

BluMetric Announces Q2 2025 Consolidated Financial Results

Ottawa, Ontario--(Newsfile Corp. - May 28, 2025) - **BluMetric Environmental Inc. (TSXV: BLM) (OTCQX: BLMWF)** ("**BluMetric**" or "**the Company**"), an engineering WaterTech and full-service environmental consulting firm, announced its consolidated financial results for the second fiscal quarter ended March 31, 2025.

Financial Highlights

- **Revenue** for the quarter ended March 31, 2025, was \$15.9 million compared to \$7.1 million for the same period of the prior year and \$29.9 million during the first half compared to \$15.7 million for the same period of the prior year.
- **Gross margin** for the quarter ended March 31, 2025, was 27% compared to 43% for the same quarter in the previous year and 30% during the first half compared to 42% for the same period of the prior year. The decrease in gross margin is mainly due to the addition and organic growth of Gemini Water ("Gemini"), resulting in a change of sales mix between Professional Services and WaterTech.
- **EBITDA** (see definition below) for the quarter ended March 31, 2025, was \$0.6 million, compared to \$0.4 million in the same quarter of the previous year and \$1.9 million during the first half compared to \$1.1 million for the same period of the prior year.
- **Net loss** for the quarter ended March 31, 2025, was \$0.1 million compared to net earnings of \$0.1 million in the same quarter of the previous year.
- **Working capital** (see definition below) as at March 31, 2025, was \$8.6 million, compared to \$5.5 million as at September 30, 2024.
- **Net cash** (see definition below) as at March 31, 2025 was \$2.2 million, compared to net debt of \$0.2 million at September 30, 2024.

"We continued our strong momentum with another record revenue quarter, thanks in part to the successful integration and higher organic growth of Gemini," said Scott MacFabe, Chair and CEO of BluMetric Environmental Inc. "Since acquiring Gemini, we have more than doubled their scale and are working to help them enter new markets and partnerships. For the remainder of the year, we will be busy executing on our Rheinmetall Canada partnership, the new Department of National Defence service contract, our larger Caribbean WaterTech projects, and strengthening our Professional Services footprint in Canada."

Business Highlights and Outlook

This quarter saw a significant increase in revenues due to the continued strength of Gemini's business, which is seeing broad market demand for its desalination and wastewater solutions. BluMetric has made significant investments in Gemini which includes a newly commissioned manufacturing facility in Gainesville, Florida, and key hires to augment sales, product delivery, and expand operations & maintenance capabilities to increase recurring revenues. Gemini is also looking at strategic partnerships that could offer access to new customer applications, technologies, and geographies.

As a result of this significant growth, the mix of revenues in the fiscal quarter shifted significantly toward WaterTech from Professional Services. Over the long-term, BluMetric's goal is to achieve a balance of revenues from both divisions and expects there will be fluctuations on quarter-to-quarter basis given the nature of its business segments.

BluMetric's Military market is ramping up production with the recent notice to proceed received from Rheinmetall Canada. Subsequent to the quarter, a lease for a 9,000 sq. foot facility was signed in Carp, Ontario to support the increasing production demands. This space adds to the existing 11,000 sq. foot Carp manufacturing facility and also provides capacity for service contract renewals from the Department of National Defence.

The Company continues to develop various opportunities in the Military market, although the process of securing contracts has taken longer than expected. The rising geopolitical tensions and new commitments for Canadian defence spending may help expedite these developments.

Furthermore, Professional Services saw project delays due to the prorogation of the Canadian Federal Government and subsequent Federal election, which is showing early indications of improvement. This led to an increase of non-billable labour and consequently lower utilization. BluMetric also reorganized the team this quarter and is investing in infrastructure, market, and personnel gaps to support future potential growth.

Overall, BluMetric continues to have a robust position with its combination of its unique water technologies and professional services to capitalize on emerging opportunities while driving sustainable growth.

Financial Table

	Three Months Ended March 31, 2025	Three Months Ended March 31, 2024	Six Months Ended March 31, 2025	Six Months Ended March 31, 2024
	(\$000)	(\$000)	(\$000)	(\$000)
Revenue	15,926	7,133	29,893	15,567
Gross profit	4,307	3,063	8,918	6,646
Gross margin	27%	37%	30%	42%
Operating expenses	4,297	2,856	8,131	6,004
Operating profit (loss)	10	207	787	642
Finance costs	71	46	155	103
Earnings (loss) before provision for income tax	(61)	169	632	547
Income tax expense (recovery)	(1)	52	314	189
Net earnings (loss)	(60)	117	318	358
Earnings (loss) per share - basic and diluted	0.00	0.00	0.01	0.01
EBITDA ¹	600	446	1,910	1,105
Free cash flow ²	(129)	157	489	543
Working capital ³			8,612	11,269
Net cash ⁴			2,219	2,364

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

The full results are available at sedarplus.ca.

Pursuant to the Company's Board compensation policy, BluMetric has granted options of 840,000 common shares to Employees and Executives of the Company. These options are granted effective May 28, 2025, vest over two years, and are exercisable into common shares of BluMetric at a price of \$1.56 per share for a period of seven years.

BluMetric to Host Investor Conference Call

BluMetric will host a conference call on **Thursday, May 29, 2025, 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/481ruM> 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).

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 220 employees operating in ten offices and over 45 years of expertise. Headquartered in Ottawa, Ontario, BluMetric's team of industry experts serves Commercial and Industrial, Military, Mining and Government clients.

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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