BluMetric Announces Q3 2026 Financial Results

Delivered 43% quarterly revenue growth as Company enters seasonally strongest quarter for Professional Services alongside investments to support WaterTech growth

Ottawa, Ontario--(Newsfile Corp. - August 26, 2026) - **BluMetric Environmental Inc. (TSXV: BLM) (OTCQX: BLMWF)** ("**BluMetric**" or "**the Company**"), an engineering WaterTech and full-service environmental consulting firm, announces its financial results for the fiscal quarter ended June 30, 2026.

Q3 2026 Select Financial Highlights
(in CA$ thousands, unaudited)

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Additional Context
Revenue	**20,920**	14,671	Increased 43% YOY, mainly driven by WaterTech USA, acquisition of DS Consultants and Whitteker Environmental, and improved Professional Services utilization. Next fiscal quarter (Q4 2026) is expected to be strongest quarter in the fiscal year for Professional Services due to seasonality
Gross margin	**37%**	36%	Improved gross margin from revenue mix and higher Professional Services utilization, and represents a significant improvement over previous three fiscal quarters
Adjusted EBITDA[1]	**1,059**	308	Higher YOY as the Company achieved operating leverage with increased revenues and gross profit. EBITDA was offset by investments in WaterTech USA's O&M services, and larger overhead to support the Company's continued growth
Net earnings (loss)	**(756)**	(451)	Mainly driven by $1,894 in non-cash depreciation and amortization and share compensation costs, offset by $302 in income tax recovery
Free Cash Flow[2]	**658**	271	Reflects improvements in both EBITDA and operating cash flow generation
Working capital[3]	**9,497**	8,520	Remains strong to execute on growth plan
Net cash[4]	**1,160**	3,422	Decrease reflects customer payments timing

"We are proud of our execution this period, which led to another revenue record for the quarter," stated Scott MacFabe, CEO of BluMetric Environmental Inc. "A number of our investments have started to pay off as shown with our higher operating leverage, while simultaneously making investments in WaterTech. As BluMetric enters its highest utilization fiscal quarter for Professional Services, our goal is to finish the fiscal year strong and demonstrate the success of our M&A integration strategy."

Business Highlights and Outlook

In the fiscal quarter, BluMetric saw significant revenue growth (43% increase year-over-year) and a slight improvement to its gross margin by 100 basis points over the prior period. The revenue growth was mainly driven by WaterTech USA, the acquisitions of DS Consultants and Whitteker Environmental (impact of $5,976,000), and higher utilization in Professional Services. This growth was offset by lower revenues in WaterTech Canada due to the finalization of the Rheinmetall Canada contract and project timing.

WaterTech USA's (Gemini Water) revenue growth was supported by the build phase of several projects, which skew toward higher revenue generation. Subsequent to the quarter, the Company signed a 49,000 sq. foot lease for an expanded facility in Gainesville, Florida. The new lease will commence on October 1, 2026, and nearly doubles WaterTech USA's manufacturing footprint. The Company believes the expansion is critical to supporting existing and future potential demand for its desalination and wastewater treatment products and services for the U.S. and Caribbean markets.

To date, BluMetric has been carrying the costs of its new O&M division to establish the first initial contracts and execute a higher-margin, more recurring service line for WaterTech USA. Along with the first O&M contract for its St. Kitts Bird Rock project, the Company continues to be in discussions with multiple clients to implement service agreements across groups of existing equipment installations.

Furthermore, the Mining market revenues increased 63% in the fiscal quarter, reflecting increasing demand for higher-value technical and consulting services in Northern Ontario and Quebec. The Company is actively pursuing more work in the Mining sector in response to the growing tailwinds for critical minerals and a more constructive regulatory backdrop. The Government market saw a slight decline in revenues due to the timing of government contract awards. Lastly, the Military market saw a decrease in revenues because of the Rheinmetall project concluding and timing of replacement projects. The Company recently started finalizing the implementation and oversight of its Canadian Program for Cyber Security Certification (CPCSC), allowing it to bid on Military contracts as a prime contractor. The Company is focused on backfilling capacity with larger-scale Military projects, reflecting opportunities in its sales pipeline.

As BluMetric enters the last quarter in its fiscal year, it is focused on executing what it expects to be its seasonally strongest quarter for Professional Services. DS Consultants in particular, has historically generated a significant amount of its revenues and EBITDA during fourth fiscal quarter. For WaterTech, the Company is in a transition phase as it prepares for manufacturing capacity expansion in Florida and aims to secure its next flagship Military contracts. In addition, the new ERP implementation went live and is expected to help with further efficiencies and M&A integration.

Overall, the Company believes that it is well positioned with its unique water technologies, growing demand for resilient and decentralized water solutions, and expert personnel. Water is becoming ever scarcer, and the environment more volatile, requiring the expertise of the Company's personnel and technologies. BluMetric strives to demonstrate excellence in its execution, operations, and build a foundation for further longer-term growth.

Financial Highlights Table

(in CA$ thousands, except per share data, unaudited)

	Three Months Ended June 30, 2026	Three Months Ended June 30, 2025	Nine Months Ended June 30, 2026	Nine Months Ended June 30, 2025
Revenue	**20,920**	14,671	**59,488**	44,564
Gross profit	**7,792**	5,213	**19,071**	14,131
Gross margin	**37%**	36%	**32%**	32%
Operating expenses	**8,628**	5,608	**22,004**	13,740
Operating expenses, net of depreciation and amortization[5]	**7,008**	5,051	**18,705**	12,249
Operating profit (loss)	**(836)**	(395)	**(2,933)**	391
Finance costs	**110**	83	**324**	238
Earnings (loss) before provision for income tax	**(1,058)**	(478)	**(3,743)**	153
Income tax expense (recovery)	**(302)**	(27)	**(1,787)**	286
Net earnings (loss)	**(756)**	(451)	**(1,956)**	(133)
Earnings (loss) per share – basic	**(0.01)**	(0.01)	**(0.04)**	(0.00)
Earnings (loss) per share – diluted	**(0.01)**	(0.01)	**(0.04)**	(0.00)
EBITDA[6]	**946**	308	**607**	2,217
Adjusted EBITDA	**1,059**	308	**1,346**	2,217
Free cash flow	**658**	271	**(166)**	760
Working capital			**9,497**	8,520
Net cash			**1,160**	3,422

Note 1: Adjusted EBITDA is a non-IFRS measure and is calculated as net income before interest expense, income taxes, depreciation of property and equipment, and amortization of intangible assets net of acquisition and restructuring costs and non-cash share compensation. The Company uses this measure as part of assessing operating performance. There is no direct comparable IFRS measure for Adjusted EBITDA.

Note 2: Free cash flow is a non-IFRS measure and is calculated as operating cash flows less net capital expenditures and net payment of lease obligations.

Note 3: Working capital is a non-IFRS measure and is calculated by subtracting current liabilities from current assets. There is no directly comparable measure under IFRS.

Note 4: Net cash (debt) is a non-IFRS measure and is calculated as cash less total funded debt excluding lease liabilities. The Company uses this measure as part of assessing liquidity. There is no directly comparable measure under IFRS.

Note 5: Operating expenses, net of depreciation and amortization is a non-IFRS measure and is calculated as operating expenses less depreciation and amortization. The Company uses this measure as part of assessing operating performance. There is no direct comparable IFRS measure.

Note 6: EBITDA is a non-IFRS measure and is calculated as net income before interest expense, income taxes, depreciation of property and equipment, and amortization of intangible assets net of non-cash share compensation. The Company uses this measure as part of assessing operating performance. There is no direct comparable IFRS measure for EBITDA.

The full results are available at sedarplus.ca.

BluMetric to Host Investor Conference Call

BluMetric will host a conference call on **Thursday, August 27, 2026, at 9:00 AM ET (6:00 AM PT)** to discuss the results. To join the conference call without operator assistance, it's important to register and enter your phone number at https://emportal.ink/4rGG9WV at least 15 minutes before the call's start time or later to receive an instant automated callback.

You can also dial directly to be entered into the call by an Operator. Please dial **1-888-699-1199** (Toll-Free North America) or **1-416-945-7677** (Local).

The replay of the conference call will be available on the Company's investor relations website at blumetric.ca.

About BluMetric Environmental Inc.

BluMetric Environmental Inc. is a publicly traded water technology and environmental engineering firm. BluMetric designs, fabricates, and delivers sustainable solutions to complex water and environmental challenges. The Company is supported by more than 360 employees across 16 offices and 3 manufacturing facilities, with over 50 years of history. Headquartered in Ottawa, Ontario, BluMetric's team of industry experts serves Commercial and Industrial, Government, Military, and Mining clients in North America and the Caribbean.

For more information, visit www.blumetric.ca or please contact:

Scott MacFabe, Chair and CEO
BluMetric Environmental Inc.
Tel: 1-877-487-8436 x242
Email: smacfabe@blumetric.ca

Dan Hilton, CFO
BluMetric Environmental Inc.
Tel: 1-877-487-8436 x550
Email: dhilton@blumetric.ca

Brandon Chow, Principal & Founder
Panolia Investor Relations Inc.
Tel: 1-647-598-8815
Email: brandon@panoliair.com

Forward-Looking Statements

Some of the statements in this press release, including those relating to the Company's quarterly and annual results, future products, opportunities and cost initiatives, strategies, and other statements that are predictive in nature, that depend upon or refer to future events or conditions, or that include words such as "expects", "anticipates", "intends", "plans", "believes", "estimates", or similar expressions, are forward-looking statements within the meaning of applicable Canadian securities laws. Forward-looking statements include, without limitation, the information concerning possible or assumed future results of operations of the Company. These statements are not historical facts but instead represent only the Company's expectations, estimates, and projections regarding future events. By their nature, forward-looking statements require us to make assumptions and are subject to inherent risks and uncertainties. We caution readers of this news release not to place undue reliance on our forward-looking statements as a number of factors could cause actual results or conditions to differ materially from current expectations. Please refer to the risks set forth in the Company's most recent annual MD&A and the Company's continuous disclosure documents that can be found on SEDAR+ at www.sedarplus.ca. The Company does not intend, and disclaims any obligation, except as required by law, to update or revise any forward-looking statements whether as a result of new information, future events or otherwise.

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