

BluMetric Announces Strong Q2 2021 Financial Results

Ottawa, Ontario--(Newsfile Corp. - May 27, 2021) - BluMetric Environmental Inc. (TSXV: BLM), a full-service environmental consulting and engineering cleantech firm, is pleased to announce its financial results for the second quarter ended March 31, 2021. Both revenue and gross profit were significantly higher than in the second quarter of 2020.

"We're continuing the strong financial performance momentum we built over the preceding quarters, and I'm very proud of our entire team for these excellent results," says Scott MacFabe, CEO of BluMetric. "We've risen to the challenges posed by the pandemic and we're positioned to exploit opportunities coming out of the pandemic."

Highlights

- **Revenue** for the quarter ended March 31, 2021 **increased to \$9.1 million** from \$5.0 million for the quarter ended March 31, 2020. Revenue for the six months ended March 31, 2021 was \$17.3 million compared to \$11.3 million for the six months ended March 31, 2020.
- **Gross margin increased to 29%** for the quarter and 28% for fiscal 2021 year to date, compared to 10% for the same quarter in the previous year and 17% for fiscal 2020 year to date.
- **Adjusted EBITDA** (see Note 1 for definition) for Q2 2021 **increased to \$1.6 million** from negative \$700,000 in Q2 2020 and increased to \$2.8 million for year to date Q2 2021 compared to negative \$315,000 for year to date Q2 2020.
- **Net cash** (see Note 3 for definition) as at March 31, 2021 **was \$2.0 million**, a \$5.4 million improvement from net debt of \$3.4 million at March 31, 2020.

BluMetric saw growth across all its sectors and continues to support multiple clients with important COVID-related services, accounting for \$2.2 million of Q2 FY2021 revenue.

The Company has also entered into a new lending agreement with its financial institution which will result in significant savings on borrowing costs. An existing term loan was replaced by a new term loan bearing interest at 3.28%, compared to an effective interest rate of 14% on the previous term loan.

Andy Benson, M.Eng., P.Eng., was appointed as VP, Director of Operations, effective May 10, 2021. Andy is a seasoned environmental professional with over 25 years of consulting experience, including more than 12 years in various management and leadership roles.

Financial Table

	Three Months Ended March 31, 2021	Three Months Ended March 31, 2020	Six Months Ended March 31, 2021	Six Months Ended March 31, 2020
	(\$000)	(\$000)	(\$000)	(\$000)
Revenue	9,139	5,028	17,291	11,344
Gross profit	2,664	490	4,883	1,921
Gross margin	29%	10%	28%	17%
Operating expenses	1,199	1,308	2,350	2,463
Gain on disposal of property, and equipment	-	-	-	(948)
Goodwill impairment	-	1,592	-	1,592
Operating profit (loss)	1,465	(2,410)	2,533	(1,186)
Adjusted EBITDA ¹	1,617	(700)	2,838	(315)
Earnings (loss) before provision for income tax	1,343	(2,525)	2,292	(1,455)
Income tax expense (recovery)	291	(257)	541	(31)
Net earnings (loss)	1,052	(2,268)	1,752	(1,424)
Earnings (loss) per share - basic and diluted	0.04	(0.08)	0.06	(0.05)
Free cash flow ²	1,939	339	2,233	39
Net cash (debt) ³	2,028	(3,411)	2,028	(3,411)

Note 1: Adjusted EBITDA is a non-IFRS measure and is calculated as net income before interest expense, income taxes, depreciation, and amortization (EBITDA) before gain or loss on sale of property and equipment and impairment of goodwill.

Note 2: Free cash flow is a non-IFRS measure and is calculated as operating cash flows less 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.

Outlook

Many sectors across Canada are making plans to resume or build up activity as the economy moves towards opening up. BluMetric is working to meet this increase in activity, building on strong performance over the past year and preparing for a transition back to a post-pandemic business environment.

The Company is planning to invest in sales and people to ensure it is poised to respond to new project opportunities and meet new demands.

BluMetric's strong client relationships in Canada's North bring promising new prospects for the Company's project pipeline as delayed projects slowly re-start and pent-up demand presents new opportunities.

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

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 over 150 employees operating in ten offices and over 40 years of expertise. Headquartered in Ottawa, Ontario, BluMetric's team of industry experts serves Commercial, Industrial, Military, Mining and Government clients in Canada and the United States.

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

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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 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. The Company does not undertake any obligation to update or release any revisions to these forward-looking statements to reflect events or circumstances after the date of this presentation or to reflect the occurrence of unanticipated events, except as required by law.

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