# Red Cat Holdings, Inc.

**RCAT**

Nasdaq; business equipment; SIC 7372, Services-Prepackaged Software; CIK 0000748268

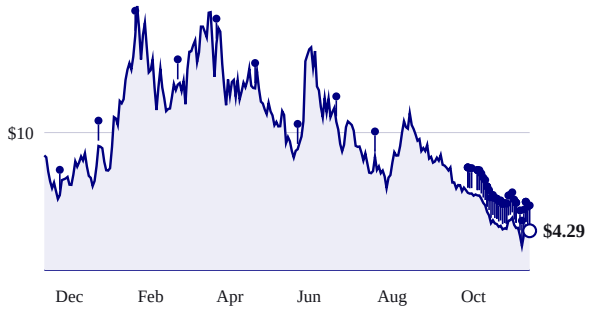
# None

### No letter

5 of 14 inputs computable; 7 are required, with a score in every sleeve

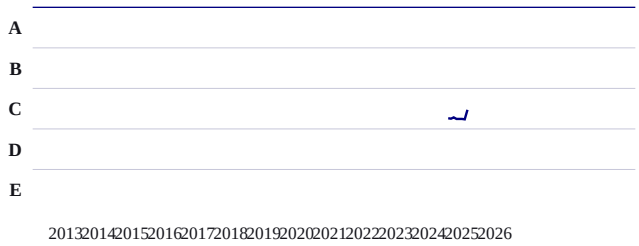
| Scoreboard | |
|---|---|
| **Reliability** | 0.87 AUC<br>filers with $120M to $591M assets; 95% interval 0.83 to 0.90; 206 events, 2020 to 2025 |
| **Peer failure rate** | 1.03% a year<br>Item 1.03 bankruptcies, same asset band, 2012 to 2025 |
| **Size band** | $120M to $591M assets<br>total assets $273.7M |
| **Standard universe** | inside<br>revenue above $1M and assets above $10M |
| **Warnings** | dilution, thin data; fortress balance sh...<br>not computable: short runway, distress |
| **Inputs computable** | 5 of 14 |
| **Graded from** | filings received through Mar 19, 2026<br>238 days before the rescan; latest periodic filing 10-Q received Aug 6, 2026 |
| **Last close** | $4.28<br>2026-11-11; market equity $653.6M; no price enters the letter |

**Share price, twelve months to the rescan**




*Split-adjusted close. Each lollipop is a rescan and carries the letter held then.*

**Letter at every rescan, 2012 to 2026**




*Sector percentile at each rescan, stronger toward the top; facts filed by each date only.*

## Business, in the company's words

*opening of Item 1 of the 10-K received Mar 19, 2026*

We are a U.S.-based provider of advanced all-domain drone and robotic solutions for defense, national security, and commercial applications. We develop American-made hardware and software that supports military, government, and public safety operations across air, land, and sea. Our family of systems delivers tactical capabilities in small, unmanned aircraft systems (sUAS) and uncrewed surface vessels (USVs), delivering integrated platforms designed to enhance safety and multi-domain mission effectiveness. We were originally incorporated under the laws of the State of Colorado in 1984 under the name Oravest International, Inc. In November 2016, we changed our name to TimefireVR, Inc.

## The fourteen inputs

*lower percentile is stronger; sleeves and inputs within a sleeve carry equal weight*

| Input | Value | Peer median | Percentile, 0 to 100 | Pct | Peers | Period end |
|---|---|---|---|---|---|---|
| **Profitability, sleeve percentile 94.4** | | | | | | |
| Gross profitability | 0.5% | 28.7% | | 94.4 | 552 | 2025-12-31 |
| Return on invested capital | not computable | 11.4% | | | | |

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| | | | | | |
|---|---|---|---|---|---|
| *required facts have no common fiscal period end* | | | | | |
| Accruals ratio | 10.4% | (7.3%) | 94.5 | 615 | 2025-12-31 |
| Gross margin stability, five years | not computable | 2.3 pts | | | |
| *five consecutive annual gross margins are required* | | | | | |
| **Solvency, sleeve percentile 5.7** | | | | | |
| Twelve-month failure probability | not computable | 0.06% | | | |
| *latest liabilities, cash plus short-term investments, book equity, and shares are required* | | | | | |
| Altman Z double-prime | 10.37 | 2.21 | 8.0 | 562 | 2025-12-31 |
| Net debt to EBITDA | not computable | 1.08x | | | |
| *required facts have no common fiscal period end* | | | | | |
| Interest coverage | not computable | 3.77x | | | |
| *interest expense must exceed $100,000* | | | | | |
| Current ratio | 15.29x | 2.01x | 3.3 | 660 | 2025-12-31 |
| **Growth and financing, sleeve percentile 90.1** | | | | | |
| Revenue growth, three-year compound | not computable | 6.5% | | | |
| *four consecutive annual observations are required* | | | | | |
| Free cash flow growth, three-year compound | not computable | 18.0% | | | |
| *four consecutive annual FCF observations are required; found 6* | | | | | |
| Reinvestment rate | not computable | 15.1% | | | |
| *pretax income must exceed the validity floor and imply a 0%-100% tax rate* | | | | | |
| Asset growth, three years | not computable | 5.2% | | | |
| *four consecutive annual observations are required* | | | | | |
| Net share issuance, one year | 41.4% | 0.5% | 90.1 | 406 | 2026-03-17 |

## Warnings

*3 of 7 checks triggered; none of them enters the letter*

| Check | Measured |
|---|---|
| Dilution | split-adjusted year-over-year share growth is 41.4% |
| Thin data | 5 of 14 grade factors are computable; minimum is 7 |
| Fortress balance sheet | cash minus debt is 7,045 USD; Altman Z is not used |

## What the price implies

*at the 2026-11-11 close; none of these enters the grade*

| Measure | Value | Peer median | Percentile |
|---|---|---|---|
| Twelve-month price change, skipping the latest month | (42.6%) | (2.0%) | 19 |
| Distance from 52-week high | (75.3%) | (32.9%) | 10 |
| EBIT to enterprise value | (11.3%) | 1.6% | 15 |
| Free cash flow yield | (14.6%) | 2.7% | 14 |
| Book value to price | 0.72 | 0.27 | 81 |
| Sales to price | 0.06 | 0.31 | 9 |
| Composite equity issuance, five years | 115.2% | 4.3% | 93 |
| Relative strength against the sector, log excess return | (0.82) | (0.29) | 19 |

## Diagnostics

*shown on every report; none enters the grade*

| Measure | Value |
|---|---|
| **Piotroski F-score None of 9, period end 2025-12-31** | |
| Return on assets above zero | fail |
| Operating cash flow above zero | fail |
| Return on assets improved | fail |
| Operating cash flow exceeds net income | fail |
| Long-term leverage fell | fail |

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| | |
|---|---|
| Current ratio improved | pass |
| No new shares issued | fail |
| Gross margin improved | fail |
| Asset turnover improved | fail |
| **Cash, filings, liquidity** | |
| Cash and equivalents | n/a |
| Operating cash flow, four quarters | n/a |
| Months of runway | not finite |
| Days since last periodic filing | 98 (10-Q received Aug 6, 2026) |
| Median daily dollar volume, 63 sessions | $42.0M |

## Sources

*every fact behind the inputs; each row links to its filing index on sec.gov*

| # | Concept | XBRL tag | Value | Period end | Received | Form | Accession |
|---|---|---|---|---|---|---|---|
| 1 | gross profit | us-gaap:GrossProfit | $1.3M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 2 | assets | us-gaap:Assets | $273.7M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 3 | net income | us-gaap:NetIncomeLoss | -$72.1M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 4 | operating cash flow | us-gaap:NetCashProvidedByUsedInOperatingActivitiesC... | -$89.1M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 5 | assets | us-gaap:Assets | $55.6M | 2024-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 6 | current assets | us-gaap:AssetsCurrent | $226.9M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 7 | current liabilities | us-gaap:LiabilitiesCurrent | $14.8M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 8 | retained earnings | us-gaap:RetainedEarningsAccumulatedDeficit | -$196.8M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 9 | operating income | us-gaap:OperatingIncomeLoss | -$66.6M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 10 | book equity | us-gaap:StockholdersEquity | $245.8M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 11 | liabilities | us-gaap:Liabilities | $27.8M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 12 | operating income | us-gaap:OperatingIncomeLoss | -$19.3M | 2024-04-30 | 2026-03-19 | 10-K | 26-019861 |
| 13 | interest expense | us-gaap:InterestExpense | $68,609 | 2024-04-30 | 2024-08-08 | 10-K | 24-000195 |
| 14 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $40.7M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 15 | revenue | us-gaap:RevenueFromContractWithCustomerExcludingA... | $17.8M | 2024-04-30 | 2026-03-19 | 10-K | 26-019861 |
| 16 | revenue | us-gaap:Revenues | $4.6M | 2023-04-30 | 2025-03-31 | 10-KT | 25-001892 |
| 17 | revenue | us-gaap:Revenues | $6.4M | 2022-04-30 | 2023-07-27 | 10-K | 23-000231 |
| 18 | capital expenditure | us-gaap:PaymentsToAcquireProductiveAssets | $6.6M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 19 | depreciation amortization | us-gaap:DepreciationDepletionAndAmortization | $2.3M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 20 | pretax income | us-gaap:IncomeLossFromContinuingOperationsBeforeInc... | -$71.6M | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 21 | income tax | us-gaap:IncomeTaxExpenseBenefit | $443,000 | 2025-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 22 | current assets | us-gaap:AssetsCurrent | $25.8M | 2024-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 23 | current liabilities | us-gaap:LiabilitiesCurrent | $4.2M | 2024-12-31 | 2026-03-19 | 10-K | 26-019861 |
| 24 | assets | us-gaap:Assets | $48.5M | 2024-04-30 | 2025-03-31 | 10-KT | 25-001892 |
| 25 | assets | us-gaap:Assets | $60.7M | 2023-04-30 | 2025-03-31 | 10-KT | 25-001892 |
| 26 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 121,138,764 | 2026-03-17 | 2026-03-19 | 10-K | 26-019861 |
| 27 | shares outstanding | dei:EntityCommonStockSharesOutstanding | 85,647,618 | 2025-03-28 | 2025-03-31 | 10-KT | 25-001892 |

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