

BluMetric Environmental Inc. (BLM:TSXV, BLMWF:OTC)

March 17, 2025

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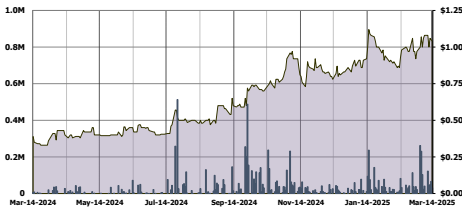
All figures in CAD unless otherwise stated

BluMetric Environmental Inc.	BLM:TSXV
Share Price	\$1.04
Average Daily Volume (K)	95.8
Shares Outstanding (M)	32.0
Market Cap (\$M)	\$33.2
Cash (\$M)	\$3.6
Debt (\$M)	\$7.9
Enterprise Value (\$M)	\$37.5

FYE Sep 30	FY23A	FY24E	FY25E
Sales (\$M)	\$35.1	\$34.8	\$49.6
Sales Growth (YoY %)	2%	(1%)	42%
Gross Margin (%)	35%	40%	N/A
Adj. EBITDA (\$M)	\$1.1	\$1.0	\$3.8
Adj. EBITDA Margin (%)	3%	3%	8%
Net Income (\$M)	\$0.5	\$0.1	N/A

Valuation	FY23A	FY24E	FY25E
EV/EBITDA	34.9x	39.4x	9.9x
P/E	65.5x	N/A	N/A
EV/Sales	1.1x	1.1x	0.8x

Please refer to the applicable disclosures on the back page
Source: Atrium Research, CapitalIQ, Company Documents



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.

What you need to know:

- BluMetric is a cleantech company specializing in environmental consulting and engineered solutions for water and wastewater management.
- The Company is seeing accelerating growth from its acquisition of Gemini Water, with 42% YoY revenue growth expected for FY25. The acquisition expands BLM into the Caribbean and U.S. water markets.
- BLM has always focused on profitability but now has the revenue base to scale margins upwards. Analysts expect margins rising from 3% in FY24 to 8% in FY25.
- Watch clips of the interview [here](#).

Company Overview

BluMetric Environmental is a Canadian cleantech company specializing in environmental consulting and engineered solutions for water and wastewater management. Headquartered in Ottawa, BluMetric serves a diverse range of industries, including mining, industrial, government, and military. The Company provides expertise in environmental assessments, contaminated site remediation, and water treatment system design, leveraging its in-house engineering and hydrogeology capabilities to address complex environmental challenges. With a strong focus on sustainability, BluMetric integrates innovative technologies to help clients meet regulatory requirements while minimizing environmental impact.

BLM's business model combines professional services with proprietary water treatment solutions, positioning it as a key player in the growing environmental services industry. By capitalizing on the increasing global demand for clean water and stringent environmental regulations, BluMetric continues to expand its market presence and drive growth through technological advancements and partnerships.

Investment Thesis

Hitting its Stride. After years of flat revenue, BLM is just now hitting its stride, with 42% YoY growth expected for FY25 due to both organic growth and the acquisition of Gemini Water.

Focus on Profitability. The Company has remained focused on profitability and now has the revenue base to increase margins. Analysts are expecting EBITDA margins to increase from 3% in FY24 to 8% in FY26.

Gemini Water Acquisition. In September 2024, BLM announced the acquisition of U.S.-based water technology firm, Gemini Water, marking BLM's expansion and entry into the Caribbean and U.S. water markets. The purchase price was US\$5M.

Management. BLM is led by CEO & Director Scott MacFabe who has held the position since 2018, leveraging decades of industry experience. The board is chaired by Ian Mor MacDonald, Founder and MD of Tricapital Solutions.

Valuation. BLM stock is up 160% over the last year but only trades at 9.9x 2025E EBITDA, a discount to the large-cap water firms globally.

Conference Takeaways

- Current management is working hard to grow the revenue base with the recent acquisition of Gemini. BLM accounted for a lot of the costs associated with the acquisition in 2024 and have seen the revenue synergies in Q1/25 and expect it to continue through 2025.
- Management is also focused on cleaning up the balance sheet, actively paying down debt.