

CEO Message to Shareholders



Marc Rossiter

President, Chief Executive
Officer, and Director

Dear Fellow Enerflex Shareholders,

On behalf of the Executive Management Team, Board of Directors, and my 4,800 Enerflex teammates worldwide, I would like to thank you personally for your continued support of Enerflex. I am pleased to report that, thanks to the hard work and dedication of our incredible team, 2023 was a year of noteworthy progress at Enerflex. While there is still significant work ahead of us to achieve our objectives, we made meaningful strides in advancing the business during 2023 and believe Enerflex is in a position of strength as we begin 2024.

Executing on our Goals

Today, as a result of our success integrating the Exterran acquisition and the decisive actions we have taken to optimize our combined company's geographic footprint and business model, Enerflex is operating with increased scale and efficiency. We have significantly expanded our product offerings to deepen our ability to serve our client partners across the energy value chain, capitalize on and help advance the ongoing energy transition, and pursue opportunities across the water solutions vertical. We continue to be impressed by the relentless commitment of our team to serving our global clients, and as we progress through 2024, I look forward to all that we will accomplish together.

Enerflex has a proud 40+ year history, and our mission, vision, and purpose remain as important as ever: ***Transforming Energy for a Sustainable Future***. Enerflex is a meaningful contributor to the energy transition, enabling safe and efficient capture, processing, and transportation of natural gas. Our Company has established itself as a prominent and trusted partner to its global clients, and we expect demand for the services we offer to further increase in the coming years.

As our client partners continue decarbonizing their operations, Enerflex has aligned its goals and strategy to profitably help them achieve their sustainability objectives. With a thoughtful, decisive, and creative approach to our business, Enerflex is poised to capitalize on the growing demand for sustainable energy infrastructure through our vertically integrated natural gas, treated water, and energy transition offerings.

As consolidation across the industry continues, our enhanced scale enables Enerflex to be a more meaningful partner to our clients. This is especially critical as demand for natural gas and related products and services is expected to continue to grow for years to come.

Of particular significance, in 2023, the Company achieved a total recordable incident rate (TRIR) of 0.42. This is the lowest annual TRIR that the Company has achieved in more than two decades and is a further improvement from 2022 of 0.46.



2024 Priorities

Enerflex is poised to generate strong operational and financial results in 2024, underpinned by our highly contracted Energy Infrastructure product line and the recurring nature of After-Market Services. Complementing Enerflex's recurring revenue businesses is the Engineered Systems product line, which carried a backlog of approximately CAD\$1.5 billion (US\$1.1 billion) as at December 31, 2023 and is expected to benefit from increasing natural gas production in our core regions.

Our priorities for the year include:

- Delivering strong operating results across natural gas, treated water solutions, and energy transition end markets to support our valued customers around the world;
- Providing meaningful shareholder returns, including paying a sustainable dividend;
- Implementing our disciplined capital program with reduced capital spending of between US\$90 million and US\$110 million; and
- Paying down debt and lowering net finance costs to further strengthen the Company's balance sheet and enhance Enerflex's ability to deliver shareholder returns over the mid- and long-term.

Closing Remarks

Our incredible people have worked safely, efficiently, and tirelessly during 2023 to deliver for our global clients while at the same time tackling the integration of the largest acquisition in Enerflex's history. I am sincerely grateful for their grit and determination.

As we move through 2024, we see meaningful opportunities to continue evolving our business, tailoring our products and services to the dynamic needs of our client partners, and executing our strategy to drive enhanced value creation for our shareholders.

With a clear plan for future growth that leverages our longstanding reputation for technical expertise, we're proud to represent a solid investment with ongoing value generation.

On behalf of the Enerflex team, thank you for your valued support.

Sincerely,

Marc Rossiter

President, Chief Executive Officer, and Director

February 28, 2024