

Altovix Equity Research

Kraken Robotics Inc.

Company Overview

Kraken Robotics Inc. is a Canadian marine technology company providing subsea sensors, batteries, and robotics systems.

Investment Overview

The Anduril manufacturing ramp. Anduril’s underwater systems all rely on Kraken technology. The DiveLD, an 18-foot autonomous submarine, carries \$2M CAD worth of Kraken sonar and batteries. The Ghost Shark XL, an underwater truck with \$10M CAD of Kraken technology. Anduril is currently also developing other underwater systems like Seabed Sentry and Copperhead. Copperhead is a battery-powered torpedo drone, and Seabed Sentry is an underwater monitoring system. Although unconfirmed, it is a reasonable assumption that Anduril will continue to use Kraken technology, given the existing relationship. There is also a brand new Ghost Shark Facility in Sydney.

A new battery manufacturing facility in Nova Scotia. Kraken is currently building a 60,000 square foot battery manufacturing facility that will triple its current production capacity by late 2025. In 2024, Anduril opened a 100,000 square foot facility in Rhode Island, designed to produce up to 200 DiveLD vehicles per year at full capacity, along with Ghost Shark XLs and other products. At just 50% utilization, 100 DiveLDs will provide \$200M CAD in annual revenue, coming and that without production of Ghost Shark XLs, which carry 5x the revenue. The timing and location of the new battery facility may not be a coincidence and may hint at preparations for a significant increase in orders.

Anduril is not their only customer. Huntington Ingalls, one of the largest US shipbuilders, uses Kraken components in their Remus Underwater vehicles. NATO navies and the Five Eyes countries are buying their underwater sensors and robotics systems. Kraken also works with offshore energy companies, aiding in pipeline inspections and such. Deep-sea mining is an emerging opportunity for Kraken as well. This is more speculative as it relies on worsening relations between the United States and China, but if deep-sea mining is permitted, seafloor mapping demand will skyrocket.

Risks

Poor execution or gross margins may not be as good as they scale. There may be delays in the battery facility, or there may be issues. As they scale, their gross margins may decrease, or Anduril production may slow down. Their contracts may also be cut. Kraken mainly relies on Anduril; anything that can go wrong with Anduril will hurt Kraken.

Key Financial Data

Ticker:	KRKNF:OTC
Sector:	Technical Instruments
Share Price (USD)	\$4.19
Analyst Ratings	4 Buy, 1 Overweight, 1 Hold, 0 Sell
Target Price (USD)	\$5.67
Market Cap (USD)	1.41B
Volume	1.26M
Dividend Yield	0%
Shares Outstanding	306.25M
PE	101.71
EPS	0.0410

Closing Price as of November 3rd, 2025



KRKNF Financials:

Item	2020	2021	2022	2023	2024
Sales/Revenue	12.27M	25.63M	40.91M	69.58M	91.29M
Sales Growth	-	108.79%	59.61%	70.09%	31.20%
Cost of Goods Sold (COGS) incl. D&A	7.56M	17.22M	28.65M	40.57M	52.33M
COGS Growth	-	127.95%	66.34%	41.58%	28.99%
Gross Income	4.72M	8.4M	12.26M	29.02M	38.97M
Gross Income Growth	-	78.11%	45.82%	136.75%	34.29%
SG&A Expense	9.82	11.01M	14.42M	22.39M	27.22M
SGA Growth	-	12.16%	30.96%	55.26%	21.55%
Research and Development	1.2M	2.31M	1.26M	4.49M	6.23M
Net Income	(5.21M)	(3.54m)	(4.24M)	5.55M	20.09M
Net Income Growth	-	32.5%	-19.98%	230.71%	262.33%
EPS (Diluted)	(0.03)	(0.02)	(0.02)	0.03	0.09
EPS (Diluted) Growth	-	43.44%	-8.76%	227.01%	223.88%
Diluted Shares Outstanding	151.87M	182.46M	201.21M	207.21M	231.4M
EBITDA	305.15K	2.61M	2.61M	11.56M	17.47M

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