FINAL TRANSCRIPT

BluMetric Environmental Inc.

Fiscal 2026 Third Quarter Earnings Conference Call

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PRESENTATION

Operator

Good morning, ladies and gentlemen, and welcome to the BluMetric Environmental Inc. Full Year 2026 Q3 Conference Call. At this time, all lines are in listen-only mode. Following the presentation, we will conduct a question-and-answer session. If at any time during this call you require immediate assistance, please press star zero for the operator. This call is being recorded on Thursday, August 27, 2026.

I would now like to turn the conference over to Brandon Chow. Thank you. Please go ahead.

Brandon Chow — Principal & Founder, Panolia Investor Relations Inc.

Thank you, operator. Welcome, everyone, to BluMetric Environmental's conference call. This call will cover BluMetric's financial and operating results for the 2026 third fiscal quarter ended June 30, 2026. Following our prepared remarks, we will open the conference call to a Q&A session. Our call today will be led by Scott MacFabe, BluMetric's CEO, and Dan Hilton, the Company's CFO.

Before we begin with our formal remarks, I would like to remind everyone that some of the statements on this conference call may be forward-looking statements. Forward-looking statements may include, but are not necessarily limited to, financial projections or other statements of the Company's plans, objectives, expectations, or intentions. These matters involve certain risks and uncertainties. The Company's actual results may differ significantly from those projected or suggested in any forward-looking statements due to a variety of factors, which are discussed in detail in our regulatory filings.

There may also be references to certain non-IFRS measures such EBITDA, adjusted EBITDA, backlog, working capital, free cash flow, and net cash. These non-IFRS measures are not recognized measures under International Financial Reporting Standards and do not have a standardized meaning prescribed by IFRS and are therefore unlikely to be compatible to similar measures presented by other companies. Please see our disclosures for further information and reconciliations of these non-IFRS measures.

I will now hand the call over to Scott MacFabe. Please go ahead, Scott.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Thank you, Brandon, for the introduction. Welcome, everyone, to our third quarter 2026 earnings call for BluMetric Environmental. We appreciate all of you taking the time to join us on today's conference call and, as per usual, I'll start off by providing an overview of the quarter and Dan will go into our financial details in more detail.

Firstly, we'd like to start off by giving those who are new to the story a reminder of who we are and what we do. BluMetric creates a better environment for business. What does that mean? Well, BluMetric is a full-service water technology and environmental engineering firm. We design, fabricate, and deliver sustainable solutions to complex water and environmental challenges and have a rich history that spans over 50 years. We have evolved into a specialized integrator of environmental solutions in the fields of water and wastewater treatment and professional environmental services for the natural and built environment. We aspire to be the environmental solutions and WaterTech company of choice globally.

Now let's discuss the quarter in more detail. This third fiscal quarter saw a significant 43% increase in revenues due primarily to the WaterTech USA group, the acquisitions of both DS Consultants and Whitteker Environmental, and higher utilization in our Professional Services group. Fiscal Q3 and Q4 are typically our seasonally strongest quarters for Professional Services because of the warm weather and full deployment. We've started to see the benefits of operating leverage in our business model. Winter was long in Ontario this year, in April and May particularly wet, June was the last month of the fiscal quarter and was the first month we saw full utilization within our target range for peak season work, and July and August are tracking similarly. We expect that our fiscal fourth quarter will be our strongest for Professional Services this year.

Ultimately, seasonality has a larger impact on this fiscal year because of the revenue mix shifting towards a higher proportion of professional services with the acquisition of DS Consultants. We try and reduce impact with initiatives like the acquisition of Whitteker Environmental, which is a business not impacted by weather. We're using Whitteker as a model template to bring water testing services to other geographies in Canada, starting in Ontario, which are highly predictable recurring in revenue.

Furthermore, we're entering a new phase for our WaterTech business with specific investments now coming online. Firstly, a new lease was signed on July 17, 2026 for WaterTech USA. The new lease starts on October 1st this year and will bring our US manufacturing footprint to over 49,000 square feet, nearly double what we have currently. WaterTech USA continues to be busy, securing smaller-sized projects in the $500,000 to $3 million range. We believe these smaller ones, along with the larger municipal-like projects, will help backfill this new capacity. This will be coupled with O&M, which continues to be a key pillar in our strategy for WaterTech USA. We're in discussions with multiple clients to implement service agreements across groups of existing equipment installations.

WaterTech Canada, we're finalizing the implementation and oversight of our Canadian Program for Cyber Security Certification, known as CPCSC. This new cybersecurity legislation came into place recently and our strategy within the military market has shifted where we now expect to bid directly on Canadian military contracts as a prime. Our military market currently represents the largest dollar value in our pipeline and the team is working hard to close on our next flagship contracts. While patience is required for this market, we're optimistic about the opportunities and we believe that the Canadian government is very motivated to procure Canadian-made equipment and hit NATO spending targets.

Lastly, our new ERP system has gone live, which provides us with further visibility and planning benefits across all of our enterprise. These are all examples of investments we have made this fiscal year which we expect to strengthen our business and create a larger moat and pay off in efficiencies, more recurring revenues, and access to new opportunities.

In terms of our markets, the third fiscal quarter saw an 80% increase year over year in revenues in our Commercial and Industrial market. This was driven by WaterTech USA and acquisitions. For Government, there was a slight decrease due to the timing of government contract awards and related project activity. Our Mining market revenue increased 63%, showcasing the elevated demand for higher-value technical consulting services in Northern Ontario and Quebec. We're making an active effort to increase our exposure to this market given the improving regulatory backdrop and higher commodity prices. Lastly, our Military market decreased 47% in revenues, which is mainly due to the Rheinmetall contract concluding.

Current revenue levels represent our baseload amount of work, mainly comprised of service and smaller contracts. As a reminder, our Military market has significant potential, as it represents the largest dollar value in terms of our pipeline. Our goal this year is to secure larger military contracts to backfill capacity, set us up well also for the next fiscal year. We expect the CPCSC to push forward Canadian manufacturing by small and medium enterprises for the military and the recent engagement of government relation firms will also help us support this goal.

We're happy with how we're positioned for the remainder of the fiscal year. We're looking forward to continuing our integration, move into our new space in Florida, and see more traction across all of our markets. We strive to be a growth story and, by achieving higher revenue levels at a scale, we can expect to see improvements in our operating leverage like Q3. We're a unique Canadian company with unique water technologies, and this, combined with talented and committed people, creates a flywheel for us to become a larger and more dominant player in our markets.

I'd now like to hand this over to Dan for a more detailed overview on the financials. Please go ahead, Dan.

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

Thank you, Scott. Today, I'll be presenting BluMetric's 2026 third fiscal quarter results in more detail.

Revenue for the 2026 third fiscal quarter was $20.9 million compared to $14.7 million in the prior year. As Scott mentioned, the revenues for the period increased primarily due to the acquisition of DS Consultants and Whitteker, who contributed $6 million in revenue this quarter, along with growth in WaterTech USA.

As I reminded everyone last quarter, our Professional Services experience a seasonality, with lower revenues in the winter months, which is our fiscal Q1 and Q2. Q3 is where the season starts and activity ramps up significantly, improving personal utilization. As a result, we saw the benefits of both higher billable hours and the operating leverage associated with this increase over a similar cost structure to prior quarters. Q4 is expected to be the strongest for Professional Services, particularly for DS consultants, who has historically generated a significant amount of revenue and most of its profits in fiscal Q4.

As Scott mentioned, the late start to the Toronto construction season resulted in a slightly reduced revenue level for DS Consultants of $5.7 million in the quarter compared to $6.1 million in the same quarter of the prior year. DS consultants recognized $6.9 million in Q4 of 2025 and we expect it to be its strongest quarter in 2026 as well. They have maintained a very similar cost structure to prior years and we would expect them to contribute to the consolidated identity accordingly.

The Ontario construction market remains strong with an expected spend in and an increase over last year. Areas of concentration include Toronto, Ottawa, Hamilton, London, and Northern Ontario, all locations that BluMetric is active in. Government infrastructure incentives and spending is playing an important role. Overall, we are seeing a shift in sentiment and we are experiencing higher than historic proposal rates across the construction industry.

Across the Company's key markets, the Commercial and Industrial market saw an increase in revenues for the previously mentioned reasons. To expand further, WaterTech USA has moved to the initial build and execution phase of several contracts which have a higher proportion of revenue recognized towards the front end of the project. We are excited about the new lease we have signed, as it will help address capacity constraints and allow the entity to execute on a combination of smaller and larger projects simultaneously. This space will also house our staff who are leading the new O&M division. Our Government market continues to be a stable pillar with revenues down slightly due to the timing of contracts. Our Military market saw a decline of 47% in the quarter due to the delivery of the Rheinmetall contract. Revenues increased 66% year to date for the first nine months, however. Despite the decline in Military, WaterTech revenues overall increased this quarter as we are less reliant on the military market, which has historically had larger projects and revenue recognized over phases. This diversification affords us the ability to execute on contracts in other markets, such as mining and Indigenous water production, while we work to secure larger-scale replacement contracts and our next flagship military projects. Lastly, our Mining market saw a 63% revenue increase as we continue to take advantage of strength in metals pricing. This is a market we continue to actively pursue.

Our gross margin for the fiscal quarter was 37% compared to 36% for the prior fiscal year. The increase is mainly attributed to revenue mix, with more revenues being recognized from Professional Services and improvements to our execution. We are quite pleased with the gross margin, as this was a significant improvement over the three prior quarters where it ranged from 23% to 31%. We remain well within our target range and continue to aim to improve our gross margin over time.

Operating expenses, net of depreciation and amortization, increased by $2 million to $7 million in the quarter compared to the prior year. The increase is primarily attributable to operating expenses of $1.7 million related to DS Consultants, investments in recurring O&M services at WaterTech USA, and higher general corporate overhead associated with increased business development, professional fees, and non-cash share-based compensation. This also includes our ERP implementation and the CPCSC certification that Scott discussed. We continue to strive to integrate savings and efficiencies which have not yet been fully realized.

Adjusted EBITDA for the fiscal quarter increased from the last quarter to $1.1 million compared to $0.3 million in the prior year. The increase is mainly attributable to higher revenues, a higher gross margin, which was offset by slightly higher OpEx related to the investments we've been making.

A net loss of $756,000 was recorded for the fiscal quarter compared to a net loss of $451,000 in the prior year. On June 30, 2026 and BluMetric had a net cash balance of $1.2 million compared to a net cash balance of $3.4 million at June 30, 2025. As at June 30, 2026, the Company had approximately $5.1 million in cash availability between its operating line and cash balances and was not bound by any debt covenants. Working capital remains supportive of our growth strategy at $9.5 million.

This fiscal quarter demonstrated the benefits of our operating leverage that we are starting to see, particularly for Professional Services. We want to finish this fiscal year strong and continue to grow our WaterTech business in tandem, setting ourselves up well for the next fiscal year. We have a lot of tailwinds in our markets and we need to remain focused on the continued integration and investment in our acquisitions while expanding important business lines like O&M and Whitteker Environmental. We ultimately have the footprint, capabilities, and cost structure of a larger enterprise and we'll work towards unlocking that potential in the coming quarters. Our business has nearly tripled in size during the past three years through a series of acquisitions and organic growth. We have a repeatable platform and critical client relationships in key sectors to allow us to capitalize on near-term opportunities. We are committed to delivering more predictable EBITDA as we continue to integrate our most recent acquisitions.

I'd like to thank everyone for taking the time to allow us to present our results to you today and I'll now hand it back over to Scott for some concluding remarks.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Thank you, Dan. That was a great update and I echo the excitement surrounding the opportunities that lie in front of us for the balance of the year and beyond.

We continue to make investments in our future through business development initiatives, infrastructure improvements, and a commitment to the efficient delivery of our products and services to the market. We look forward to our next call and we'll now take questions from call participants and we'll pass it over to the operator.

Q & A

Operator

Thank you. Ladies and gentlemen, we will now begin the question-and-answer session. Should you have a question, please press star followed by the one on your telephone keypad. You will hear a prompt that your hand has been raised. Should you wish to cancel your request, please press star followed by the two. If you are using a speakerphone, please lift the handset before pressing any keys. One moment please for your first question.

Thank you. And your first question comes from the line of Steve Kammermayer from Clarus Securities. Please go ahead.

Steve Kammermayer — Analyst, Clarus Securities

Good morning, guys.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Good morning, Steve.

Steve Kammermayer — Analyst, Clarus Securities

So, heading into Q4 here, obviously, DS consultants, be their biggest, best quarter for the year. How are the other sectors or your other silos trending here in the first two months of Q4 versus, say, last year and sequentially here versus Q3?

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

Sure. I mean certainly the main metric that we have to get a feeling for what the results will look like or the utilization that we're seeing with our Professional Services team, who are very heavily deployed at the moment. In some years, in recent past, we've been impacted by wildfires and by weather challenges in the north. That does not appear to be the case this year. We're delighted to report that our teams are very active with similar size projects to prior years. We have had a number of call ups that we think will improve our results over prior years marginally, but I can certainly confirm that. within our traditional BluMetric Professional Services team, we're heavily deployed, more deployed than we have been in any quarter, and we're seeing improvements continuous in that area. It is an area of focus for the business and something we're actively trying to improve, but I can confirm that that team is fully deployed.

The DS team consultants, they actually have started hiring to backfill some additional work that they have. That is a practice that they typically do pursue during heavier parts of the season, they have a workforce that they go after to help manage increase in demand, and so we feel confident, given that their deployment is high and all of their equipment is deployed as well, that they'll be able to repeat last year's numbers.

Within the WaterTech group, although the Rheinmetall project has now been fully delivered, there is plenty of work in the pipeline to keep the Canadian WaterTech team fully active. They are working with projects with companies such as Seaspan and Thales. We've got a number of projects with mining companies. We've got an Indigenous water deployment all set to be released in this quarter and that seems to be team seems to be fully at scale.

And then the WaterTech team in the States continues to impress. We've completed a reorganization down there, which has put a few new people into some critical bodies on the business development side and the O&M side, and I would say that that is really starting to take off. Without getting into the numbers or setting expectations, we're hoping that the market will interpret our willingness to take on another 25,000 square feet as a strong signal that we have a lot in the pipeline down there and we expect to continue to ramp up production there.

So, by all accounts, internally, management feels that Q4 is likely to be, well, the strongest quarter that the Company has ever put out, both from a top-line perspective and an EBITDA perspective, and we are very aware of areas where we continue to find improvements. Certainly, there are integration savings still to be had that we are pursuing and we know that the indirect labor that we carry as a business, which is really a reflection of how efficient we're utilizing our people, is still an area of concern that we're working on, but a lot of eyes on that and certainly we expect to continue to make improvements in terms of ensuring that we have the right-sized headcount to manage the projects that we have in hand going forward.

Steve Kammermayer — Analyst, Clarus Securities

Okay. No, that sounds good. So it seems like, if I am hearing properly, Q4 DS will be fully deployed, the other sectors getting busy and sort of with a slant, call it, to Professional Services, I think sequential margin should improve Q4 from Q3.

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

That's right. So the single most impactful driver of our margin is sales mix, and with DS and the Canadian, the BluMetric Professional Services team fully deployed, we should see that strong influence on our gross margin. And the levels that we're at now are in the range where we expect for 50/50, but knowing that next quarter could be even slightly higher tilted towards Professional Services with everybody fully deployed for the full three months in the field. That should put positive pressure on our margin.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Steve, this is Scott. Just to add to Dan's commentary, as we step deeper into the integration of DS, I think the benefit of that acquisition will become clearer in terms of how it fits and how it contributes to EBITDA. But one of the many things that we really appreciate about DS is their culture is very much focused on the bottom line and very much focused on deep deployment and efficient deployment of the resources at clients' behest. So they hire, they deploy, they pull back when the season's pretty much winding down, and then scale back up again, all skills that we appreciate and look to drill deeper into the rest of the operations.

But I think the curiosities that we need to dispel on what it is that DS does, they're not just building condos. This is a company that is deeply connected to the entire construction industry in Canada, which includes a very diverse client base, and we're very happy with how things are going with DS in terms of the scale of deployment, the diversity in their client base that's all stepping up, and the pivot that they're taking to be a really nice add to push towards the block and our bottom line. That part of the business is what is going well. And also just the benefits and scale of putting their group together and working closer and integrating with the existing consultancy within BluMetric gives us the opportunity to go after larger, better contracts with longer tails and more reliability. So it solves many challenges that we've had. I think, in terms of the value of the acquisition and the benefit of integration, will continue to show up going forward. I think in Q4 is a step in the right direction, but you do know this is a big acquisition for us and we don't even have them a full year into the house yet. But I think the integration team is doing very well.

The other point to this is Dan's team and others have worked very hard to bring our new ERP system in place, which has been an investment we needed to make since the day I came here. And often that can be very disruptive, it's always expensive, but it's necessary as we run a better business and grow. And what I'm delighted to see is, despite all of that, we're not seeing an impact on our ability to bill and collect on our contracts. Even though it's requiring others to lean in heavier to pick up new skills and understand new systems, it has negatively impacted, I believe, the operation in the business. It's only improving it.

So, having been through this many times, I know it's always with trepidation when you make this kind of an investment, it can be disruptive, but I'm not seeing that. I'm seeing an excellent deployment of that and it's a necessary investment that I know is more cost, but it definitely is going to show up in terms of visibility into the business, making better decisions going forward, and the agility of how we operate.

Steve Kammermayer — Analyst, Clarus Securities

Okay. Maybe just back on the DS here. So fully deployed here Q4 as well as July, or sorry, June, April, May maybe a little bit slower due to some wet weather. How is the business trending to hit the earnout EBITDA of, I believe it was $4 million this year?

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Steve, You still there?

Steve Kammermayer — Analyst, Clarus Securities

Yes, I'm here.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Okay. Sorry. Yeah, go ahead, Dan.

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

So they feel confident that they're going to hit the earnout. I think we are, to be conservative, based on what they've done to date and the slow start to the season, a little bit more cautious. We think it will be close. The earnout is about $1.5 million with a target of $4 million in EBITDA. They still feel very confident they're going to achieve it.

Now the one thing to keep in mind, Steve, is that the earnout is not based on our fiscal year. It's based on the anniversary date of the acquisition, which puts it at December. So they will have many more strong months of good weather in order to build back up and make up for those two late months of start that they experienced earlier this year. So I think their confidence is high, and as long as the weather holds through November and the month of December, they'll probably come very close. I think, from our perspective, we certainly see them going full tilt at the moment. We expect them to be doing as good a job this quarter as they did in the same quarter last year, but it's really going to be about whether they can catch up for those two months. And so I think it's going to be a little bit about how long the season goes this year, but just keep in mind it goes right through until December. But they're very confident and they've ramped up. They've added additional head count. So they believe the work is there; it'll come down to whether they're successful in deploying and the weather holds, I think, for the balance of the season.

Steve Kammermayer — Analyst, Clarus Securities

Okay, great. That's all I had, guys. Thank you.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Thanks, Steve.

Operator

Thank you. Once again, should you have a question, please press star followed by the one on your telephone keypad.

And your next question comes from the line of Doug Yonson. Please go ahead.

Doug Yonson — Private Investor

Hello. I am very much concerned about this financial statement. Last quarter I made the point I'm getting tired of losses and I'd like to see some profit at some point and it was made, suggested that there should be a profit in this quarter. That is specifically what was said, that you could look forward to some profits. But however, the earnings are even more, the loss, rather, is even more, despite a strong third quarter from DS, apparently. I just heard that there was a reorganization of Gemini, which to me suggests there had been some issues there. I've also heard that you're acknowledging some problems integrating DS. I'm just concerned. It sounds like there's a real management problem integrating the companies and particularly controlling costs. I repeat my question again: when will we actually see some profits?

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Doug, thank you for your questions. This is Scott. Let me start with a few comments you've made and make sure that we dispel any impressions you may have.

Number one, the organization or reorganization we're talking about in Gemini really is just elevating, within their organization, future leaders so that the company is resilient and has a future. Often is the case when there's an acquisition, you bring them into your organization, the founders are eventually looking to retire or take on a different role. And so all that we've done there is take a good look at that business, identify, with the original founder's help, the basically Christmas future management for that group. And they were all internal. And we have a couple of individuals who have stepped in and are stepping up nicely and Dan and I work with them and that's a very positive thing. And we're not having a problem integrating Gemini at all. They're growing nicely. We're taking on new space to accommodate the future growth that we see within their backlog and their pipeline. So that's Gemini.

In terms of DS, DS, just not completed our first year in terms of integration, we hear from both sides that it's going well. The company, DS as an enterprise, is becoming more understanding of connections and opportunity for us to commit to and win larger, better work together. We closed our Scarborough office and integrated that Toronto group into DS because we felt it was better stewardship of those individuals and the better result for clients. We did that immediately and that was a very positive outcome. And culturally, we're very well aligned. In fact, what we love about DS in many ways is they're even more so focused on delivering on the bottom line than culturally perhaps we need to be and definitely should be.

So, as far as the acquisitions and the integration is going, we could talk further if you'd like to have an off line discussion, but from all points in our experience it's going very, very well. I'm going to pass it to Dan. Maybe he can talk a little bit more in terms of profitability and where we're headed.

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

Yeah, for sure. Absolutely. So I just wanted to highlight that profitability, there is no question, as you had identified, that the net income figure is lower for the period; however, a significant component of that is the finalization of the valuation of DS Consulting, the split between goodwill and intangibles and the associated amortization associated with that. So you will see in Q3, the period we just closed, a material increase in amortization of intangibles, which is a non-cash charge, and that's the primary driver of the slip in net income. Those transactions have now been completed. We use our accounting firms and third parties to assist with those valuations to make sure there's no impact and no anticipated changes in our year-end financials. But from a cash perspective, the business has done materially better in Q3 than in prior quarters and we expect that to continue into Q4. As we mentioned earlier, the entirety of the Professional Services team, which is the only group that drives seasonality in the business, is fully deployed for all three months in Q4 versus only one of the three months being fully deployed in Q3, so we anticipate very strong results in Q4.

Doug Yonson — Private Investor

Following up then, you referred to the amortization and the goodwill, so I'm reading into that that the goodwill for DS was greater than expected, and in my understanding of goodwill is the deemed value of the company versus what was paid.

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

It's actually the opposite in this case. Goodwill is not amortized. It's the intangible asset that's amortized, which is the value of the clients and the IP and the relationships that they have. And so, when we originally put the transaction in our books, not knowing how much we can assign to the intangible asset, it typically goes to goodwill as a holding spot, and then as you get deeper into the analysis, you're able to allocate more to intangibles and feel confident that you have that asset going forward. So what's happened over the last quarter, with the help of our professional professionals, is that we've been able to put forward a very solid case to represent the value of the purchase. That increased the asset, the intangible asset, and it's the intangible asset that's amortized and that's what's driving it, not the goodwill.

Doug Yonson — Private Investor

I wanted to follow up with the equity offering that accompanied the DS purchase. Was the full 11.5 million shares sold?

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

Sorry. Can you ask that again, Doug? I just want to make sure I'm understanding correctly.

Doug Yonson — Private Investor

There was a follow-up equity offering at the time of DS's purchase with Clarus and Raymond James sell on a best-efforts basis up to 11.5 million common shares. How many of those shares were actually sold?

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

Yeah, it was fully subscribed. The full amount of the offering was picked up by the market.

Doug Yonson — Private Investor

Okay. I guess I want to say I'm still very concerned that, even though business is much better, revenue was vastly increased, you're still running at a loss. And I asked last time why the stock seemed to be struggling and the suggestion was that partly it was, as with so many companies, a concern about the impact of AI and that you felt the AI concern was not a valid concern for the market. I guess my concern now that, AI be darned, the market concern is that you can't have return to profit. And I'll just leave it at that.

I wanted to follow up on an unrelated topic, though. I asked last time when you purchased, when you made Scott the Chairman and CEO, I made a comment that I felt that was very poor governance as, in my view, it has been quite clear that the CEO and the board chair should be different individuals. So I asked last time, now this is more than a year and a half now that decision was made, I asked last meeting, last session, what was happening within an independent lead director and I was told that the board meeting upcoming would address that. Is there now an independent lead director and what's his name?

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Actually, Doug, that was a question you asked, I believe, at the AGM, and during our last call I addressed that by informing you that we had, in fact, identified that lead external director and his name is Mohsen Mortada. So we have addressed that already with you. You may not recall.

Doug Yonson — Private Investor

Yeah, no, I mentioned that. You mentioned it was pending at the subsequent board meeting. Because I noticed that in your website there's no reference to him as having that title and in the two new documents that were passed in May, approved by the board in May of 2026, the charter for the governance and the charter for the board, there is no mention whatsoever of a lead independent director, how that person is named, what those powers are, and in fact, as far as I can see, the lead independent director may exist in a mystery but in fact does not exist at the Company. And I'm concerned that the Company is just going through the motion of a lead independent director, which, as you know, is required by securities law. And it's now been a year and a half since you made the decision to make an independent, to combine the CEO and the board chair positions. So why does the lead independent director not exist in the board documents that were approved a few months ago?

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

We'll look at it, but Doug, if you go back to the minutes from our last quarter's or previous quarter's call, I believe my verbatim reply to you was that I am happy to report that we have, in fact, identified our lead independent director and his name is Mohsen Mortada, a very capable water expert. And he is a perfect candidate for that role and he has been in that place, been installed in that place, at minimum, since our last conversation from our previous quarter. So I appreciate your concern, but I hope the facts will allay them in that that has been put in place. If our documents haven't caught up, I'll make sure that we address that in an addendum.

Operator

Thank you. Once again, that is star and one to ask a question. And your next question comes from the line of Todd Radons from Canaccord Genuity. Please go ahead.

Todd Radons — Analyst, Canaccord Genuity

Hey, guys. Congrats on a great quarter. I think it was very positive. Obviously, the revenue growth, rising margins on top of that, and ultimately, I mean I really look to EBITDA that you've tripled and really cash flow. I mean that's where it comes down to, free cash flow. You've got more than doubled your free cash flow from a year ago. I completely understand all the amortization stuff. It's great for your taxes. I don't think it really impacts the business at all. It is non-cash. I guess one question I just had was how many of the installed units that you have now are candidates for the service agreements that you can go after down south?

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

Oh, I would say the vast majority. So we have, we're getting close to over 100 now total solutions that we've put in place. And we had focused primarily on O&M maintenance contracts on the water production side; however, recently we added to the team an individual who used to run one of the water facilities for Samsung in the United States to take on our O&M practice and to help to continue that to grow and his experience is focused primarily on the wastewater side. And so we've got a unique skill set in the area that we're active, which is the Florida and Texas markets in the United States, plus his experience in the Caribbean and the balance of the team's experience in the Caribbean.

So we think all of our contracts going forward will have O&M request to them and we'll have a high probability of landing those. We have had a number of experiences recently where clients have come back, asking us to step in and take over on a number of assignments and we're negotiating contracts with those. So I think the big driver here for us that we're seeing is it's very challenging for the institutions to put these water systems in place, to find locals in the Caribbean and in these small local markets to assume control and management of these systems, and so they're really reaching out to us to take advantage of the expertise that we have to deliver people, to provide oversight, and then to train locals to help them keep the cost down. But ultimately, we would expect the vast majority of these contracts going forward to carry an O&M contract alongside once they go through the commissioning process.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

And Todd, if I could add as well to Dan's commentary, he's absolutely right, but another interesting development that we're finding is also on the deployment of these systems. We have clients where we'll do a design and we'll send them the system and they want to execute the installation deployment and so on and we're finding more and more they're just putting up the white flag and just saying we're not good at it, we'd rather you do it, take this on. In doing so, that kind of represents a step change lift in our opportunity to generate high-margin revenue in that part of the business as well. And all that does, it just comes out of having done it over and over and doing it very well where that's the brand. And that's the most efficient selling we can do into our business and so really delighted to hear that feedback coming out of our operations.

In terms of military, everything we install, one of our differentiators, in many ways a moat around what we do, is that we service what we sell. And so we have a full suite of field service reps in Canada that are, most are ex-military, and they deploy and they make sure that everything stays in operation. In fact, that has driven most of our competition out of Canada, because they can't do that from afar.

And the last piece is we really have eyes on this new system we have now installed, we're waiting for final fit up, in BC for a remote First Nations community to get them clean water and avoid boil bans. We know there are many eyes on that project within the Indigenous community and in many ways that's a passion project for us, it's something that we really want to grow for all the right reasons, but within Canada is a huge need. So I think that is a key piece of the success and continued growth of that business for us is the commitment to make sure that we're just known as the designers, the developers, and the fabricators. We have to make sure that we take care of the full cycle of deployment of those water solutions, water and wastewater.

Dan Hilton — Chief Financial Officer, BluMetric Environmental Inc.

Maybe just to tack on one more item, Todd. I know I mentioned earlier in the discussion that the management of our indirect labour is a significant area where we can still find improvements in EBITDA and something that we're actively looking at and one of the strategies that we're pursuing actually are to use some of the professionals that we have here in Canada to offset during the heavy demand times down in the Caribbean in the winter months. So this has the benefit of taking advantage of the skilled people that we have working in Professional Services during the low season and deploying them to aspects of the business where the demand is really high during O&M components and giving the Florida team a break from being in the Caribbean islands supporting our clients and being able to focus more on production, which they have a significant need to continue to grow.

Todd Radons — Analyst, Canaccord Genuity

Okay. I appreciate the very fulsome answer there, guys. Congrats again on a great quarter. Keep it up.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Thanks, Todd.

Operator

Thank you. And there are no further questions at this time. I will now hand the call back to Mr. Scott McFabe for any closing remarks.

Scott MacFabe — Chief Executive Officer, BluMetric Environmental Inc.

Thank you, operator. Again, I appreciate everybody taking your time out today to hear our update on Q3. We hope that we've answered your questions and we look forward to future contact and a better report continuing as we finish out the fiscal year and Q4. So again, thank you for your support and interest and your investment in the Company and we look forward to our next call with you all. Thank you.

Operator

Thank you. That concludes our conference for today. Thank you all for participating. You may now disconnect.