

# Red Cat Holdings, Inc. (RCAT) Q3 2025 Earnings Call Transcript

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Red Cat Holdings, Inc. ([RCAT](#)) Q3 2025 Earnings Call November 13, 2025 4:30 PM EST

## Company Participants

Jeffrey Thompson - Founder, President, CEO & Chairman

Christian Ericson - Chief Financial Officer

## Conference Call Participants

Austin Bohlig - Needham & Company, LLC, Research Division

Mike Latimore - Northland Capital Markets, Research Division

Glenn Mattson - Ladenburg Thalmann & Co. Inc., Research Division

## Presentation

### Operator

Good afternoon, and welcome to Red Cat's Third Quarter 2025 Earnings Conference Call. My name is Steve, and I'll be your operator for today's call. Joining us are the Red Cat's CEO, Jeff Thompson; and CFO, Chris Ericson. Please note that certain information discussed on today's call will include forward-looking statements of our future events and Red Cat's business strategy and future financial and operating performance. These forward-looking statements are only predictions and are subject to risks, uncertainties and assumptions that are difficult to predict and may cause actual results to differ materially from those stated or implied by those statements. Certain of these risks, uncertainties and assumptions are discussed in Red Cat's SEC filings, including its most recent annual report on Form 10-K and other SEC filings.

These forward-looking statements reflect management's belief, estimate and prediction as on date of this live broadcast, November 13, 2025. and Red Cat undertakes no obligation to revise or update any forward-looking statements to reflect events or circumstances after the date of this call. In addition, our comments on the call today contains reference to non-GAAP financial measures such as adjusted EBITDA and key business metrics such as annual recurring revenue. Non-GAAP measures should be viewed in addition to and not as alternative for the company's reported GAAP results.

A reconciliation of these non-GAAP measures to their most directly comparable GAAP measures as well as definition of the key business metrics referenced and management reasons for including the non-GAAP measures and key business metrics referenced may be found in the press release. Finally, I would like to remind everyone that this call will be recorded and made available for replay via a link available in Investor Relations section of the company's website at [ir.redcatholdings.com](http://ir.redcatholdings.com). With that, I'll turn the call over to Jeff.

**Jeffrey Thompson**

*Founder, President, CEO & Chairman*

[Audio Gap] 2025 earnings call. I will start by providing some high-level commentary on our financial results and then share exciting updates about our unique market position and revenue growth initiatives. Red Cat delivered a record-breaking third quarter with revenues of \$9.6 million, up 200% from second quarter of 2025. Q4 will be more revenue in 1 quarter than we have ever done in a 12-month period. A majority of that almost \$40 million of revenue in 2025 will have been shipped in the second half of Q3 and Q4, that's just 1.5 quarters. This performance reflects the accelerating adoption of our drone and robotic solutions across defense and national security sectors. Our product portfolio has reached new levels of validation and market acceptance. We are uniquely positioned and have built capacity to meet the U.S. Army's need for 1 million drones. We are ready with speed and volume.

Here are additional milestones we achieved this quarter. The limited rate initial production Tranche 2 contract we signed in July 2025 has expanded. It is now \$35.1 million. We launched Blue Ops, our new maritime division focused on uncrewed surface vessels with facilities now established in Georgia, Maine and Southeast Florida. Our FANG FPV drone was officially added to the Blue UAS cleared list, a critical validation for U.S. government use and now being used by other PM UAS categories. We successfully completed flight testing with Palantir's Visual Navigation software on our Black Widow platform, enabling operations in GPS-denied environments and now a Black Widow product option that will improve Black Widow margins through software sales.

We announced a strategic partnership with AeroVironment, enabling deployment of FANG from the P550 UAS, part of the LR program of record and Edge Autonomy is deploying the Black Widow on their long-range platform. Our Black Widow system was approved for NATO NSPA catalog, opening doors to NATO members and partner nations and possible foreign military sales. To unpack that a bit more with added color, our limited rate production contract for the Black Widow system valued at \$35 million demonstrates the military's confidence in our technology and manufacturing capabilities. The total contract in 2025 is now approaching \$40 million for the U.S. Army alone.

While we experienced a 6- to 7-week delay due to change orders that pushed the first shipments to mid-August, this reflects dynamic nature of defense requirements and our ability to adapt to solutions to meet evolving specifications. We received the new changes at the end of July. We iterated and delivered the first LRIP drones 3 weeks later. We proved that we can do quick changes and continue to ship at volume. Perhaps the most exciting strategic expansion is the launch of Blue Ops. Our new Maritime division, this represents a natural extension of our autonomous systems expertise into a high-growth adjacent market. Our partnership in Europe with a battle-proven boat technology gives Blue Ops a 3-year advantage in the USV space, and we expect our first boat hulls to be completed in December with potential pricing from about \$750,000 to \$1.5 million per unit.

This division opens up substantial new revenue opportunities. We now opened 155,000-square-foot manufacturing facility in Georgia, capable of building more than 500 to 1,000 vessels per year and established a sales showroom and lab in Southeast Florida and a prototype partner in Maine that has built some of the most complex boat technology in the industry. We believe this is the most undervalued Red Cat asset. If we only ship 200 boats at the low end of pricing, that is \$150 million in revenue. Red Cat believes factories are the moat. Additional expansion strategies are propelled by the need for manufacturing, speed and volume, and we believe factories are becoming a new moat for defense. We have doubled our manufacturing space in Salt Lake City and doubled our manufacturing space in Los Angeles, and we have U.S. capabilities for 1,000 USVs a year and can build a new hull design in months to production.

Now to provide the Army SRR program update. We continue to execute on the U.S. Army's short-range reconnaissance program. The LRIP contract signed in July has been expanded and is now valued at \$35 million. So let me share some context on changes in our revenue outlook and where our projections are shifting slightly to the future. The highly anticipated SRR contract took an extended amount of time to finalize. The government budget was not signed until July 4, and we're still receiving changes to the black window as late as the last week in July. The unanticipated delays shifted our expected revenue recognition by about 6 to 7 weeks to the right, but our long-term trajectory remains unchanged. In fact, the recent expansion of the LRIP contract to \$35 million gives us further excitement of the future trajectory of U.S. public announcements and specifically the 1 million drones last week.

We expect to announce additional contracts and partnerships in the coming months, including developments in our USV segment, Edge 130 move to Trichon, new power capabilities combined with swarming. Given some of the delays mentioned, we are needing to lower our full year revenue guidance range from -- for 2025 to between \$34.5 million to \$37.5 million. Q4 guidance is just below a \$100 million annual run rate. We remain very optimistic about our ability to recover revenue from the delayed continuing resolution known as the One Big Beautiful Bill and the government shutdown of 2025. Demand has grown significantly in the last 3 months with the Army alone looking for millions of drones. We are currently implementing Warp Speed in Salt Lake City and expect to send Palantir and 4 deployed engineers to FlightWave Long Beach facility then soon to Georgia for the Blue Ops facility.

We believe running our factories utilizing Palantir's Warp Speed will give us lower cost, higher margin, better operating metrics, better visibility and help us dominate against old trusty prime vendors. As you know, we also previously announced our new product with partnership with Palantir for digital navigation. We also expect to launch other important products from Palantir on the Black Widow and the USV products earlier next year as partnerships continue to grow with Palantir utilizing their AI products. I will now turn the call over to Chris to discuss our financial results.

**Christian Ericson**

*Chief Financial Officer*

All right. Thank you, Jeff, and good afternoon, everyone. I appreciate everyone jumping on today. As Jeff mentioned, we're pleased with our record third quarter 2025 results, absolutely ecstatic. Our financial performance reflects the success of our ongoing strategic initiatives and our commitment to delivering value to our shareholders. On the income statement side, revenues were \$9.6 million for the third quarter of 2025. Now this is trending up from \$3.2 million in the second quarter and up further from the \$1.6 million in Q1 of 2025. This improving trend is due to increasing product revenue as we have started delivering drones to the U.S. Army under the SRR program.

Gross profit was \$638,000 in the third quarter of 2025, up from \$375,000 in the second quarter of 2025. Margins have been primarily driven by higher revenues in the 2 consecutive quarters. Q3 gross profit was a large increase compared to the gross loss of \$392,000 in the third quarter of 2024, an improvement of over \$1 million. On a percentage basis, gross profit for this quarter was 7% compared to a gross loss of 30% during the third quarter of 2024. The year-over-year same quarter change is due to higher utilization of plant capacity and decreased inventory obsolescence in 2025 compared to 2024. On our operating expense side, we've strategically increased the areas of R&D and G&A to support our rapid growth trajectory and market expansion initiatives.

During Q3 of 2025, we invested approximately \$6 million into R&D, a quarterly increase of 66% over Q2 of 2025. We have accelerated R&D to focus on growing our technological leadership in all areas, including, but not limited to, unmanned maritime surface vessels, advanced communication systems, electrical, optical and thermal sensor technology, universal flight controls, AI-based navigation systems and swarming capabilities to say the least, plenty of other areas that we're spending R&D as well to improve our technologies. General and administrative expenses have grown to \$9.2 million for Q3 of 2025, a quarterly increase of 48% over Q2 of 2025. This is to support our larger organization, including the establishment of our Blue Ops division and the operational infrastructure required to manage our expanding operations.

Now on to the balance sheet and cash flow side. The most significant trend across our balance sheet and cash flow metrics is the strengthening foundation we're building for sustained growth and profitability. We've ended the quarter with \$212.5 million in cash and receivables. This liquidity positions us well to execute on our SRR obligations, scale our USV division and pursue other strategic growth opportunities. The investments we're making in working capital, manufacturing capabilities and organizational infrastructure are already generating returns through accelerated revenue growth and enhanced market position, positioning us for continued success as we scale our operations and capture the tremendous opportunities in the defense drone market. Despite the timing shift of revenue that Jeff talked about, we remain confident in our ability to meet long-term goals. Our production capacity continues to improve with minimal constraints. We are on track to scale up drone output to 1,000 units a month by early 2026, and our USV manufacturing is building up with first deliveries expected in Q2 of 2026.

On the capital allocation side, we are focused on deploying capital across 3 key areas: our USV division build-out of Blue Ops, estimated to be a \$20 million to \$25 million investment to fully operationalize the division. Strategic investments targeting technologies in farming battery tech, AI and communications, among others. And the third, our facility expansion with completion of our facility expansions in Salt Lake City and Los Angeles here in the next 3 to 4 months and then also in Georgia with our Blue Ops facility.

General outlook. Turning our guidance to the full year 2025, as Jeff mentioned, we expect revenues to be between \$34.5 million to \$37.5 million. This represents Q4 revenues between \$20 million and \$22 million or a sequentially quarterly increase of 170%, more than doubling the Q3 revenues. This continued strong sequential growth driven by our accelerated Black Widow production ramp and tank system deliveries following Blue UAS certification. This guidance reflects our confidence in our production capabilities with our anticipated manufacturing scaling from 500 to 1,000 drones per month in Q1 of 2026 and our strong order visibility from both existing defense customers and new opportunities generated through our NATO catalog approval.

Several key factors are driving our optimistic outlook for the remainder of 2025 and into 2026. Our limited rate production contract for Black Widow Systems provides a solid foundation of committed revenue, while our expanded production capacity position allows us to capture additional opportunities as they emerge. With the launch of Blue Ops opens an entirely new revenue stream and significant potential, giving our pricing expectations between \$750,000 to \$1.5 million per vessel and the growing demand for autonomous maritime solutions. Our strategic partnerships with Palantir and AeroVironment are beginning to generate collaborative opportunities that should contribute meaningfully to our revenue growth trajectory. Market conditions continue to be exceptionally favorable in our solutions.

Defense spending on autonomous systems is accelerating globally, driving by evolving geopolitical driven by evolving geopolitical dynamics and the proven effectiveness of drone technology in modern conflicts. The emphasis on domestic manufacturing and supply chain security creates substantial competitive advantages for Red Cat, while our international expansion through NATO approval opens up significant new market opportunities. We're also seeing increased interest in our maritime capabilities as defense organizations recognize the strategic importance of Unmanned Surface Vessels. Our internal initiatives are positioned to drive sustained growth beyond the current quarter.

In closing, we remain focused on disciplined execution, strategy expansion and delivering shareholder value. We are pleased with the progress we have made on each of our strategic initiatives and operational performance of the business. And with that, happy to answer your questions. So operator, Stephen, if you would please open up the line for Q&A.

## **Question-and-Answer Session**

### **Operator**

[Operator Instructions] First question comes from Austin Bohlig with Needham.

### **Austin Bohlig**

*Needham & Company, LLC, Research Division*

First one, we're just curious on an update regarding the full rate production order. It sounded like previously, you guys were hoping to secure that by the end of the year. Is that still kind of the expectation? And any idea on like sizing of that opportunity?

### **Jeffrey Thompson**

*Founder, President, CEO & Chairman*

Austin, thanks for the question. Well, we hope that, that was going to be by the end of the year, but that was before the shutdown. We're still communicating with -- they're using OTAs from now on, as you probably heard Secretary Hegseth last Friday. We do not know the size yet, but considering that LRIP is closing in on a \$40 million size. If you look at the President's budget, it's for 2250 systems for SRR, which they have at about \$148 million now. Until budgets are approved, no one knows what that's going to be. But I think the size is going to be dramatically larger from the \$40 million basically we got in 2025.

### **Austin Bohlig**

*Needham & Company, LLC, Research Division*

Okay. Great. And then just on the boat opportunity, shipping, it sounds like in Q2 of next year. What is the type of cadence for revenue opportunity do you think that could be next year for you guys?

### **Jeffrey Thompson**

*Founder, President, CEO & Chairman*

Well, as I said in my comments, if we only sold 200 boats, that's \$150 million, and that would be the least expensive 5-meter boat. We're starting with the 7-meter variant, which has lots of opportunities for missiles, torpedoes, black widows. It comes in many, many different configurations because it's the bigger size. And those will be probably in the midrange of that \$750 million to \$1.5 million. But we think there's a robust need for shipbuilding as there was also an executive order just like the Drone Dominance Executive Order. The U.S. is way further behind in shipbuilding and way further behind than Ukrainians are with their naval capabilities. So we believe it could be a pretty robust revenue stream for us in 2026. A little too early to start giving guidance on that.

We did have a very successful outing in Portugal in September. And once the first hulls are ready to demo, we're probably booked the first 3 months of the year giving demos to almost everybody who wants to take our meeting because of our partner that we have in Europe has 3 years of proven -- battle-proven, not battle-tested, battle proven, which is a key differentiator in the Black Sea. So we expect to get all the meetings. It's going to be up to us to show them how good our brand-new hull is and our capabilities are. And we're actually probably going to add a lot more robust capabilities with additional cameras than they are in other countries right now.

## **Operator**

The next question comes from Mike Latimore with Northland Capital Markets.

### **Mike Latimore**

*Northland Capital Markets, Research Division*

All right. I guess on the -- you mentioned the 6- to 7-week delay. Just maybe can you provide a little framework on how much revenue recognition was influenced by that, which products, which programs were affected?

### **Jeffrey Thompson**

*Founder, President, CEO & Chairman*

Well, there's a lot of moving pieces to that, Mike. A, because they keep changing the contract from the Army. The good news is we're already delivering on it. We did a delivery today. As we mentioned, we're going to be doing more than 100% growth in Q4. Basically, the way I would look at it, Mike, is if you took -- instead of our production shipping starting in the beginning of July, if you just shifted everything 6 to 7 weeks to the right, nothing has changed with our demand from our customers to -- from the previous guidance. I would say the only thing that was significantly different from -- that held us up in demand was that we had to do some reconfiguring, which I mentioned this publicly about 2 months ago. The FlightWave Edge 130 is a great flying machine, but it's not a very robust tool to hand a soldier that's going to be pretty rough with it.



So the \$25 million that we were expecting to have from FlightWave this year, we decided to rip the Band-Aid off early and start that reconfigure a couple of months ago, as I mentioned on a previous call, to make that Edge 130 a more robust aircraft so that a soldier could handle it and would not be breaking it and so the decision was to just move straight to the Trichon instead of messing with the interim version. And that's where we are. That's the only -- and we expect the \$25 million in 2025 from FlightWave, which we're not going to get because of that.

**Mike Latimore**

*Northland Capital Markets, Research Division*

Okay. Got it. And then it looks like inventory almost doubled sequentially. Is that largely finished goods, Black Widow? Like what's in there?

**Jeffrey Thompson**

*Founder, President, CEO & Chairman*

Yes. So I'll let Chris take that.

**Christian Ericson**

*Chief Financial Officer*

Not finished goods, but raw materials inventory ramp-up, a lot of deposits in there as well. As we've started production now, of course, at the very beginning of any type of process like this, you do have a lot of long lead time lead items that have to build up. And so as we built that out to prepare for, especially the big ramp starting up in Q1 for these deliveries, we've built up that inventory. But that's all in raw materials and parts for those inventories as well as deposits.

**Mike Latimore**

*Northland Capital Markets, Research Division*

Did you say that was for Blue Ops or Black Widow or both?

**Christian Ericson**

*Chief Financial Officer*

Black Widow. So a majority of that is Black Widow, smaller portion FlightWave. Blue Ops, we're going to start having that to ramp up this next quarter, but you won't see that yet.

**Mike Latimore**

*Northland Capital Markets, Research Division*

Got it. Okay. And then just thinking about Blue Ops in '26, what -- I think you're launching, again, the demos. Like what's the next -- maybe walk through a couple of steps here. The -- which programs are most visible? What do you think sort of sales cycles are, funding cycles are? When do you think you might get some commercial wins there?

**Jeffrey Thompson**

*Founder, President, CEO & Chairman*

Yes. Well, there's a lot of stuff that's going to be coming up in the 2026 budget for shipbuilding, USVs. It's all out there for the taking. We believe because of our platform is mature compared to competitors, it's 3 years old. It's been the most successful against the Russian Navy and that we have actually improved the hulls dramatically, have some of the best boat building capabilities, and we have the capability to scale rapidly with lots of volume coming out of Georgia. That factory used to do 850 Lake boats per year before we took it over in September.

The USVs that we're making don't require bathrooms. They don't require upholstery. They don't require sound systems. They're much simpler boats to build. There is some great technology in them. There's a lot of sensors. There's a lot of comms. We actually just tested our tech stack this week on a traditional commercial boat. That's not one of our USVs coming out of the factory, and we're able to drive that boat from pretty much anywhere in the world through Starlink, and we've been demoing that in Florida.

So our tech stack is getting mature. We're pretty stoked about that. But -- we'll be able to give you much stronger updates early in Q1. The demo in Portugal was very successful for us. The people know that there's a U.S. option of the most successful USV in the industry. So we'll be able to update you on where we'll be next year -- early next year.

**Operator**

[Operator Instructions] The next question comes from Glenn Mattson with Ladenburg Thalmann.

**Glenn Mattson**

*Ladenburg Thalmann & Co. Inc., Research Division*

Nice to see the revenue ramp. I imagine there's a lot of moving parts still, but the gross margin was up, obviously year-over-year, still sub-10%. Like what's your expectation, Chris, in Q4, given this higher revenue level? And can you just remind us where you think you'll be when you're at a higher scale, say, later next year or whatever that may be?

**Christian Ericson**

*Chief Financial Officer*

Yes, absolutely. Yes, we do expect this margin of 7% to increase up continuing on to next quarter as well as building up into next year. So we're going to expect to see it probably right around 10% for Q4 and then breaking into Q1 through the end of next year, that will continuously increase, projecting towards 20% by the end of next year. This is part of full utilization of the overhead implementing into it and then starting to bring down the cost on the supply chain. It's for the first time of ramping up, things are a little bit more expensive. But as we accelerate that, we will be able to bring down the cost of that as well. And so that will extend on the low end, 20% by the end of next year, shooting for around 30% to 35% in the long run.

**Jeffrey Thompson**

*Founder, President, CEO & Chairman*

And Glenn, just to add to that, we have to look at each system as a separate entity when we're looking at how to get these gross margins up. So if you look at the Teal products we had in the past, the Teal 2 went from negative 10% to right around 8% to 10% in its first quarter to 20% then to plus 30% each quarter. So previous ramping experience was that it will go up nice and steadily quarter after quarter, specifically as the revenue grows, like we're seeing triple-digit growth next quarter, and we expect similar growth going forward. But each one -- each device is going to have a different margin. FlightWave's margins are actually slightly higher than the Black Widow.

So once we get that switched to the Trichon, that will probably help our margins on an overall basis. But we look at them per unit. We have the Black Widow, we have the Trichon, we have the FANG and we have the USVs. They all have different margin capabilities in their maturity.

**Glenn Mattson**

*Ladenburg Thalmann & Co. Inc., Research Division*

Great. When it comes to the Trichon, what programs are you targeting in terms of like the uptake for that UAV?

**Jeffrey Thompson**

*Founder, President, CEO & Chairman*

Yes. What's interesting is the demand is very strong for the -- even the Edge 130, but it's currently not to where we want it to be. We've done some incredible improvements to it in the last couple of months to make it more reliable and adding features, all the things that we're getting feedback on. If there's lots of different programs. Your MRR is still wide open. We could look at MRR with the Trichon. There's a lot of different things. Border patrols really like the Trichon, long-range capabilities with it.

We could also turn it into a loitering munition. It's a very unique aircraft. Our sales team love it. We just need to make it more robust. And once it's more robust, there's a lot of things we can do with that platform. It flies the longest on the Blue UAS list. It's one of the fastest drones on the Blue UAS list. So if we can make it a more robust aircraft, it's going to sell very well.

**Glenn Mattson**

*Ladenburg Thalmann & Co. Inc., Research Division*

Great. And then I'm just trying to think about like the first part of '26. I know you're not giving guidance, but like if your prior guidance at the low end was, say, \$80 million and you're coming in now just ballpark, say, \$40 million, although it's lower than that be \$40, say, that's a \$40 million delta, and you're saying basically \$25 million of that is FlightWave. So the remaining \$15 million or so is kick out into Q1. Is that fair? And then what else backfills into Q1 to rise sequentially, say, from Q4 in your mind, Jeff?

**Jeffrey Thompson**

*Founder, President, CEO & Chairman*

Well, obviously, just to bash the haters, the haters out there said that our LRIP contract was \$12 million. It's \$35 million. The plan for what you see in the President's budget is for \$2250 next year, which is probably a small number after the Army announcing they need to deliver 1 million drones over the next year or 2. So all the numbers seem to be going up. LRIP went up. We believe all of 2026 is going to go up. So we're not going to get into guidance yet in 2026. We got burned severely by the government, massive postponements through half the year and then a government shutdown. So we're going to wait until we have our OTA contract, which is going to give us a very great barometer for 2026.

And if you look at how SRR LRIP worked out, Skydio got 7, we got 35. The Black Widow is doing some incredible things in Europe right now. We expect the Black Widow to end up dominating this category of drone, the way it's performing in very contested environments, and we're just going to continue to improve the Black Widow and give the Army a product that we're proud of so that they can be safe and more lethal. So long answer to we're not going to give 2026 guidance with the way this government has been operated. As soon as we sign the OTA contract, which who knows when it's going to be signed, I'm not going to give dates on that. I'm starting to learn at least.

But yes, we're not concerned with 2026 being significantly larger than 2025. Now just to back up here a little bit, all this revenue that we're talking about, almost all of it is from the Black Widow. So we're not getting contributions from the Blue Ops yet and from FlightWave. We expect them to significantly contribute next year, but we're not ready to give guidance yet. So we're hoping to be able to do that at the beginning of next year.

## Operator

This concludes our question-and-answer session. I would like to turn back the conference over to Jeff Thompson for any closing remarks.

## Jeffrey Thompson

*Founder, President, CEO & Chairman*

Well, thanks, everybody, for joining. We're pretty excited about what's going on. We're excited about where we're going with the Army. We're excited where we'll go with all the other groups. We're going to continue to just keep building and delivering drones. Thanks again for everybody joining.

## Operator

Thank you. The conference has now concluded. Thank you for attending today's presentation. You may now disconnect. Thank you.

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**bazooooka**

19 Nov. 2025, 10:23 PM

Premium

Comments (15.11K) | + Follow

flush this turd. It was time to start trimming after its ran up after 9/10

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**Bogie 1**

14 Nov. 2025, 10:42 AM

Premium

Comments (1.11K) | + Follow

An absolutely disgraceful performance. They have no clue On how to run a company, the CFO is incompetent. sell while you can with these clowns running this ship.

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**424270**

14 Nov. 2025, 5:05 PM

Premium

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@Bogie 1 price didn't go down enough to make your short worthwhile?

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**Joseph E. Jones**

13 Nov. 2025, 10:36 PM

Analyst

Premium

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I have second-hand embarrassment reading this.

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👍 Like (1)

**Eugenn**

14 Nov. 2025, 8:09 AM

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@Joseph E. Jones why so ? what is your conclusion ?

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**Joseph E. Jones**

14 Nov. 2025, 8:57 AM

Analyst

Premium

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[@Eugenn](#) Well, I find "just to bash the haters" and "We're pretty stoked..." to be unbecoming of a CEO. The language is unprofessional and unhelpful.

The transcript is also full of hyperbole. The bit about "if we only ship 200 boats" is purely hypothetical given their secured pipeline. Uniquely positioned to meet the military's need for a million drones - again, no evidence. Lowering guidance while saying future trajectory is unaffected.

So many red flags.

↩ Reply

👍 Like (2)

T

**TwoFranks**

14 Nov. 2025, 10:02 AM

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[@Joseph E. Jones](#) Agreed, you're not allowed to run your mouth when you cut guidance from 80-120 mil to 34.5-37.5 mil.

↩ Reply

👍 Like (1)



**424270**

14 Nov. 2025, 5:12 PM

Premium

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[@Joseph E. Jones](#)

\* don't care about the language

\* agree on "only 200" boats - that's well into the future at best

\* "uniquely positioned" - "uniquely" is likely an exaggeration; "positioned" - they did tell us that they have enough capacity

\* it's possible though at this point unknown if the trajectory is indeed unaffected

↩ Reply

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M

**MS\_Boy 609**

17 Nov. 2025, 1:56 PM

Premium

Comments (323) | + Follow

[@Joseph E. Jones](#)


In business:

- you own your misses
- you clearly explain causality
- you outline corrective actions or mitigating actions.

You don't blame the "haters" or other critics. You don't do this as an entry level analyst much less a CEO of a public company (Reddit-style communication).

Lots of red flags here indeed. This is why you have to hold them to milestones and stick to it if you are a professional retail investor.

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