

Letter 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 4,600 Enerflex teammates worldwide, I thank you for your continued support of Enerflex.

Enerflex begins 2025 in a position of strength – a testament to the dedication, resilience, and hard work of our incredible team. Over the course of 2024, we made substantial progress advancing our business and taking meaningful steps toward achieving our long-term objectives.

While there remains considerable work ahead to fully realize our ambitions, the milestones we reached last year provide a solid foundation for continued growth and success in 2025. I am confident that the momentum we have built will carry us forward as we navigate the challenges and opportunities that lie ahead.

Executing On Our Goals

The underlying macroeconomic drivers for our business are strong, and with the ongoing focus on global energy security and the growing need for low emission natural gas, our business lines continue to deliver solid performance. Enerflex will continue to capitalize on the growing demand for sustainable energy infrastructure through our vertically integrated natural gas, treated water, and energy transition offerings. 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.

Enerflex remains committed to maximizing its operational efficiency by optimizing its geographic footprint to enhance the profitability of its core operations. Throughout this process, maintaining a strong focus on safety remains a top priority. In 2024, the Company achieved a total recordable incident rate (TRIR) of 0.40, significantly outperforming the North American peer average of 1.00 and improving upon our own five-year average of 0.51. This achievement reflects our commitment to the well-being of our people while delivering operational excellence.

2025 Priorities

During 2025, Enerflex's priorities include:

1. Enhancing the profitability of core operations;
2. Leveraging the Company's leading position in core operating countries to capitalize on expected increases in natural gas and produced water volumes; and
3. Maximizing free cash flow to strengthen Enerflex's financial position, provide direct shareholder returns, and invest in select customer-supported growth opportunities.

Enerflex is well-positioned to deliver strong operational and financial results in 2025, driven by the highly contracted Energy Infrastructure product line and the recurring nature of After-Market Services. Together, these two product lines are expected to account for approximately 65% of the Company's gross margin before depreciation and amortization.

Complementing Enerflex's recurring revenue businesses is the Engineered Systems product line, supported by a robust backlog of approximately USD \$1.3 billion in projects as of December 31, 2024, the majority of which is expected to convert into revenue over the next 12 months.

Closing Remarks

Our outstanding team demonstrated remarkable dedication during 2024, safely delivering exceptional results for our global clients. Their efforts in driving operational excellence and executing on strategic initiatives translated into significant shareholder value creation and solidified our position as a leading provider of Energy Infrastructure.

With a clear plan for future growth that leverages our longstanding reputation for technical expertise, we believe Enerflex is positioned to create value for all our stakeholders over the long-term.



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President, Chief Executive Officer, and Director

February 26, 2025

