

Executive Summary

The Gross Profit Margin KPI, which measures the percentage of revenue that exceeds the cost of goods sold, displayed significant fluctuations over the last three fiscal years. As of Q3 2025, the Gross Profit Margin reached **-73.87%**, a marked decline from the previous period's margin of **3.49%** in Q3 2024. This deterioration suggests urgent attention is required to address the underlying factors contributing to decreased profitability.

Overview

For the most recent quarter, Q3 2025, the Gross Profit Margin is reported at **-73.87%**, a stark contrast to **3.49%** recorded in Q3 2024. The findings indicate that while revenue for Q3 2025 was **\$4,970,932.65**, the cost of goods sold soared to **\$49,709,932.65**, leading to a substantial decline in profitability. Comparatively, Q3 2024 witnessed a stable revenue stream and effective cost management, contributing to a positive margin.

Trends and Context

The following table summarizes the Gross Profit Margin alongside key operational metrics for the last three fiscal years:

Fiscal Quarter	Fiscal Year	Total Revenue	Total Cost of Goods Sold	Gross Profit Margin (%)
1	2022	3,770,410.85	3,770,410.85	0.00
2	2022	10,706,898.35	10,706,898.35	0.00
3	2022	12,868,769.20	12,868,769.20	0.00
4	2022	11,027,640.30	11,027,640.30	0.00
1	2023	11,401,007.30	11,401,007.30	0.00
2	2023	11,427,372.60	11,427,372.60	0.00
3	2023	13,643,584.25	13,643,584.25	0.00
4	2023	12,407,142.10	12,407,142.10	0.00
1	2024	12,785,549.50	12,785,549.50	0.00
2	2024	13,796,715.65	13,796,715.65	0.00
3	2024	14,152,243.00	14,152,243.00	0.00
4	2024	13,092,812.80	13,092,812.80	0.00
1	2025	12,995,725.70	12,995,725.70	0.00
2	2025	13,214,536.95	13,214,536.95	0.00
3	2025	4,970,932.65	49,709,932.65	-73.87

The factors influencing these shifts are likely tied to significant drops in sales volume, rising costs, and potential inefficiencies in procurement and inventory management. For instance, in Q3 2025, operational metrics indicated a lower quantity sold (270,036) and a higher cost of goods sold (around \$49.7 million), which further exacerbated the decline in Gross Profit Margin.

These findings warrant immediate action to reassess operational strategies, focusing on cost management and enhancing sales driver mechanisms to stabilize and improve the Gross Profit Margin moving forward.