



# LETTER TO SHAREHOLDERS

Dear Enerflex Shareholders,

On behalf of the Enerflex Management Team and Board of Directors, we would like to thank you for your investment in Enerflex. I would also like to extend my gratitude to Enerflex's employees, customers, and suppliers for coming together to execute on our strategy in 2021.

**To call 2021 a transition year would be an understatement.**

We entered the year with a very low backlog, no vaccinations, and pervasive global uncertainty in the energy markets. Throughout the year, Enerflex reached the following important achievements:

1. Through vaccinations and testing protocols, we stayed at work. Serving our clients in our offices, manufacturing facilities, service trucks, and energy infrastructure in 17 countries.
2. Recorded reliable and predictable revenue from a growing base of energy infrastructure assets from the USA rental fleet to new and existing BOOM (build-own-operate-maintain) assets in Latin America and the Middle East.
3. Created and developed an in-house Energy Transition (ETX) business to capitalize on 40 years of history in low carbon technologies.
4. Increased the backlog in Engineered Systems in four successive quarters closing out the year on a high note.

Profit margins in Engineered Systems and After-Market Service did not reach pre-pandemic levels in 2021. Getting there remains a priority for Enerflex.

Further, even though we have progressed our ETX plans via meaningful engagements with solid counterparties, we will be more satisfied when the studies, engineering, and MOU's undertaken in 2021 convert to increased revenue

and earnings. Getting to profitability in ETX will require government policy and producer actions that supports real infrastructure spending on low carbon energy.

Since 2014, Enerflex's stated strategy has been to invest in global energy infrastructure that builds on our core business of manufacturing modularized energy solutions including gas processing, power generation, and compression. While we have made these investments, we have also prioritized a market leading position in the Engineered Systems business which is a reliable, capital light source of cash that funds a conservative balance sheet.

Indeed, it was this conservative balance sheet that allowed Enerflex to announce its intention to close on the all-share acquisition of long-time industry participant Exterran in January of 2022. This transaction will immediately create a true energy infrastructure company, building on a combined 105 years of technical excellence in modularized equipment and the collective talents of over 5,000 committed teammates globally. It will provide Enerflex with the right cost structure, capital structure, and talent to fulfill our vision of *Transforming Energy for a Sustainable Future*.

Again, thank you for being investors. Thanks to Enerflex employees – you are “Best in Class” on delivering safe, reliable, and cost-effective energy to our communities.

**[signed] “Marc E. Rossiter”**

Marc E. Rossiter  
*President, Chief Executive Officer, and Director*

February 23, 2022