

BluMetric Announces Strong Financial Results for Q3 2021

Ottawa, Ontario--(Newsfile Corp. - August 26, 2021) - BluMetric Environmental Inc. (TSXV: BLM), a full-service environmental consulting and engineering cleantech firm, is pleased to announce its financial results for the third quarter ended June 30, 2021. The Company's financial and operational performance resulted in revenue and operating profit numbers exceeding those generated in the third quarter of 2020 and a strong cash position moving into the last quarter of 2021.

"Our team at BluMetric continues to deliver excellent results, putting the Company in a solid position to focus on future growth as economic activity continues to ramp up," says Scott MacFabe, CEO of BluMetric.

Highlights

- **Revenue** for the quarter ended June 30, 2021 **increased to \$8.5 million** from \$6.9 million for the quarter ended June 30, 2020. Revenue for the nine months ended June 30, 2021 was \$25.8 million compared to \$18.2 million for the nine months ended June 30, 2020.
- **Gross margin increased to 26%** for the quarter and 27% for fiscal 2021 year to date, compared to 20% for the same quarter in the previous year and 18% for fiscal 2020 year to date.
- **Adjusted EBITDA** (see Note 1 for definition) for Q3 2021 **increased to \$1.3 million** from \$1.2 million in Q3 2020 and increased to \$4.1 million for year to date Q3 2021 compared to \$862,000 for year to date Q3 2020.
- **Net cash** (see Note 3 for definition) at June 30, 2021 **was \$1.6 million**, a \$2.4 million improvement from net debt of \$809,000 at June 30, 2020.

BluMetric's balanced service offerings and strong client relationships supported revenue growth in the Company's Commercial and Industrial and Government markets during the third quarter of 2021, led primarily by the delivery of COVID-19 related services and new multi-year projects coming online. Revenue from the Military market stayed relatively consistent with the same period in the prior year, whereas revenue from the Mining market showed a decline due to project completions.

Year-to-date Q3 2021 revenue compared to year-to-date Q3 2020 revenue increased in each of the Commercial and Industrial, Government, Mining and Military markets. The Company continues to see diversification across its four markets as a key strength, as market strength in any one sector helps offset weakness in another.

The overall increase in earnings, both for Q3 2021 and year-to-date 2021, was achieved through strong operational performance, disciplined discretionary spending and a decrease in interest expenses. Finance cost savings are a result of refinancing activities at the start of Q3 2021 which saw debt refinanced at 3.28% compared to an effective rate of 14% on the previous term loan, which equates to a reduction of approximately \$250,000 in finance costs on an annualized basis.

Financial Table

	Three Months Ended June 30, 2021	Three Months Ended June 30, 2020	Nine Months Ended June 30, 2021	Nine Months Ended June 30, 2020
	(\$000)	(\$000)	(\$000)	(\$000)
Revenue	8,488	6,858	25,779	18,202
Gross profit	2,193	1,342	7,076	3,263
Gross margin	26%	20%	27%	18%
Operating expenses	1,147	1,118	3,497	3,580
Gain on disposal of property, and equipment	-	-	-	(948)
Goodwill impairment	-	-	-	1,592
Other income	-	(833)	-	(833)
Operating profit (loss)	1,046	1,057	3,579	(129)
Finance costs	40	114	281	383
Earnings (loss) before provision for income tax	1,005	943	3,298	(512)
Income tax expense	318	270	859	239
Net earnings (loss)	687	673	2,439	(751)
Earnings (loss) per share - basic and diluted	0.02	0.02	0.08	(0.03)
Adjusted EBITDA ¹	1,288	1,177	4,126	862
Free cash flow ²	(418)	2,605	1,814	2,644
Net cash (debt) ³	-	-	1,632	(809)

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

With a strong cash position, BluMetric is focused on making key investments in personnel to support growth and market expansion. The Company is planning to invest in leadership in the Commercial and Industrial and Mining markets to take advantage of emerging opportunities. Demand for services in both these markets is expected to grow as the economy transitions out of a pandemic state.

Additionally, the Company plans to make strategic hires and grow the team, capitalizing on an evolving labour market.

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 approximately 170 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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