases are accounted for as work-in-progress related to finance leases. Once the project is completed and enters service it will be reclassified to cost of goods sold. During the three months ended March 31, 2022 the Company spent $29.2 million (March 31, 2021 – nil) related to finance leases.

# NOTE 4. PROPERTY, PLANT AND EQUIPMENT AND RENTAL EQUIPMENT

During the three months ended March 31, 2022, the Company added $0.9 million in property, plant and equipment (March 31, 2021 – $1.3 million) and $2.5 million in rental equipment (March 31, 2021 – $11.3 million). The impact of foreign exchange movements on assets denominated in a foreign currency during the three months ended March 31, 2022 was a decrease of $1.1 million on property, plant and equipment and a decrease of $5.1 million on rental equipment (March 31, 2021 – decrease of $1.2 million and $9.7 million, respectively).

Depreciation of property, plant and equipment and rental equipment included in earnings for the three months ended March 31, 2022 was $16.3 million (March 31, 2021 – $15.7 million), of which $15.9 million was included in cost of goods sold (March 31, 2021 – $15.2 million) and $0.4 million was included in selling and administrative expenses (March 31, 2021 – $0.5 million).

During the first quarter of 2022, the Company reclassified certain prior period amounts between cost of goods sold and selling and administrative expenses, refer to Note 1 for more details. As a result, $0.4 million of property, plant and equipment depreciation was reclassified from selling and administrative expenses to cost of goods sold.

## NOTE 5. LEASE RIGHT-OF-USE ASSETS

During the three months ended March 31, 2022, the Company added $1.6 million in lease right-of-use assets (March 31, 2021 – $0.7 million) and disposed of lease right-of-use assets with a net book value of $0.4 million (March 31, 2021 – nil). The impact of foreign exchange movements on lease right-of-use assets denominated in a foreign currency during the three months ended March 31, 2022 was a decrease of $0.2 million (March 31, 2021 – decrease of $0.3 million).

Depreciation of lease right-of-use assets included in earnings for the three months ended March 31, 2022 was $3.6 million (March 31, 2021 – $3.4 million), of which $3.0 million was included in cost of goods sold (March 31, 2021 – $2.5 million) and $0.6 million was included in selling and administrative expenses (March 31, 2021 – $0.9 million).

During the first quarter of 2022, the Company reclassified certain prior period amounts between cost of goods sold and selling and administrative expenses, refer to Note 1 for more details. As a result, $0.8 million of lease right-of-use asset depreciation was reclassified from selling and administrative expenses to cost of goods sold.

## NOTE 6. FINANCE LEASES RECEIVABLE

The Company has entered into finance lease arrangements for certain of its rental assets. The initial terms of the leases entered into range from three to ten years.

The value of the finance lease receivable is comprised of the following:

| | Minimum lease payments and unguaranteed residual value | | Present value of minimum lease payments and unguaranteed residual value | |
|---|---|---|---|---|
| | **March 31, 2022** | December 31, 2021 | **March 31, 2022** | December 31, 2021 |
| Less than one year | **$ 21,981** | $ 16,420 | **$ 20,235** | $ 15,248 |
| Between one and five years | **94,323** | 64,739 | **70,944** | 49,546 |
| Later than five years | **82,490** | 62,827 | **46,378** | 38,564 |
| | **$ 198,794** | $ 143,986 | **$ 137,557** | $ 103,358 |
| Less: Unearned finance income | **(61,237)** | (40,628) | **-** | - |
| | **$ 137,557** | $ 103,358 | **$ 137,557** | $ 103,358 |

| | **March 31, 2022** | December 31, 2021 |
|---|---|---|
| Balance, January 1 | **$ 103,358** | $ 64,274 |
| Additions | **38,947** | 40,154 |
| Interest income | **2,895** | 5,417 |
| Billings and payments | **(5,826)** | (6,597) |
| Currency translation effects | **(1,817)** | 110 |
| | **$ 137,557** | $ 103,358 |

The average interest rates implicit in the leases are fixed at the contract date for the entire lease term. At March 31, 2022 the average interest rate was 7.8 percent per annum (December 31, 2021 – 8.0 percent). The finance lease receivables at the end of reporting period are neither past due nor impaired.

## NOTE 7. GOODWILL AND IMPAIRMENT REVIEW OF GOODWILL

| | | March 31, 2022 | | December 31, 2021 |
|---|---|---|---|---|
| Balance, January 1 | $ | 566,270 | $ | 576,028 |
| Currency translation effects | | (3,055) | | (9,758) |
| | $ | 563,215 | $ | 566,270 |

Goodwill acquired through business combinations was allocated to the USA, Rest of World, and Canada business segments, and represents the lowest level at which goodwill is monitored for internal management purposes. Management performed an assessment comparing the carrying amount and recoverable amount for each segment at December 31, 2021, the result of which was no impairment of goodwill. At March 31, 2022, the Company determined that there were no indicators of impairment and that the previous assessment continued to best represent the recoverability of the Company's goodwill.

## NOTE 8. DEFERRED REVENUES

| | | March 31, 2022 | | December 31, 2021 |
|---|---|---|---|---|
| Balance, January 1 | $ | 84,614 | $ | 35,409 |
| Cash received in advance of revenue recognition | | 80,302 | | 167,956 |
| Revenue subsequently recognized | | (54,430) | | (118,438) |
| Currency translation effects | | (1,269) | | (313) |
| Closing balance | $ | 109,217 | $ | 84,614 |

Amounts recognized as deferred revenues are typically recognized into revenue within six months.

## NOTE 9. LONG-TERM DEBT

The amended and restated syndicated revolving credit facility ("Bank Facility") has a maturity date of June 30, 2025 (the "Maturity Date") for $660.0 million of $725.0 million in commitments. The maturity date for the remaining $65.0 million is June 30, 2023. In addition, the Bank Facility may be increased by $150.0 million at the request of the Company, subject to the lenders' consent. The Maturity Date of the Bank Facility may be extended annually on or before the anniversary date with the consent of the lenders. There are no required or scheduled principal repayments until the Maturity Date of the Bank Facility.

A subsidiary of the Company has access to a credit facility, secured by certain assets of the subsidiary, of up to $52.5 million U.S. dollars (the "Asset-Based Facility"). This credit facility is non-recourse to the Company. Under the terms of the Asset-Based Facility, the Company is required to maintain certain covenants. As at March 31, 2022, the Company was in compliance with all covenants. Pursuant to the terms and conditions of the Asset-Based Facility, a margin is applied to drawings on the Asset-Based Facility in addition to the quoted interest rate. The margin is established as a percentage and is based on a consolidated total funded debt to earnings before finance costs, income taxes, depreciation and amortization ("EBITDA") ratio.

The composition of the borrowings on the Bank Facility, Asset-Based Facility, and the Company's senior unsecured notes ("Notes") was as follows:

| | **March 31, 2022** | December 31, 2021 |
|---|---|---|
| Drawings on Bank Facility | **$ 46,246** | $ 30,522 |
| Drawings on Asset-Based Facility | **32,363** | 37,411 |
| Notes due December 15, 2024 | **146,208** | 148,119 |
| Notes due December 15, 2027 | **117,472** | 118,746 |
| Deferred transaction costs | **(3,163)** | (3,376) |
| | **$ 339,126** | $ 331,422 |

The weighted average interest rate on the Bank Facility for the three months ended March 31, 2022 was 2.1 percent (December 31, 2021 – 2.1 percent). The weighted average interest rate on the Asset-Based Facility for the three months ended March 31, 2022 was 3.0 percent (December 31, 2021 – 3.0 percent). At March 31, 2022 without considering renewal at similar terms, the Canadian dollar equivalent principal payments due over the next five years are $224.8 million, and $117.5 million thereafter.

## NOTE 10. LEASE LIABILITIES

| | March 31, 2022 | December 31, 2021 |
|---|---|---|
| Balance, January 1 | **$ 57,014** | $ 61,926 |
| Additions | **1,199** | 9,721 |
| Lease interest | **695** | 3,029 |
| Payments made against lease liabilities | **(4,208)** | (17,244) |
| Currency translation effects and other | **(257)** | (418) |
| Closing balance | **$ 54,443** | $ 57,014 |
| | | |
| Current portion of lease liabilities | **$ 13,286** | $ 13,906 |
| Non-current portion of lease liabilities | **41,157** | 43,108 |
| | **$ 54,443** | $ 57,014 |

In addition to the lease payments made above, during the three months ended March 31, 2022, the Company paid less than $0.1 million (March 31, 2021 – $0.1 million) relating to short-term and low-value leases which were expensed as incurred. During the three months ended March 31, 2022, the Company also paid $0.3 million (March 31, 2021 – $0.5 million) in variable lease payments not included in the measurement of lease liabilities, of which $0.3 million (March 31, 2021 – $0.2 million) was included in cost of goods sold and less than $0.1 million (March 31, 2021 – $0.3 million) was included in selling and administrative expenses. Interest expense on lease liabilities was $0.7 million for the three months ended March 31, 2022 (March 31, 2021 – $0.8 million). Total cash outflow for leases for the three months ended March 31, 2022 was $4.7 million (March 31, 2021 – $4.6 million).

Future minimum lease payments under non-cancellable leases were as follows:

| | March 31, 2022 |
|---|---|
| 2022 | **$ 11,487** |
| 2023 | **11,566** |
| 2024 | **8,436** |
| 2025 | **6,380** |
| 2026 | **4,608** |
| Thereafter | **22,819** |
| | **$ 65,296** |
| Less: | |
| Imputed interest | **10,684** |
| Short-term leases | **160** |
| Low-value leases | **9** |
| | **$ 54,443** |

# NOTE 11. INCOME TAXES

## (a) Income Tax Recognized in Net Earnings

The components of income tax expense were as follows:

| Three months ended March 31, | | 2022 | | 2021 |
|---|---|---|---|---|
| Current income taxes | $ | **3,363** | $ | 3,109 |
| Deferred income taxes | | **258** | | (4,520) |
| | $ | **3,621** | $ | (1,411) |

## (b) Reconciliation of Tax Expense

The provision for income taxes differs from that which would be expected by applying Canadian statutory rates. A reconciliation of the difference is as follows:

| Three months ended March 31, | | 2022 | | 2021 |
|---|---|---|---|---|
| Earnings before income taxes | $ | **3,252** | $ | 1,592 |
| Canadian statutory rate | | **23.8%** | | 23.6% |
| Expected income tax provision | $ | **775** | $ | 376 |
| Add (deduct): | | | | |
| Exchange rate effects on tax basis | | **(1,672)** | | (1,485) |
| Earnings taxed in foreign jurisdictions | | **405** | | (604) |
| Amounts not deductible for tax purposes | | **164** | | 147 |
| Impact of accounting for associates and joint ventures | | **(68)** | | 97 |
| Change in recognized deferred tax asset[1] | | **3,924** | | - |
| Other | | **93** | | 58 |
| Income taxes from continuing operations | $ | **3,621** | $ | (1,411) |

*[1] This balance is the result of the Company no longer recognizing deferred tax recoveries in Canada, as it is unlikely that sufficient future taxable income will be available to offset against the existing deductible temporary differences and any unused Canadian tax losses or credits.*

The applicable statutory tax rate is the aggregate of the Canadian federal income tax rate of 15.0 percent (2021 – 15.0 percent) and provincial income tax rates of 8.8 percent (2021 – 8.6 percent).

The Company's effective tax rate is subject to fluctuations in the Argentine peso and Mexican peso exchange rate against the U.S. dollar. Since the Company holds significant rental assets in Argentina and Mexico, the tax base of these assets is denominated in Argentine peso and Mexican peso, respectively. The functional currency is, however, the U.S. dollar and as a result, the related local currency tax bases are revalued periodically to reflect the closing U.S. dollar rate against these currencies. Any movement in the exchange rate results in a corresponding unrealized exchange rate gain or loss being recorded as part of deferred income tax expense or recovery. During periods of large fluctuation or devaluation of the local currency against the U.S. dollar, these amounts may be significant but are unrealized and may reverse in the future. Recognition of these amounts is required by IFRS, even though the revalued tax basis does not generate any cash tax obligation or liability in the future.

## NOTE 12. REVENUE

| Three months ended March 31, | | 2022 | | 2021 |
|---|---|---|---|---|
| Engineered Systems | **$** | **174,431** | $ | 72,232 |
| Service | | **83,186** | | 70,536 |
| Energy Infrastructure[1] | | **65,452** | | 60,437 |
| Total revenue | **$** | **323,069** | $ | 203,205 |

[1] *During the three months ended March 31, 2022, the Company recognized $13.6 million of revenue related to operating leases in its Canada and ROW segments (March 31, 2021 - $17.8 million). Additionally, the Company recognized $27.6 million of revenue related to its USA contract compression fleet (March 31, 2021 - $22.6 million).*

Revenue by geographic location, which is attributed by destination of sale, was as follows:

| Three months ended March 31, | | 2022 | | 2021 |
|---|---|---|---|---|
| United States | **$** | **127,714** | $ | 81,387 |
| Canada | | **65,044** | | 49,248 |
| Oman | | **50,618** | | 17,384 |
| Australia | | **13,068** | | 17,048 |
| Argentina | | **11,417** | | 6,400 |
| Nigeria | | **9,437** | | 1,271 |
| Bahrain | | **8,163** | | 7,088 |
| Colombia | | **7,664** | | 5,029 |
| Mexico | | **6,962** | | 6,294 |
| Brazil | | **6,476** | | 3,487 |
| Other | | **16,506** | | 8,569 |
| Total revenue | **$** | **323,069** | $ | 203,205 |

The following table outlines the Company's unsatisfied performance obligations, by product line, as at March 31, 2022:

| | | Less than one year | | One to two years | | Greater than two years | | Total |
|---|---|---|---|---|---|---|---|---|
| Engineered Systems | $ | 619,294 | $ | 694 | $ | - | $ | 619,988 |
| Service | | 35,645 | | 14,435 | | 42,059 | | 92,139 |
| Energy Infrastructure | | 174,387 | | 136,231 | | 677,255 | | 987,873 |
| | **$** | **829,326** | **$** | **151,360** | **$** | **719,314** | **$** | **1,700,000** |

# NOTE 13. SHARE-BASED COMPENSATION

## (a) Share-Based Compensation Expense

The share-based compensation expense included in the determination of net earnings was:

| Three months ended March 31, | | 2022 | | 2021 |
|---|---|---|---|---|
| Equity settled share-based payments | **$** | **457** | $ | 440 |
| Cash settled share-based payments | | **3,592** | | 4,827 |
| Share-based compensation expense | **$** | **4,049** | $ | 5,267 |

Deferred share units ("DSUs"), phantom share entitlements ("PSEs"), performance share units ("PSUs"), restricted share units ("RSUs"), and cash performance target plan awards ("CPTs") are all classified as cash settled share-based payments. Stock options are equity settled share-based payments.

The Company did not grant any CPTs, PSEs, PSUs, RSUs, or options to officers and key employees during the first three months of 2022. The DSU, PSU, and RSU holders had dividends credited to their accounts during the period. The carrying value of the liability relating to cash settled share-based payments at March 31, 2022 included in current liabilities was $6.0 million (December 31, 2021 – $4.3 million) and in other long-term liabilities was $15.3 million (December 31, 2021 - $13.4 million).

## (b) Equity-Settled Share-Based Payments

| | **March 31, 2022** | | | December 31, 2021 | | |
|---|---|---|---|---|---|---|
| | **Number of options** | | **Weighted average exercise price** | Number of options | | Weighted average exercise price |
| Options outstanding, beginning of period | **4,456,444** | **$** | **11.66** | 4,057,142 | $ | 12.78 |
| Granted | **-** | | **-** | 654,847 | | 7.85 |
| Exercised[1] | **(2,120)** | | **5.51** | - | | - |
| Forfeited | **(27,286)** | | **13.51** | (24,267) | | 9.25 |
| Expired | **-** | | **-** | (231,278) | | 20.75 |
| Options outstanding, end of period | **4,427,038** | **$** | **11.65** | 4,456,444 | $ | 11.66 |
| Options exercisable, end of period | **2,415,824** | **$** | **13.63** | 2,445,230 | $ | 13.62 |

*[1] The weighted average share price of Options at the date of exercise for the three months ended March 31, 2022 was $7.89 (March 31, 2021 – nil).*

The following table summarizes options outstanding and exercisable at March 31, 2022:

| | **Options Outstanding** | | | | **Options Exercisable** | | | |
|---|---|---|---|---|---|---|---|---|
| Range of exercise prices | Number outstanding | Weighted average remaining life (years) | | Weighted average exercise price | Number outstanding | Weighted average remaining life (years) | | Weighted average exercise price |
| $5.51 – $9.77 | 1,475,830 | 5.81 | $ | 6.54 | 165,775 | 5.37 | $ | 5.51 |
| $9.78 – $14.75 | 1,657,799 | 2.37 | | 12.85 | 1,174,530 | 1.55 | | 12.65 |
| $14.76 – $16.12 | 1,293,409 | 1.61 | | 15.95 | 1,075,519 | 1.30 | | 15.94 |
| Total | **4,427,038** | **3.30** | **$** | **11.65** | **2,415,824** | **1.70** | **$** | **13.63** |

### (c) Cash-Settled Share-Based Payments

During the three months ended March 31, 2022, the value of director's compensation and executive bonuses elected to be received in DSUs totalled $0.6 million (March 31, 2021 – $0.7 million).

| | Number of DSUs | | Weighted average grant date fair value per unit |
|---|---|---|---|
| DSUs outstanding, January 1, 2022 | 1,406,170 | $ | 10.51 |
| Granted | 76,751 | | 8.14 |
| In lieu of dividends | 4,269 | | 7.81 |
| **DSUs outstanding, March 31, 2022** | **1,487,190** | **$** | **10.38** |

## NOTE 14. FINANCE COSTS AND INCOME

| Three months ended March 31, | | **2022** | | 2021 |
|---|---|---|---|---|
| **Finance Costs** | | | | |
| Short and long-term borrowings | **$** | **3,820** | $ | 4,394 |
| Interest on lease liability | | **695** | | 793 |
| Total finance costs | **$** | **4,515** | $ | 5,187 |
| | | | | |
| **Finance Income** | | | | |
| Interest income | **$** | **644** | $ | 195 |
| Net finance costs | **$** | **3,871** | $ | 4,992 |

## NOTE 15. FINANCIAL INSTRUMENTS

### Designation and Valuation of Financial Instruments

Financial instruments at March 31, 2022 were designated in the same manner as they were at December 31, 2021. Accordingly, with the exception of the Notes and certain long-term receivables, the estimated fair values of financial instruments approximated their carrying values. The carrying value and estimated fair value of the Notes as at March 31, 2022 was $263.7 million and $252.1 million, respectively (December 31, 2021 – $266.9 million and $280.3 million, respectively). The fair value of these Notes at March 31, 2022 was determined on a discounted cash flow basis with a weighted average discount rate of 5.1 percent (December 31, 2021 – 3.5 percent).

The Company holds preferred shares that were initially recorded at fair value and subsequently measured at amortized cost and recognized as long-term receivables in Other assets. The carrying value and estimated fair value of the preferred shares at March 31, 2022 was $24.7 million and $26.5 million, respectively (December 31, 2021 – $24.2 million and $27.5 million, respectively).

### Derivative Financial Instruments and Hedge Accounting

Foreign exchange contracts are transacted with financial institutions to hedge foreign currency denominated obligations and cash receipts related to purchases of inventory and sales of products.

The following table summarizes the Company's commitments to buy and sell foreign currencies as at March 31, 2022:

| | | Notional amount | Maturity |
|---|---|---|---|
| **Canadian Dollar Denominated Contracts** | | | |
| Purchase contracts | USD | **16,258** | April 2022 – February 2023 |
| Sales contracts | USD | **(8,622)** | April 2022 – September 2022 |
| Purchase contracts | EUR | **1,279** | May 2022 – October 2022 |
| Sales contracts | EUR | **(641)** | June 2022 |

At March 31, 2022, the fair value of derivative financial instruments classified as financial assets was $0.3 million, and as financial liabilities was $0.4 million (December 31, 2021 – $0.3 million and $0.2 million, respectively).

## Foreign Currency Translation Exposure

The Company is subject to foreign currency translation exposure, primarily due to fluctuations of the Canadian dollar against the U.S. dollar, Australian dollar, and the Brazilian real. Enerflex uses foreign currency borrowings to hedge against the exposure that arises from foreign subsidiaries that are translated to the Canadian dollar through a net investment hedge. As a result, exchange gains and losses on the translation of $43.0 million U.S. dollars in designated foreign currency borrowings are included in accumulated other comprehensive income for March 31, 2022. The following table shows the sensitivity to a 5.0 percent weakening of the Canadian dollar against the U.S. dollar, Australian dollar, and Brazilian real.

| Canadian dollar weakens by 5 percent | | USD | | AUD | | BRL |
|---|---|---|---|---|---|---|
| Earnings from foreign operations | | | | | | |
| Earnings before income taxes | $ | 706 | $ | (82) | $ | 67 |
| Financial instruments held in foreign operations | | | | | | |
| Other comprehensive income | $ | 14,122 | $ | 582 | $ | 349 |
| Financial instruments held in Canadian operations | | | | | | |
| Earnings before income taxes | $ | (9,293) | $ | - | $ | - |

The movement in net earnings before tax in Canadian operations is a result of a change in the fair values of financial instruments. The majority of these financial instruments are hedged.

## Interest Rate Risk

The Company's liabilities include long-term debt that is subject to fluctuations in interest rates. The Company's Notes outstanding at March 31, 2022 include interest rates that are fixed and therefore the related interest expense will not be impacted by fluctuations in interest rates. The Company's Bank and Asset-Based Facilities, however, are subject to changes in market interest rates.

For each one percent change in the rate of interest on the Bank and Asset-Based Facilities, the change in annual interest expense would be $0.8 million. All interest charges are recorded on the annual consolidated statements of earnings as finance costs.

## Liquidity Risk

Liquidity risk is the risk that the Company may encounter difficulties in meeting obligations associated with financial liabilities. In managing liquidity risk, the Company has access to a significant portion of its Bank and Asset-Based Facilities for future drawings to meet the Company's future growth targets. As at March 31, 2022, the Company held cash and cash equivalents of $133.2 million and had drawn $78.6 million against the Bank and Asset-Based Facilities, leaving it with access to $671.9 million for future drawings. The Company continues to meet the covenant requirements of its funded debt, including the Bank and Asset-Based Facilities, and Notes, with a bank-adjusted net debt to EBITDA ratio of 1.43:1 compared to a maximum ratio of 3:1, and an interest coverage ratio of 9:1

compared to a minimum ratio of 3:1. The interest coverage ratio is calculated by dividing the trailing 12-month bank-adjusted EBITDA, as defined by the Company's lenders, by interest expense over the same time frame.

A liquidity analysis of the Company's financial instruments has been completed on a maturity basis. The following table outlines the cash flows, including interest associated with the maturity of the Company's financial liabilities, as at March 31, 2022:

| | Less than 3 months | 3 months to 1 year | Greater than 1 year | Total |
|---|---|---|---|---|
| Derivative financial instruments | | | | |
| Foreign currency forward contracts | $ 264 | $ 145 | $ - | $ 409 |
| Accounts payable and accrued liabilities | 256,296 | - | - | 256,296 |
| Long-term debt – Bank Facility | - | - | 46,246 | 46,246 |
| Long-term debt – Asset-Based Facility | - | - | 32,363 | 32,363 |
| Long-term debt – Notes | - | - | 263,680 | 263,680 |
| Other long-term liabilities | - | - | 18,002 | 18,002 |

The Company expects that cash flows from operations in 2022, together with cash and cash equivalents on hand and credit facilities, will be more than sufficient to fund its requirements for investments in working capital and capital assets.

## NOTE 16. SUPPLEMENTAL CASH FLOW INFORMATION

| Three months ended March 31, | 2022 | 2021 |
|---|---|---|
| **Net change in non-cash working capital and other** | | |
| Accounts receivable | $ (9,840) | $ 25,622 |
| Contract assets | (31,418) | 16,256 |
| Inventories | (22,872) | 7,222 |
| Work-in-progress related to finance leases | 3,792 | - |
| Accounts payable and accrued liabilities, provisions, and income taxes payable | 16,179 | (11,786) |
| Deferred revenue | 24,603 | (5,610) |
| Foreign currency and other | (3,363) | 2,988 |
| | $ (22,919) | $ 34,692 |

Cash interest and taxes paid and received during the period:

| Three months ended March 31, | 2022 | 2021 |
|---|---|---|
| Interest paid – short- and long-term borrowings | $ 1,017 | $ 627 |
| Interest paid – lease liabilities | 695 | 793 |
| Total interest paid | $ 1,712 | $ 1,420 |
| Interest received | 356 | 58 |
| | | |
| Taxes paid | 997 | 900 |
| Taxes received | 627 | 148 |

Changes in liabilities arising from financing activities during the period:

| Three months ended March 31, | | 2022 | | 2021 |
|---|---|---|---|---|
| Long-term debt, opening balance | **$** | **331,422** | $ | 389,712 |
| Changes from financing cash flows | | **11,283** | | (24,759) |
| The effect of changes in foreign exchange rates | | **(3,793)** | | (2,909) |
| Amortization of deferred transaction costs | | **305** | | 256 |
| Other changes | | **(91)** | | (155) |
| Long-term debt, closing balance | **$** | **339,126** | $ | 362,145 |

## NOTE 17. GUARANTEES, COMMITMENTS, AND CONTINGENCIES

At March 31, 2022, the Company had outstanding letters of credit of $40.1 million (December 31, 2021 - $42.1 million).

The Company is involved in litigation and claims associated with normal operations against which certain provisions may be made in the consolidated financial statements. Management is of the opinion that any resulting settlement arising from the litigation would not materially affect the consolidated financial position, results of operations, or liquidity of the Company.

The Company has purchase obligations over the next three years as follows:

| | | |
|---|---|---|
| 2022 | $ | **312,790** |
| 2023 | | **4,144** |
| 2024 | | **126** |

## NOTE 18. SEASONALITY

The oil and natural gas service sector in Canada and in some parts of the USA has a distinct seasonal trend in activity levels which results from well-site access and drilling pattern adjustments to take advantage of weather conditions. Generally, Enerflex's Engineered Systems product line has experienced higher revenues in the fourth quarter of each year while Service and Energy Infrastructure product line revenues have been stable throughout the year. Energy Infrastructure revenues are also impacted by both the Company's and its customers' capital investment decisions. The USA and Rest of World segments are not significantly impacted by seasonal variations. Variations from these trends usually occur when hydrocarbon energy fundamentals are either improving or deteriorating.

## NOTE 19. SEGMENTED INFORMATION

Enerflex has identified three reportable operating segments as outlined below, each supported by the Corporate head office. Corporate overheads are allocated to the operating segments based on revenue. In assessing its operating segments, the Company considered economic characteristics, the nature of products and services provided, the nature of production processes, the type of customer for its products and services, and distribution methods used. For each of the operating segments, the Chief Operating Decision Maker reviews internal management reports on at least a quarterly basis. For the three months ended March 31, 2022, the Company recognized $46.0 million of revenue from one customer in the ROW segment, which represented 14.2 percent of the total revenue for the period. At March 31, 2022 the accounts receivable balance from this customer was $17.7 million, which represents 8.0 percent of the total accounts receivables. For the three months ended March 31, 2021, the Company had no individual customers which accounted for more than 10 percent of its revenue.

The following summary describes the operations of each of the Company's reportable segments:

- *USA generates revenue from manufacturing natural gas compression, refrigeration, processing, and electric power equipment, including custom and standard compression packages and modular natural gas processing equipment and refrigeration systems, in addition to generating revenue from mechanical services and parts, and maintenance solutions, and contract compression rentals;*
- *Rest of World generates revenue from manufacturing (focusing on large-scale process equipment), after-market services, including parts and components, as well as operations, maintenance, and overhaul services, and rentals of compression and processing equipment. The Rest of World segment has been successful in securing build-own-operate-maintain and integrated turnkey projects; and*
- *Canada generates revenue from manufacturing both custom and standard natural gas compression, processing, and electric power equipment, as well as providing after-market mechanical service, parts, and compression and power generation rentals.*

The accounting policies of the reportable operating segments are the same as those described in the summary of significant accounting policies.

| Three months ended March 31, | USA 2022 | USA 2021 | Rest of World 2022 | Rest of World 2021 | Canada 2022 | Canada 2021 | Total 2022 | Total 2021 |
|---|---|---|---|---|---|---|---|---|
| Segment revenue | **$ 182,755** | $ 84,965 | **$ 109,394** | $ 70,517 | **$ 67,124** | $ 51,629 | **$ 359,273** | $ 207,111 |
| Intersegment revenue | **(35,291)** | (3,019) | **(78)** | (6) | **(835)** | (881) | **(36,204)** | (3,906) |
| Revenue | **$ 147,464** | $ 81,946 | **$ 109,316** | $ 70,511 | **$ 66,289** | $ 50,748 | **$ 323,069** | $ 203,205 |
| Revenue – Engineered Systems | **77,632** | 29,240 | **49,292** | 8,442 | **47,507** | 34,550 | **174,431** | 72,232 |
| Revenue – Service | **42,249** | 30,114 | **23,034** | 25,911 | **17,903** | 14,511 | **83,186** | 70,536 |
| Revenue – Energy Infrastructure | **27,583** | 22,592 | **36,990** | 36,158 | **879** | 1,687 | **65,452** | 60,437 |
| Operating income (loss)[1] | **$ 345** | $ 366 | **$ 10,282** | $ 4,728 | **$ (3,788)** | $ 1,927 | **$ 6,839** | $ 7,021 |

*[1] The company did not receive any government grants during the three months ended March 31, 2022 (March 31, 2021 – $4.1 million). Government grants are recorded in cost of goods sold and selling and administrative expenses within the interim condensed consolidated statements of earnings in accordance with where the associated expenses were recognized.*

| | USA Mar. 31 2022 | USA Dec. 31 2021 | Rest of World Mar. 31 2022 | Rest of World Dec. 31 2021 | Canada Mar. 31 2022 | Canada Dec. 31 2021 | Total Mar. 31 2022 | Total Dec. 31 2021 |
|---|---|---|---|---|---|---|---|---|
| Segment assets | **$ 985,255** | $ 1,000,755 | **$ 691,812** | $ 654,969 | **$ 551,610** | $ 546,250 | **$ 2,228,677** | $ 2,201,974 |
| Goodwill | **152,220** | 154,437 | **322,628** | 323,466 | **88,367** | 88,367 | **563,215** | 566,270 |
| Corporate | **-** | - | **-** | - | **-** | - | **(564,917)** | (576,802) |
| Total segment assets | **$ 1,137,475** | $ 1,155,192 | **$ 1,014,440** | $ 978,435 | **$ 639,977** | $ 634,617 | **$ 2,226,975** | $ 2,191,442 |

## NOTE 20. PENDING EXTERRAN TRANSACTION

On January 24, 2022, Enerflex and Exterran Corporation (NYSE: EXTN) announced they have entered into a definitive agreement to combine the companies in an all-share transaction to create a premier integrated global provider of energy infrastructure. Upon completion of the transaction, which will require shareholder and regulatory approval, the combined entity will operate as Enerflex Ltd. Subject to all approvals, Enerflex anticipates closing the Transaction during the second half of 2022.

During the quarter, Enerflex also completed the syndication of a new senior secured revolving credit facility for a 3-year term. Enerflex elected to upsize the credit facility from $600 million USD to $700 million USD to provide enhanced liquidity and is in addition to the fully committed $925 million 5-year bridge loan facility. Additionally, S&P Global Ratings ("S&P") and Fitch Ratings Ltd. ("Fitch") have each provided an initial credit rating for the pro forma combination of Enerflex and Exterran. S&P's initial corporate credit rating is BB- with a stable outlook and Fitch's initial long-term issuer rating is BB- with a stable outlook. The ratings will be used to support our previously announced high yield debt offering that we intend to pursue.

## NOTE 21. SUBSEQUENT EVENTS

Subsequent to March 31, 2022, Enerflex declared a quarterly dividend of $0.025 per share, payable on July 7, 2022, to shareholders of record on May 19, 2022. Enerflex's Board of Directors will continue to evaluate dividend payments on a quarterly basis, based on the availability of cash flow and anticipated market conditions.


# BOARD OF DIRECTORS

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Director
Houston, TX

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Calgary, AB

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Director
Dallas, TX

**MONA HALE**[6]
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**H. STANLEY MARSHALL**[2, 3]
Director
Paradise, NL

**KEVIN J. REINHART**[7]
Chairman
Calgary, AB

**MARC E. ROSSITER**
Director
President and Chief Executive Officer
Calgary, AB

**JUAN CARLOS VILLEGAS**[2, 4]
Director
Lo Barnechea, RM, Chile

**MICHAEL A. WEILL**[1, 6]
Director
Houston, TX

*1. Chair of the Nominating and Corporate Governance Committee*
*2. Member of the Nominating and Corporate Governance Committee*
*3. Chair of the Human Resources and Compensation Committee*
*4. Member of the Human Resources and Compensation Committee*
*5. Chair of the Audit Committee*
*6. Member of the Audit Committee*
*7. Chair of the Board*

# EXECUTIVES

**SANJAY BISHNOI**
Senior Vice President,
Chief Financial Officer
Calgary, AB

**DAVID IZETT**
Senior Vice President,
General Counsel
Calgary, AB

**PATRICIA MARTINEZ**
Chief Energy Transition Officer
Houston, TX

**PHIL PYLE**
President, International
Abu Dhabi, UAE

**GREG STEWART**
President, United States of
America Houston, TX

**MAURICIO MEINERI**
President, Latin America
Houston, TX

**HELMUTH WITULSKI**
President, Canada
Calgary, AB

# SHAREHOLDERS' **INFORMATION**

## COMMON SHARES

The common shares of Enerflex are listed and traded on the Toronto Stock Exchange under the symbol "EFX".

## TRANSFER AGENT, REGISTRAR, AND DIVIDEND DISBURSING AGENT

TSX Trust Company
Calgary, AB, Canada and Toronto, ON, Canada

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All questions about accounts, share certificates, or dividend cheques should be directed to the Transfer Agent, Registrar, and Dividend Disbursing Agent.

## AUDITORS

Ernst & Young | Calgary, AB, Canada

## BANKERS

The Toronto Dominion Bank | Calgary, AB, Canada

The Bank of Nova Scotia | Toronto, ON, Canada

## INVESTOR RELATIONS

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