

Flow Capital Corp.

Financing Growth Companies at the Leading Edge of Technology

Providing flexible and less expensive capital to high-growth software and tech-enabled companies. Allowing them to scale without compromising control.

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Excellent Returns from High-Growth Technology Companies

22.5% portfolio-level IRR over the past seven years¹

- Historically only accessible through venture capital funds
- Lower-risk, more liquid structures
- Primarily venture debt generating equity-like returns through senior secured loans
- Diverse exposure: AI, machine learning, fintech, SaaS, cleantech, edge computing
- Open to all investors – no accreditation or multi-year commitment required

¹ March 31, 2018, to June 30, 2025

Strong Risk-adjusted Returns in a Superior Asset Class

Total capital deployed¹

\$105.7M

Across 27 investments (2018-2025)

Weighted Avg. Borrower LTV

10.6%

At origination

Annualized portfolio yield²

20.9%

For the quarter ended June 30, 2025

Portfolio-level IRR¹

22.5%

Over the past 7 years

Loss ratio^{1 3}

2.6%

Cumulative since March 2018

Equity Capital⁴

\$36.8M

As at June 30, 2025

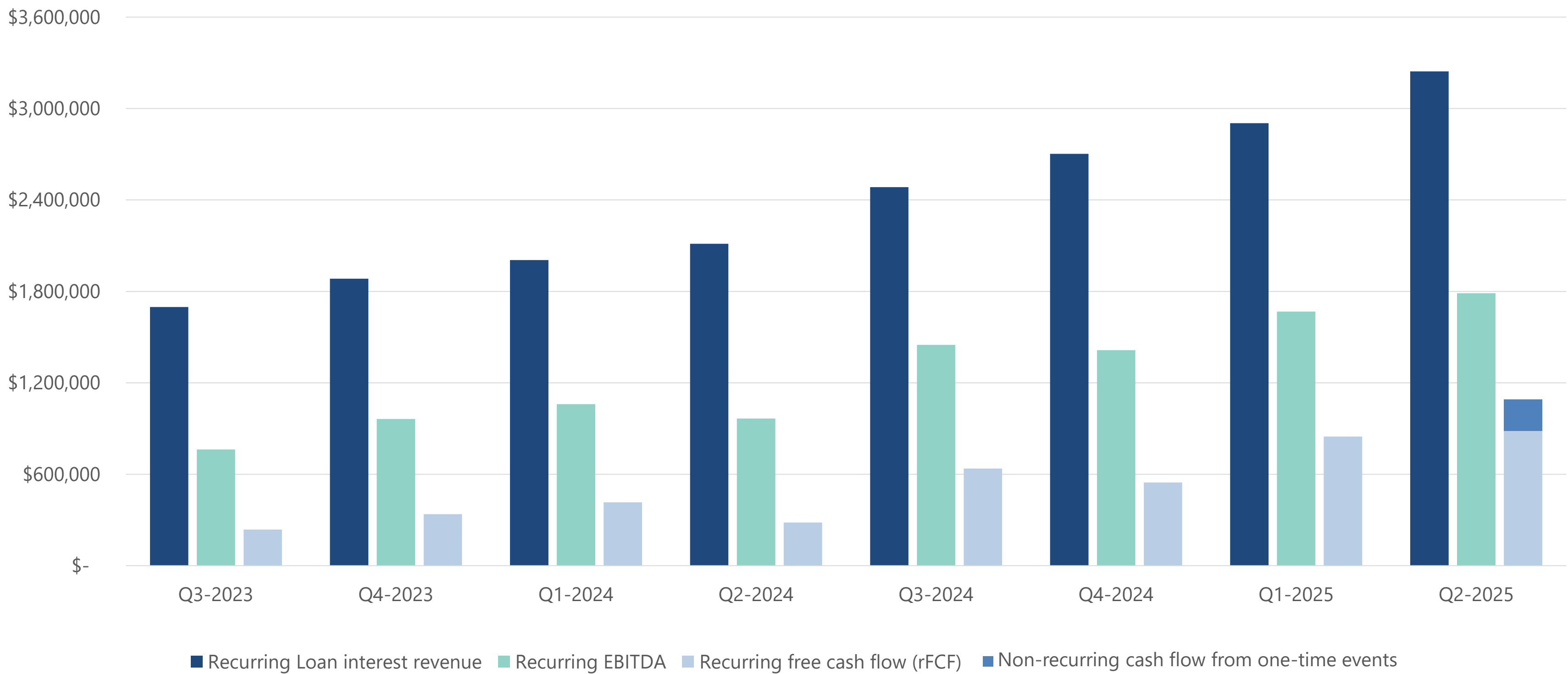
¹ March 31, 2018, to June 30, 2025.

² Loan interest and royalty income for the most recently reported quarter divided by average of FMV of loans receivable, net of expected credit losses, plus fair market value of royalty agreements, annualized.

³ Realized and Unrealized losses (\$2.8M) as a percentage of total capital deployed (\$105.7M) since March 2018.

⁴ Sum of common and preferred equity.

Increasing Recurring Free Cash Flow



Our Investment Parameters (Credit Box)

Stage	<ul style="list-style-type: none"> • High growth, revenue generating companies • Annual Recurring Revenue > \$3 million
Sectors	<ul style="list-style-type: none"> • Primarily tech and other high-growth sectors • No real estate or primary resources
Loan Amount	<ul style="list-style-type: none"> • \$2-10 million
Regions	<ul style="list-style-type: none"> • United States, Canada, United Kingdom
Use of Funds	<ul style="list-style-type: none"> • Growth
Sponsorship	<ul style="list-style-type: none"> • Open to VC funded as well as founder-bootstrapped companies
DD & Governance	<ul style="list-style-type: none"> • Extensive equity level due diligence including targeting board independence
Profitability	<ul style="list-style-type: none"> • Not required but must show clear path to profitability and/or follow-on investment
Typical Terms	<ul style="list-style-type: none"> • Senior secured loan • Mid-teens cash interest rate • Equity warrants equaling 1%-2% ownership

Rigorous Underwriting and Monitoring

Mitigate

Preventative measures against unnecessary risks

Rigorous Due Diligence	Highly selective process that uncovers potential risks via extensive testing of end markets, operations, and controls
Conservative Structure	Comprehensive senior security, surgical covenants, dominion over borrower cash and bank accounts
Substantial Coverage	Robust asset coverage requirements with meaningful built-in risk buffers
Deep Diversification	Strict concentration limits on a portfolio diversified by geography, end-markets, equity sponsors, etc.

Monitor

Oversight of portfolio to detect problems early

Timely Reporting	Read-only accounting and banking access along with monthly, quarterly, and annual reporting requirements
Tight Monitoring	Close monitoring of borrower performance and liquidity against budgets, forecasts, and covenants
Frequent Comms.	Constant check-ins with borrowers to ensure up-to-the-minute insights and detect early signs of distress
Layered Oversight	Monthly review of portfolio performance by multiple departments overseen by senior leadership

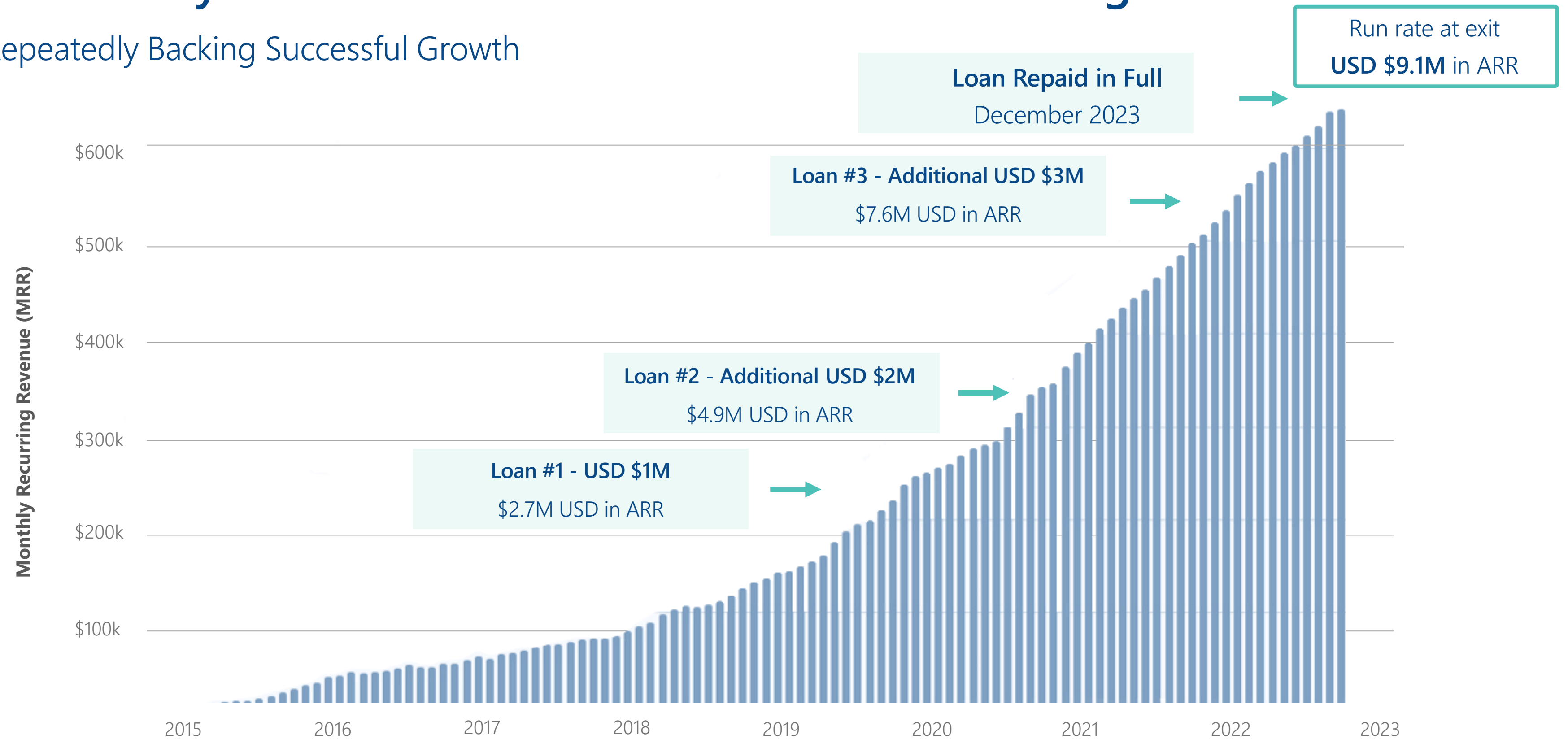
Recover

Proactive response to protect & recover capital

Planning & Policy	Ready-made playbook with clear escalation protocols and remedial measures for various risk scenarios
Proactive Engagement	Engage with borrower stakeholders including management, board, and investors to implement remedies
Legal Strategies	When necessary, expediently utilize strong legal frameworks to active enforcement mechanisms
Ongoing Assessment	Complete thorough root-cause analyses to incorporate feedback into future risk and recovery frameworks

Case Study – Software for Publisher Audience Management

Repeatedly Backing Successful Growth



22.5% Portfolio Level IRR Over 7 years

Not based on a few winners. Most investments in the 20%-35% band

	Years Invested	Capital Invested C\$M	Total Cash Received C\$M	Equity Value Held C\$M	Total \$ Return C\$M	Total % Return	IRR%
Exited Investments							
Company A	1.2	\$1.0	\$1.0	\$0.0	\$1.0	102%	(43.4%)
Company B	3.2	\$1.8	\$5.3	\$0.0	\$5.3	290%	52.7%
Company C	2.7	\$0.3	\$0.1	\$0.0	\$0.1	39%	(54.1%)
Company D	1.2	\$1.3	\$1.6	\$0.0	\$1.6	128%	33.3%
Company E	5.4	\$1.8	\$1.7	\$0.0	\$1.7	94%	(34.8%)
Company F	4.6	\$7.8	\$10.7	\$0.7	\$11.4	145%	18.4%
Company G	5.4	\$1.2	\$0.7	\$0.1	\$0.8	70%	(37.3%)
Company H	3.5	\$5.8	\$9.1	\$0.0	\$9.1	157%	19.3%
Company I	1.5	\$4.3	\$6.2	\$0.0	\$6.2	143%	37.9%
Company J	0.9	\$3.6	\$4.7	\$0.0	\$4.7	130%	124.1%
Company K	1.5	\$1.9	\$2.7	\$0.0	\$2.7	146%	36.2%
Company L	2.9	\$2.4	\$2.2	\$0.0	\$2.2	89%	(4.0%)
Company M	1.5	\$3.4	\$4.8	\$0.0	\$4.8	141%	35.8%
Company N	2.0	\$1.7	\$2.3	\$0.1	\$2.4	139%	21.0%
Total IRR - Exited portfolio		\$38.4	\$53.1	\$0.9	\$54.0	141%	24%
Active Portfolio							
Company O	10.3	\$1.2	\$5.1	\$0.0	\$5.1	410%	36.9%
Company P	6.4	\$0.7	\$1.1	\$0.0	\$1.1	169%	56.7%
Company Q	4.4	\$8.3	\$2.8	\$0.2	\$3.0	36%	18.2%
Company R	4.0	\$6.3	\$4.0	\$0.7	\$4.7	75%	22.8%
Company S	3.9	\$3.1	\$1.8	\$0.1	\$1.8	58%	(10.4%)
Company T	2.2	\$4.3	\$1.5	\$0.7	\$2.2	53%	26.4%
Company U	1.9	\$2.8	\$0.8	\$0.2	\$1.0	35%	21.7%
Company V	1.6	\$5.3	\$1.3	\$0.0	\$1.3	25%	21.2%
Company W	1.5	\$3.4	\$0.6	\$0.4	\$1.0	29%	21.9%
Company X	1.3	\$7.5	\$1.1	\$0.7	\$1.8	25%	34.8%
Company Y	1.2	\$4.1	\$0.7	\$0.3	\$0.9	23%	23.6%
Company Z	1.1	\$8.1	\$1.1	\$0.0	\$1.2	14%	20.1%
Company AA	0.3	\$6.7	\$0.2	\$0.1	\$0.2	3%	60.4%
Company AB	0.3	\$6.9	\$0.1	\$0.7	\$0.8	12%	n/a
Total IRR - Active portfolio		\$68.6	\$22.2	\$4.0	\$26.2	38%	20.5%

IRR on active portfolio is based on the current carrying value of investments.
The IRR for investment "Company P" is excluded from the 7-year portfolio IRR calculation.

A Team with Long Term Domain Expertise



Alex Baluta

Chief Executive Officer, Director

Alex Baluta has over 30 years of professional experience in Canada and the U.S., spanning investment banking, equity research, mergers and acquisitions, operations, consulting, and entrepreneurship. In the early 2000s, Alex was a top-ranked equity research analyst in Canada, specializing on the software sector. Throughout his career, his primary focus has been advising, analyzing, operating, and investing in small and medium-sized enterprises, primarily in high-growth technology sectors. He currently serves as Chief Executive Officer and Board Member at Flow Capital.



Josh Axler

Managing Director, Originations

Prior to joining Flow Capital, Josh Axler deployed over \$200 million in credit facilities as an Investment Manager at Crown Capital Partners and as a Commercial Banking Associate at CIBC. He also held business development roles at Hay Group and Xerox. Josh has a Bachelor of Arts, an Honours Business Administration (HBA) degree, and a Master of Business Administration (MBA) from the Ivey Business School at Western University. He is also a Chartered Financial Analyst (CFA) charterholder.



Michael Denny

Chief Financial Officer

Michael Denny has over 25 years of experience as a senior investment banker to growth companies, advising them on equity and debt placements and strategic acquisitions and divestitures. Prior to joining Flow Capital, he was a Managing Director with private equity manager Lynx Equity Limited, where he managed the Lynx Equity Income Trust.



Matthew Gan

Managing Director, Credit and Due Diligence

Matthew Gan joined Flow in 2021 and has since led the deployment of \$50M in capital. Prior to Flow, he spent 10 years in capital markets and corporate financial advisory including investment banking and equity research. Matthew holds a Bachelor of Arts in Honours Business Administration (HBA) degree from Ivey Business School at Western University and is a Chartered Financial Analyst (CFA) charterholder.



Vernon Lobo

Executive Chair

Vernon Lobo was the Founder and Managing Director of Mosaic Venture Partners, an early-stage venture capital fund. Over 26 years in the investment industry, he helped build several companies from startup to acquisition or public listing, eight of which achieved valuations exceeding \$100 million. Earlier in his career, Vernon worked as a consultant with McKinsey & Company and as a software engineer at Nortel Networks. He holds a BSc in Engineering from the University of Waterloo and an MBA from Harvard Business School, where he was a Baker Scholar.

Board and Management have over \$10M invested in the company's equity and debenture.

Overseen by Independent Directors



Catherine McLeod-Seltzer

Director

Catherine is a serial company builder and currently the Chairman of Bear Creek Mining. She is a recognized leader in the materials industry, known for creating growth-focused companies that deliver strong shareholder returns. Over the past 20 years, she has partnered with numerous geological teams, with successes including Arequipa Resources, Francisco Gold, Miramar Mining, Stornoway Diamonds, and Peru Copper. Catherine has raised over \$600 million in working capital for exploration and been directly involved in more than \$4 billion in corporate transactions. Her leadership, financial expertise, and access to capital have made her a key driver of shareholder value. Her accolades include “Mining Man of the Year” (The Northern Miner), the “Award for Performance” (Association of Women in Finance), and Canada’s Most Powerful Women Top 100 Award. She currently serves on the boards of Kinross Gold Corporation and Major Drilling Group International.



Michael Zych

Director

Michael Zych is the former Global Head of Fixed Income, Global Banking, and Markets for Scotiabank, where he had overall responsibility for the strategy and execution of the fixed income business. At Scotiabank, his oversight included trading, sales, and origination of fixed income products globally as well as credit and interest rate derivatives. Mr. Zych has built, led, and managed teams in eleven countries across North America, Latin America, Europe, and Asia. He was a member of both the Global Banking and Markets’ Strategy Committee and Human Investment Committee. Mr. Zych retired from Scotiabank in 2015 and has since been actively engaged with the startup ecosystem as a successful advisor and angel investor. Mr. Zych holds a Bachelor of Commerce degree from McMaster University and a Masters degree in Business Administration from the University of Toronto. He is a member in good standing with the CFA Institute.



Alan Torrie

Director

Alan Torrie brings extensive executive, financial, and director experience to the Flow Capital Board. He has held several senior executive roles, including as the former President and Chief Executive Officer of Morneau Shepell and MDS Diagnostics. He currently serves as a Chair of the Board of Extendicare and is a Director and member of the Audit Committees and Governance Committee of Green Shield Canada. He previously served as a Director of Trillium Health Partners, Cynapsus Therapeutics, and Appleby College.



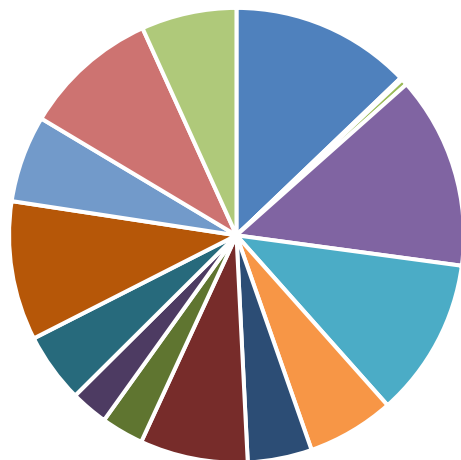
Brian Beattie

Director

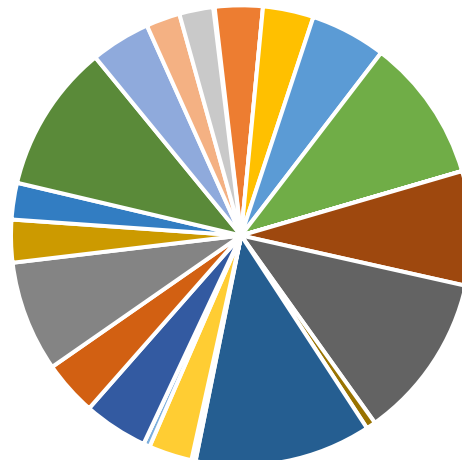
Brian Beattie is the Chief Operating Officer and Chief Financial Officer of Volaris Group. At Volaris, he has helped lead the expansion of our high-growth organization into new verticals and countries. Brian helps coach and guide Volaris leaders in reaching their organic growth, operational efficiency, and capital deployment goals. He joined Constellation Software in 2005, initially as the CFO of sister operating group Perseus, before joining Volaris.

A Well Diversified Loan and Equity Portfolios

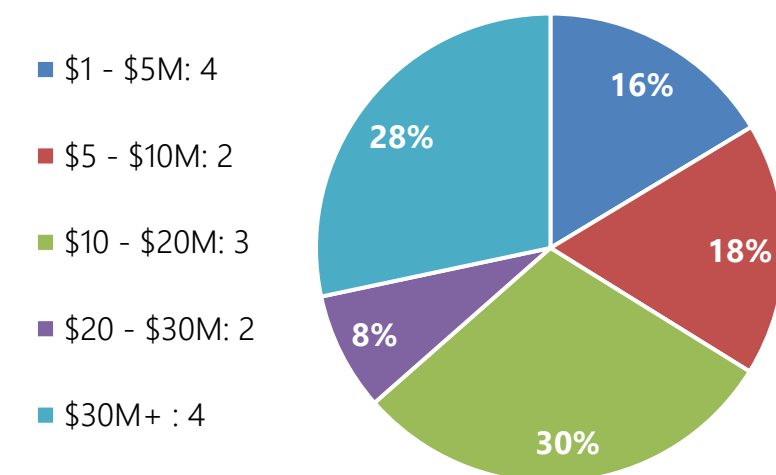
Loan Portfolio Diversified Across 15 Loans



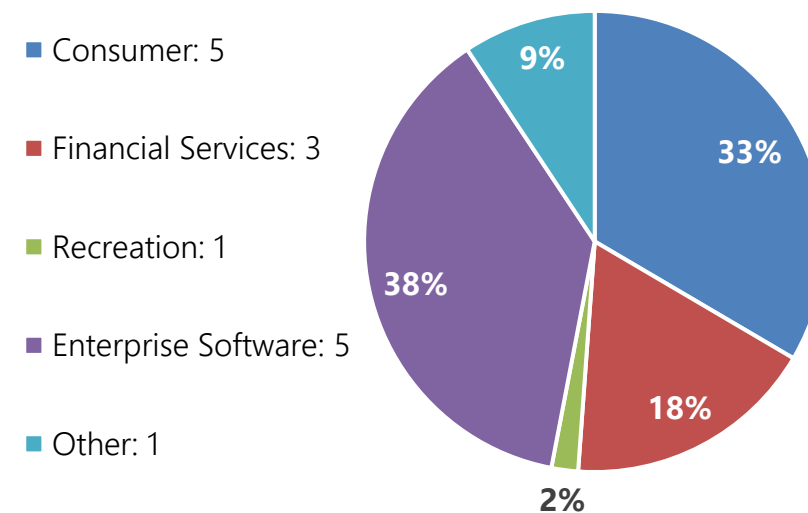
Equity Portfolio Diversified Across 20+ Positions



Loan Portfolio Diversified Across Small and Large Companies



Loan Portfolio Diversified Across 5 Industries



Current portfolio at origination

Average operating history ¹	9.7 years
Average enterprise value ¹	\$92.8M
Average revenue ¹	\$23.2M
Average LVT ¹	10.6%
Loan structure ¹	98% Senior Secured

Cumulative since March 2018

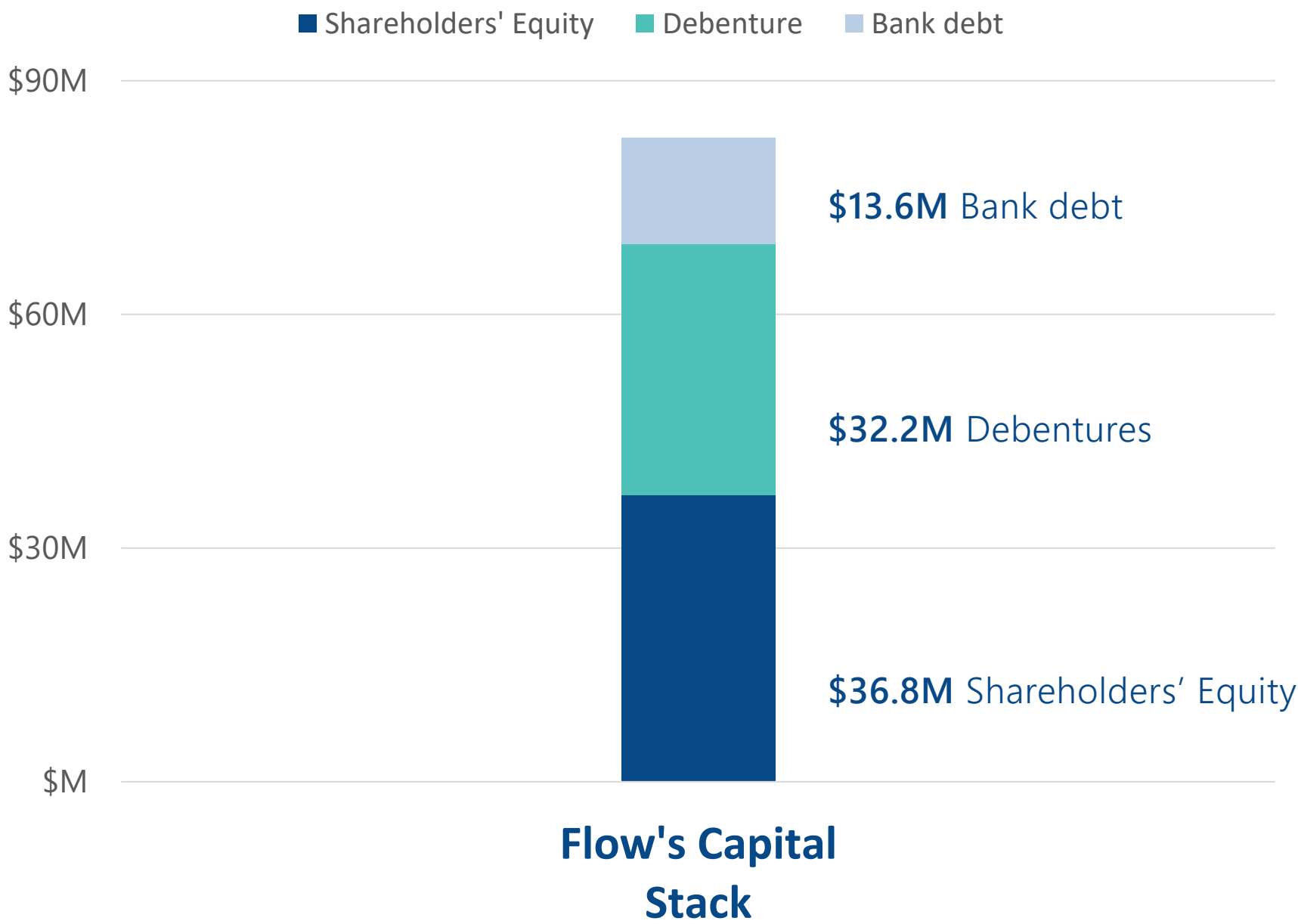
Total capital deployed	\$105.7M
Average investment size	\$3.9M
Number of investments made ²	27
Number of realized investments	11 repaid 16 active

¹ Weighted average at origination for current investment portfolio as of June 30, 2025.
² The investment in "Company P" (Slide 11) is excluded from this calculation.

Debenture Principal Well Protected By Our Assets and Equity

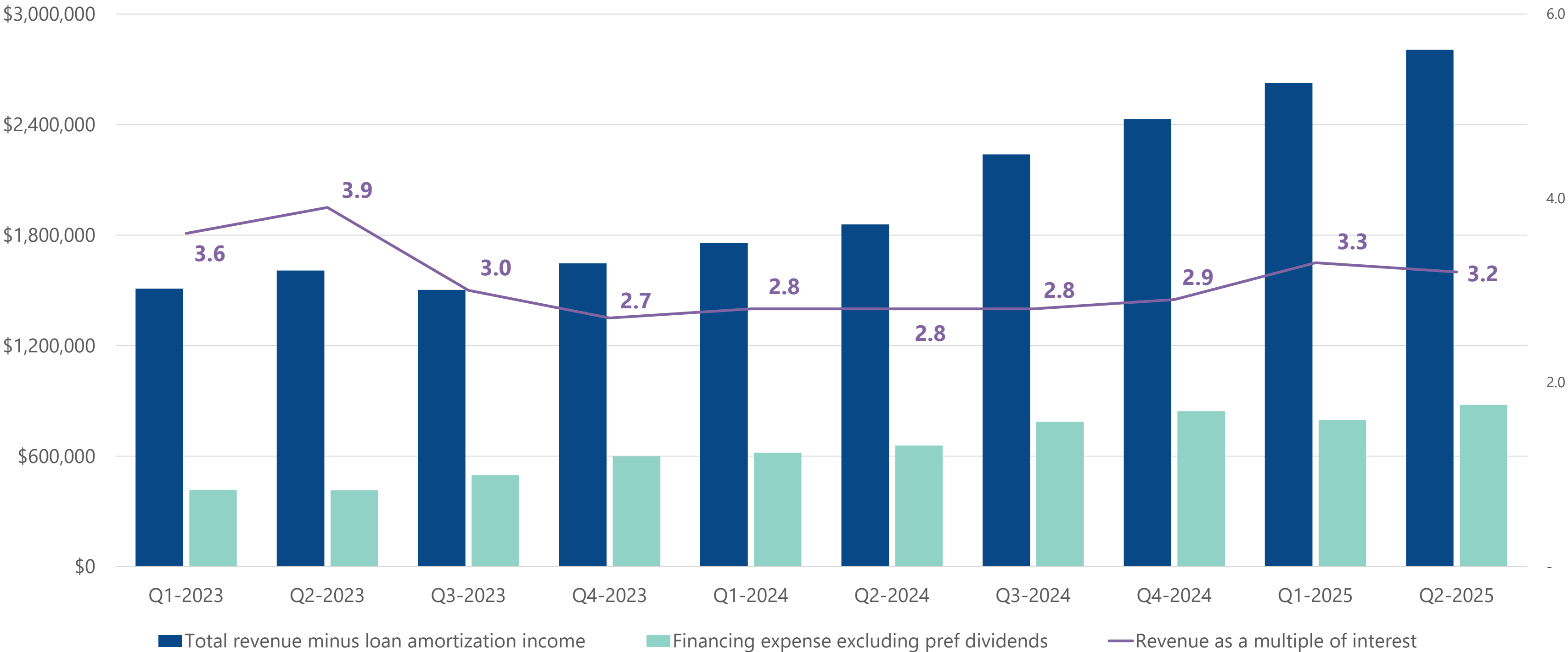
\$37M of First Loss Capital Protection

Debenture holders sit senior to almost \$37M of Equity. This subordinated shareholder equity acts as first-loss protection, meaning our portfolio needs to incur \$37M in losses before debenture holders are impacted.

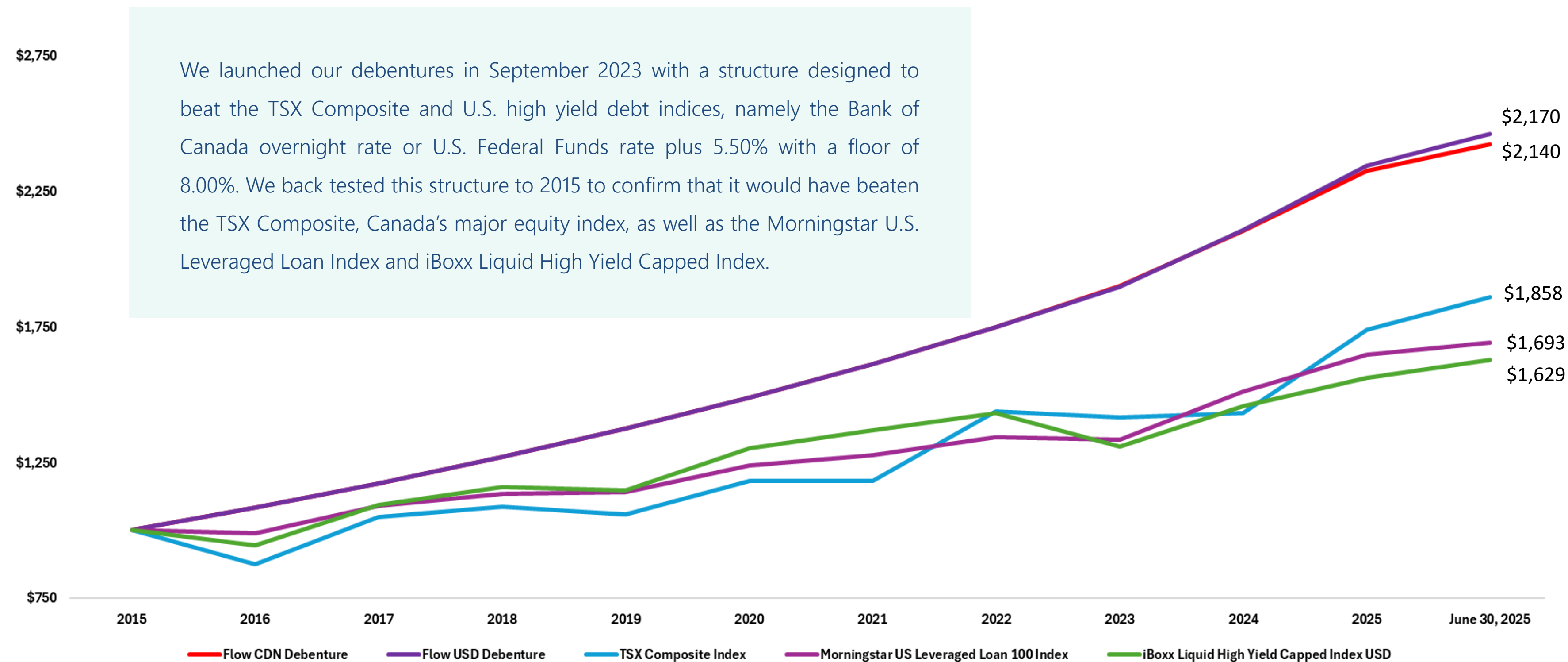


Revenue as a multiple of interest consistently high

Cash revenue from loan interest is 3.2x interest expense



Flow's Debentures Beat the Indices



Flow Capital Debentures For Income Focused Investors

Offering	Floating Rate Retractable Debentures
Security	Senior to \$36.8 million in Flow common and preferred equity.
Trustee / ISIN / CUSIP	Olympia Trust/ CA343449AC84 / 343449AC8/ Series F CAD
Interest rate	Bank of Canada Rate or US Federal Reserve Overnight Rate + 5.50%. (+50 bps for accounts > \$1 million) Currently: <ul style="list-style-type: none"> ▪ 8.25%¹ CAD (8.75% for accounts > \$1 million) ▪ 9.83%¹ USD (10.33% for accounts > \$1 million) ▪ Floor 8.00% Cap 12.00%¹ (8.5% - 12.5% for accounts > \$1 million)
Interest payment	Paid monthly DRIP available
Minimum purchase	\$20,000. Waived for TFSA top ups.
Retractions	At purchase price, subject to 90-day notice (target 30 days). Short-term trading fee of 5% of principal for purchases held less than one year
Registered plan status	Eligible for all registered plans. RRSP, TFSA, LIRA, RRIP, RESP, RDSP.

¹ For Commission-based accounts a Series A is available which pays: the Bank of Canada Rate or US Federal Reserve Overnight Rate + 5.50%, with a floor of 7% and a cap of 11.5%
² As of September 30, 2024, the interest coverage ratio is calculated from Flow's quarterly financial statements. The formula is (Royalty and loan interest income less cash operating expenses) divided by Debenture Interest Expense.
³ As of September 30, 2024, Flow Capital had \$38.8 million in common and preferred shareholder equity and \$26.8 million in debenture debt. The formula is (Equity + Debt) divided by 38.8M in shareholders equity.



Flow Capital

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