

BluMetric Announces Q1 2023 Financial Results

Ottawa, Ontario--(Newsfile Corp. - February 28, 2023) - BluMetric Environmental Inc. (TSXV: BLM), a full-service environmental consulting and engineering cleantech firm, announces its financial results for the quarter ended December 31, 2022.

Revenue for the quarter grew more than 30% as compared to Q1 2022, mainly driven by BluMetric's active portfolio of projects having larger field programs and cleantech solutions having increased requirements for materials. Earnings for the quarter increased slightly over Q1 2022.

"The BluMetric team continues to deliver solid financial results," says Scott MacFabe, CEO of BluMetric. "Our strong client base, high-value services and strategic initiatives are supporting our success as we adapt to changing market conditions."

Revenue from the Government and Military markets for Q1 2023 were relatively consistent with the same quarter in 2022. Commercial market revenue increased by approximately \$1.7 million, mainly as a result of a large remediation project for brownfield redevelopment. Revenue from the Mining market increased more than 60%, driven by greater customer diversification and successful business development.

Highlights

- **Revenue** for the quarter was \$10.5 million compared to \$7.8 million for the quarter ended December 31, 2021.
- **Gross margin** for the quarter was 22% compared to 26% for the same quarter in the previous year.
- **EBITDA** (see Note 1 below for definition) for Q1 2023 increased to \$920,000, compared to \$912,000 in Q1 2022.
- **Net cash** (see Note 3 below for definition) at December 31, 2022 was \$2.9 million. This compares to net cash at September 30, 2022 of \$3.6 million, and net cash of \$2.6 million at December 31, 2021.

Business Outlook

BluMetric's strategic initiatives and business development continue to support a solid project pipeline across all four key client sectors. As markets shift to current economic conditions, profit margins are returning to historical levels, while an increased number of larger projects are being launched which include increased support services costs at lower margins.

The Company remains focused on key investments in its Cleantech water treatment products and service to support growth and market expansion. The Company is planning to invest in leadership in the Commercial and Industrial market and staff expansion of our fabrication facility, to take advantage of emerging opportunities.

In the past quarter, BluMetric entered into a joint venture arrangement (JV) with Kitikmeot Corporation, an Inuit-owned business. The Company is looking forward to working collaboratively with Kitikmeot Corporation and its other partners in this JV, Accutech Engineering Inc. and KBL Environmental Ltd., on projects in Nunavut supporting federal, territorial and private industry clients.

Financial Table

| | Three Months Ended December 31, 2022 | Three Months Ended December 31, 2021 |
|--|---|---|
| | (\$000) | (\$000) |
| Revenue | 10,478 | 7,816 |
| Gross profit | 2,329 | 2,045 |
| Gross margin % | 22% | 26% |
| Operating expenses | 1,553 | 1,265 |
| Operating profit | 776 | 780 |
| Finance costs | 21 | 33 |
| Earnings before provision for income tax | 755 | 747 |
| Income tax expense | 299 | 195 |
| Net earnings | 456 | 552 |
| Earnings per share - basic and diluted | 0.02 | 0.02 |
| EBITDA ¹ | 920 | 912 |
| Free cash flow ² | 767 | 683 |
| Net cash (debt) ³ | 2,872 | 2,566 |

Note 1: EBITDA is a non-IFRS measure and is calculated as net income before interest expense, income taxes, depreciation, and amortization.

Note 2: Free cash flow is a non-IFRS measure and is calculated as cash flow from operating activities excluding changes in working capital balances less net capital expenditures and net payment of lease obligations.

Note 3: Net cash (debt) is a non-IFRS measure and is calculated as cash less total debt excluding lease liabilities.

The full results are available at www.sedar.com.

Investor conference call on Thursday, March 2, 2023

BluMetric will host a conference call on **Thursday, March 2 at 1:00 pm Eastern time** to discuss the results. To join the call, please dial **1-888-664-6392** (Toll-Free North America) and enter **confirmation number 07337596**.

About BluMetric Environmental Inc.

BluMetric Environmental Inc. is a publicly traded environmental consulting and engineering company with expertise across professional and trade disciplines and technologies that allow for the design, fabrication and delivery of sustainable solutions to environmental and water challenges. BluMetric has more than 170 employees operating in ten offices and over 40 years of expertise. Headquartered in Ottawa, Ontario, BluMetric's team of industry experts serves Commercial and Industrial, Military, Mining and Government clients in Canada and the United States.

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

Scott MacFabe
BluMetric Environmental Inc.
Tel: 1-877-487-8436
Email: smacfabe@blumetric.ca

Vivian Karaiskos, CFO
BluMetric Environmental Inc.
Tel: 1-877-487-8436
Email: vkaraiskos@blumetric.ca

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.sedar.com. 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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