

BluMetric Announces Q2 2024 Financial Results

Ottawa, Ontario--(Newsfile Corp. - May 30, 2024) - BluMetric Environmental Inc. (TSXV: BLM) ("BluMetric" or "the Company"), a full-service environmental consulting and engineering cleantech firm, announces its financial results for the second fiscal quarter ended March 31, 2024.

Financial Highlights

- **Revenue** for the quarter ended March 31, 2024, was \$7.1 million compared to \$7.4 million for the same period in 2023.
- **Gross margin** for the quarter ended March 31, 2024, was 43% compared to 37% (as restated; see note below) for the same quarter in the previous year.
- **EBITDA** (see definition below) for the quarter ended December 31, 2023, was \$0.4 million, compared to \$0.3 million in the same quarter of the previous year.
- **Net earnings** for the quarter ended December 31, 2023, was \$0.1 million compared to \$0.1 million in the same quarter of the previous year.
- **Working capital** (see definition below) as at March 31, 2023 was \$11.3 million, compared to \$11.5 million as at March 31, 2023.
- **Net cash** (see definition below) as at March 31, 2024 was \$2.4 million, compared to net cash of \$2.4 million at March 31, 2023.
- **Backlog** for project delivery in fiscal year 2024 of \$16.4 million as at March 31, 2024.

"This quarter we saw incremental improvements with higher margin revenues and profitability while preparing for our cleantech manufacturing ramp up," stated Scott MacFabe, CEO at BluMetric Environmental Inc. "As we head into the back half of this fiscal year, our focus shifts to the successful execution of our record backlog of equipment orders and building our sales momentum. We are encouraged by the robust quoting and marketing activities in our Military market as global trends demand Mission Ready Water solutions."

Business Outlook

BluMetric continued its steady trajectory in revenue and EBITDA generation for the quarter, consistent with management's commitment to sustainable profitability. The Company believes that achieving a higher share of cleantech revenues will be the main driver of organic revenue growth.

To support this, several investments to date have been made including doubling the manufacturing footprint, hiring key sales and technical personnel, creating a new O&M division, and building up inventory. These initiatives have started paying off with key contracts secured within the last year along with expanded capabilities to deliver on them throughout the coming quarters and beyond.

Furthermore, the global geopolitical tensions are driving increased military spend which BluMetric continues to be a beneficiary of. These trends support the Company's goal to expand geographically by integrating its Mission Ready Water technologies into a full-service solution throughout North America and globally with other allied nations.

The Company has also received interest from new markets that could benefit from its Mission Ready Water solutions, particularly in remote areas that require decentralized water production.

BluMetric continues to explore potential acquisitions in technology or consulting that align with and enhance its current sales, operations, and product portfolios.

Overall, the Company believes it is well positioned to capitalize on its growth opportunities. Its financial position offers flexibility to pursue optionality while benefiting from a recognizable brand in environmental

consulting services and clean water technologies.

Financial Table

	Three Months Ended March 31, 2024	Three Months Ended March 31, 2023	Six Months Ended March 31, 2024	Six Months Ended March 31, 2023
		(restated ¹)		(restated ¹)
	(\$000)	(\$000)	(\$000)	(\$000)
Revenue	7,133	7,414	15,658	17,892
Gross profit	3,063	2,753	6,647	6,149
Gross margin	43%	37%	42%	34%
Operating expenses	2,856	2,597	6,005	5,217
Operating profit (loss)	207	156	642	932
Finance costs	46	21	104	43
Earnings (loss) before provision for income tax	169	135	547	889
Income tax expense (recovery)	52	55	189	354
Net earnings (loss)	117	80	358	536
Earnings (loss) per share - basic and diluted	0.00	0.00	0.01	0.02
EBITDA ²	389	317	1,002	1,237
Free cash flow ³	157	(51)	543	715
Working capital ⁴			11,269	11,537
Net cash (debt) ⁵			2,364	2,355

Note 1: During the preparation of the financial statements for the period ended December 31, 2023, the Company determined that the indirect labour costs that do not contribute to revenue generating projects should be reclassified as overhead expenses under the Sales, general and administrative caption. The Company had previously accounted for the amounts under the Cost of sales caption. There is no effect on basic or diluted net earnings per share.

Note 2: EBITDA represents net income before interest expense, income taxes, depreciation of property and equipment, and amortization of intangible assets. The Company uses this measure as part of assessing operating performance. There is no direct comparable IFRS measure for EBITDA.

Note 3: 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 4: 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 5: 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.

The full results are available at sedarplus.ca.

Pursuant to the Company's Board compensation policy, BluMetric has granted options of 693,156 common shares to Directors and Employees of the Company. Grants to insiders amount to 654,458 and 38,698 to non-insider employees. These options are granted effective May 30, 2024, vest over two years, and are exercisable into common shares of BluMetric at a price of \$0.40 per share for a period of seven years.

BluMetric to Host Investor Conference Call

BluMetric will host a conference call tomorrow on **Friday, May 31, 2024, at 1:00 PM ET (10:00 AM PT)** to discuss the results. To join the conference call without operator assistance, enter your details and phone number at <https://empportal.ink/3Sgdl7p> for an instant callback. While we recommend joining closer to the start time, participants can join up to 30 minutes early, connecting to the call with hold music until the scheduled start.

You can also dial directly at **1-888-664-6392** (Toll-Free North America) to be entered into the call by an

Operator.

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 200 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:

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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 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.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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