

# Orbit Garant Reports Fiscal 2026 First Quarter Financial Results

12.11.2025 | [CNW](#)

Orbit Garant Drilling Inc. (TSX: OGD) ("Orbit Garant" or the "Company") today announced its financial results for the three months ended September 30, 2025 ("Q1 2026"). All dollar amounts are in Canadian dollars unless otherwise stated.

## Financial Highlights

(\$ amounts in millions, except per share amounts)	Three months ended September 30, 2025	Three months ended September 30, 2024
Revenue	46.7	48.4
Gross Profit	5.7	7.6
Gross Margin (%)	12.1	15.8
Adjusted Gross Margin (%) <sup>1</sup>	17.0	20.2
Adjusted EBITDA <sup>1</sup>	3.7	6.2
Net earnings	0.3	2.9
Net earnings per share		
- Basic and diluted (\$)	0.01	0.08

(1) This is a non-IFRS measure and is not a standardized financial measure. The Company's method of calculating such financial measures may differ from the methods used by other issuers and, accordingly, the definition of these non-IFRS financial measures may not be comparable to similar measures presented by other issuers. Refer to "Reconciliation of Non-IFRS financial measures" on page 3 of this news release for more information about each non-IFRS measure and for the reconciliations to the most directly comparable IFRS financial measures.

"Our results for the quarter reflect the completion of certain drilling projects early in the period and the gradual ramp up of drilling projects in Canada, as well as client decisions to temporarily delay certain drilling projects in both Canada and South America. We expect to benefit from the resumption of delayed projects in Canada and South America, and the continued advancement of our ramp-up activities on new drilling projects in Canada during our second quarter," said Daniel Maheu, President and CEO of Orbit Garant. "Demand for drilling services in both Canada and South America is increasing, supported by historically high gold prices and strong copper prices. Our bidding activity on new contracts in both Canada and South America is significantly picking up and many of our current clients have indicated that they intend to increase their drilling activity over the next 12 months. We have significant operational capacity to accommodate increased customer demand with minimal mobilization costs."

"Looking ahead, we are confident in our business outlook for the remainder of fiscal 2026 and we remain committed to our focus on senior and well-financed intermediate customers, our disciplined business strategy and the continued advancement of our operational improvement program," added Mr. Maheu.

## First Quarter Results

Revenue for Q1 2026 totalled \$46.7 million, a decrease of 3.7% compared to \$48.4 million for the three-month period ended September 30, 2024 ("Q1 2025"). Canada revenue totalled \$33.7 million in Q1 2026, a decrease of 4.8% compared to \$35.5 million in Q1 2025, reflecting lower drilling activity due to project completions, client initiated temporary delays, and the gradual ramp up of new projects. International revenue totalled \$13.0 million in Q1 2026, in line with \$13.0 million in Q1 2025. The Company generated higher revenue in Chile compared to Q1 2025, but this increase was offset by lower revenue in Guyana compared to Q1 2025. Growth in these regions was also constrained by client decisions to temporarily delay certain projects in the quarter.

Gross profit for Q1 2026 was \$5.7 million, or 12.1% of revenue, compared to \$7.6 million, or 15.8% of revenue, in Q1 2025. Adjusted gross margin<sup>1</sup>, excluding depreciation expenses, was 17.0% in Q1 2026, compared to 20.2% in Q1 2025. The decrease in gross profit, gross margin and adjusted gross margin<sup>1</sup> were primarily attributable to drilling project completions, the early stages from new drilling projects in Canada, which typically yield lower gross margins early on, and project delays.

## Canada and South America.

General and Administrative expenses were \$4.4 million, or 9.4% of revenue, in Q1 2026, compared to \$3.8 million, or 7.1% of revenue, in Q1 2025. The increase primarily reflects additional promotional and visibility efforts, in line with our business development strategy.

Adjusted EBITDA<sup>1</sup> totalled \$3.7 million in Q1 2026 compared to \$6.2 million in Q1 2025. The decrease was primarily attributable to lower operating earnings in the Company's Canada and International segments, for the same reasons as discussed above.

Net earnings for Q1 2026 were \$0.3 million, or \$0.01 per share (diluted), compared to net earnings of \$2.9 million, or \$0.09 per share (diluted), in Q1 2025. The decrease in net earnings was primarily attributable to lower operating earnings in the Company's Canada and International segments, as discussed above.

## Liquidity and Capital Resources

The Company withdrew a net amount of \$5.3 million from its Credit Facility in Q1 2026, compared to a repayment of \$0.0 million in Q1 2025. The Company's long-term debt under the Credit Facility, including an undrawn US\$5.0 million revolving credit facility, the current portion, was \$19.3 million as at September 30, 2025, compared to \$14.0 million as at June 30, 2025.

On October 28, 2025, the Company announced that the Toronto Stock Exchange ("TSX") accepted its notice of intention to commence a normal course issuer bid (the "NCIB Program") to purchase outstanding common shares of Orbit Garant on the open market in accordance with the rules of the TSX. Pursuant to the NCIB Program, Orbit Garant may purchase, from time to time, in the aggregate up to 500,000 common shares over a 12-month period commencing on October 31, 2025 and terminating on October 30, 2026. The Company repurchased and cancelled 68,916 common shares at a weighted average price of \$0.82 per share pursuant to the previous normal course issuer bid from October 31, 2024 to October 30, 2025. As at September 30, 2025, Orbit Garant had 39,732,840 common shares issued and outstanding.

As at September 30, 2025, the Company's working capital totalled \$55.1 million, compared to \$50.4 million as at June 30, 2025. Orbit Garant's working capital requirements are primarily related to the funding of inventory and the financing of accounts receivable.

Orbit Garant's unaudited interim condensed consolidated financial statements and management's discussion and analysis for the period ended September 30, 2026 are available via the Company's website at [www.orbitgarant.com](http://www.orbitgarant.com) or SEDAR+ at [www.sedarplus.ca](http://www.sedarplus.ca).

## Conference Call

Daniel Maheu, President and CEO, and Pier-Luc Laplante, CFO, will host a conference call for analysts and investors on Thursday, November 13, 2025 at 10:00 a.m. (ET). To join the conference call without operator assistance, you can register and enter your phone number at <https://registrations.events/easyconnect/7962926/rec2rJg2raniH0BOi/> to receive an instant call back. Alternatively, you can dial 647-932-3411 or 1-800-715-9871 to reach a live operator that will join you into the call.

A live webcast of the call will be available on Orbit Garant's website at: <http://www.orbitgarant.com/en/events>. The webcast will be archived following conclusion of the call. To access a replay of the conference call dial 647-362-9199 or 1-800-770-2033, passcode: 7962926 #. The replay will be available until November 20, 2025.

## RECONCILIATION OF NON - IFRS FINANCIAL MEASURES

Financial data has been prepared in conformity with International Financial Reporting Standards ("IFRS"). However, certain financial measures used in this discussion and analysis do not have any standardized meaning under IFRS and could be calculated differently by other companies. The Company believes that certain non-IFRS financial measures, when presented in conjunction with comparable IFRS financial measures, are useful to investors and other readers because the information is an appropriate measure to evaluate the Company's operating performance. Internally, the Company uses this non-IFRS financial information as an indicator of business performance. These measures are provided for information purposes, in addition to, and not as a substitute for, measures of financial performance prepared in accordance with IFRS.

E BITDA, adjusted EBITDA and adjusted EBITDA margin: EBITDA is defined as net earnings (loss) before interest, taxes, depreciation and amortization. Adjusted EBITDA is defined as EBITDA excluding the impact of (i) the interest revenue on long-term receivable and expected credit loss, and (ii) the interest revenue on short-term receivable. Adjusted EBITDA margin is defined as the percentage of adjusted EBITDA to contract revenue.

Adjusted gross profit and adjusted gross margin:

Adjusted gross profit is defined as gross profit excluding depreciation and amortization. Adjusted gross margin is the percentage of adjusted gross profit to contract revenue.

### EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin

Management believes that EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin are important measures when analyzing its operating profitability, as they remove the impact of financing costs, certain non-cash items, income taxes and restructuring costs. As a result, Management considers these measures as useful and comparable benchmarks for evaluating the Company's performance, as companies rarely have the same capital and financing structure.

### Reconciliation of EBITDA, Adjusted EBITDA and Adjusted EBITDA Margin

(unaudited)	3 months ended	3 months ended
(in millions of dollars)	September 30, 2025	September 30, 2024
Net earnings for the period	0.3	2.9
Add:		
Finance costs	0.6	0.8
Income tax expense (recovery)	0.4	0.6
Depreciation and amortization	2.6	2.3
EBITDA	3.9	6.6
Interest revenue on long-term receivable (0.2)		(0.4)
Adjusted EBITDA	3.7	6.2
Contract Revenue	46.7	48.4
Adjusted EBITDA margin (%) <sup>(1)</sup>	7.9	12.8

(1) Adjusted EBITDA, divided by contract revenue X 100

### Adjusted Gross Profit and Adjusted Gross Margin

Although adjusted gross profit and adjusted gross margin are not recognized financial measures defined by IFRS, Management considers them to be important measures as they represent the Company's core profitability, without the impact of depreciation expense. As a result, Management believes they provide a useful and comparable benchmark for evaluating the Company's performance.

### Reconciliation of Adjusted Gross Profit and Adjusted Gross Margin

(unaudited)	3 months ended	3 months ended
(in millions of dollars)	September 30, 2025	September 30, 2024
Contract revenue	46.7	48.4
Cost of contract revenue (including depreciation)	41.0	40.8
Less depreciation	(2.3)	(2.1)
Add gain on disposal of property, plant and equipment	-	-
Direct costs	38.7	38.7
Adjusted gross profit	8.0	9.7
Adjusted gross margin (%) <sup>(1)</sup>	17.0	20.2

(1) Adjusted gross profit, divided by contract revenue X 100

#### About Orbit Garant

Headquartered in Val-d'Or, Quebec, Orbit Garant is one of the largest Canadian-based mineral drilling companies, providing both underground and surface drilling services in Canada and internationally through its 186 drill rigs and approximately 1,100 employees. Orbit Garant provides services to major, intermediate and junior mining companies, through each stage of mining exploration, development and production. The Company also provides geotechnical drilling services to mining or mineral exploration companies, engineering and environmental consultant firms, and government agencies. For more information, please visit the Company's website at [www.orbitgarant.com](http://www.orbitgarant.com).

#### Forward-looking information

This news release may contain forward-looking statements (within the meaning of applicable securities laws) relating to business of Orbit Garant Drilling Inc. (the "Company") and the environment in which it operates. Forward-looking statements are identified by words such as "believe", "anticipate", "expect", "intend", "plan", "will", "may" and other similar expressions. These statements are based on the Company's expectations, estimates, forecasts and projections. They are not guarantees of future performance and involve risks and uncertainties that are difficult to control or predict. Risks and uncertainties that could cause actual results, performance or achievements to differ materially include the world economic climate as it relates to the mining industry; the Canadian economic environment; the Company's ability to attract and retain customers and to manage its assets and operating costs; the political situation in certain jurisdictions in which the Company operates and the operating environment in the jurisdictions in which the Company operates, as well as the risks and uncertainties are discussed in the Company's regulatory filings available at [www.sedarplus.ca](http://www.sedarplus.ca). There can be no assurance that forward-looking statements will prove to be accurate as actual outcomes and results may differ materially from those expressed in these forward-looking statements. Readers, therefore, should not place undue reliance on any such forward-looking statements. Further, a forward-looking statement speaks only as of the date on which such statement is made. The Company undertakes no obligation to publicly update any such statement or to reflect new information or the occurrence of future events or circumstances except as required by applicable securities laws.

SOURCE Orbit Garant Drilling Inc.

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Die URL für diesen Artikel lautet:

<https://www.rohstoff-welt.de/news/712116--Orbit-Garant-Reports-Fiscal-2026-First-Quarter-Financial-Results.html>

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