Born2Cycle — Q4 2025 Management Commentary (Draft)

Prepared for: Board Pack (Q4 2025)

Executive Summary

Q4 was a strong quarter with accelerating growth and improving profitability. We exited December with healthy momentum into Q1.

Revenue & Growth Drivers

Net revenue increased materially versus Q3 primarily due to pricing improvements and a more premium product mix. Holiday demand remained robust, while discounting was kept broadly stable.

Margins

Gross margin improved versus the prior quarter due to better supplier terms and reduced returns. EBITDA margin reached ~18% for the quarter, reflecting strong operating leverage.

Operating Expenses

Sales & Marketing spend was elevated in December due to a one-off influencer activation. Fulfillment labor increased in December because of temporary holiday staffing; we expect this to normalize immediately in January.

Cash & Working Capital

Working capital remained stable. Cash conversion continues to improve as we tighten collections and optimize inventory turns.

Risks / Watch Items

We will monitor paid media efficiency closely as auction dynamics tighten. We are also watching return rates from Black Friday cohorts and have launched targeted quality improvements.

Appendix — Key Claims to Validate

1) EBITDA margin ~18% (quarter)

2) Growth driven primarily by pricing / mix

3) December Opex increase is one-off and normalizes in January

4) Working capital stable and cash conversion improving