UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, DC 20549

FORM 10-Q

(Mark One)

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended December 31, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from to

Commission File Number: 001-39691

BARK, INC.
(Exact name of registrant as specified in its charter)

Delaware	**85-1872418**
(State or Other Jurisdiction of Incorporation or Organization)	**(IRS Employer Identification No.)**
20 Jay Street, Suite 940	
	11201
Brooklyn, NY	
(Address of principal executive offices)	**(Zip Code)**

(Address of Principal Executive Offices)(Zip Code)

(855) 501-2275

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, par value $0.0001	BARK	New York Stock Exchange

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	☐	Accelerated filer	☒
Non-accelerated filer	☐	Small reporting company	☒
		Emerging growth company	☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☒

As of February 2, 2026, there were 172,833,415 shares of the registrant's common stock, par value of $0.0001 per share, outstanding.

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CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

This quarterly report on Form 10-Q, including, without limitation, statements under the heading "Management's Discussion and Analysis of Financial Condition and Results of Operations," includes forward-looking statements within the meaning of Section 27A of the Securities Act of 1933, as amended, (the "Securities Act") and Section 21E of the Securities Exchange Act of 1934, as amended, (the "Exchange Act"). These forward-looking statements can be identified by the use of forward-looking terminology, including the words "believes," "estimates," "anticipates," "expects," "intends," "plans," "may," "will," "potential," "projects," "predicts," "continue," "could," or "should," or, in each case, their negative or other variations or comparable terminology. There can be no assurance that actual results will not materially differ from expectations. Such statements include, but are not limited to, any statements relating to our financial and business performance, the sufficiency of our cash and cash equivalents for our continued operations, market acceptance and the anticipated success of our business model, the uncertainty of our business operations and stock price regarding the public proposals we have received, which include proposals for a possible "going private" transaction, and our ability to expand the scope of our offerings. These statements are based on management's current expectations, but actual results may differ materially due to various factors.

The forward-looking statements contained in this Quarterly Report on Form 10-Q are based on our current expectations and beliefs concerning future developments and their potential effects on us. Future developments affecting us may not be those that we have anticipated. These forward-looking statements involve a number of risks, uncertainties (many of which are beyond our control) and other assumptions that may cause actual results or performance to be materially different from those expressed or implied by these forward-looking statements. These risks and uncertainties include, but are not limited to, those factors described under Part II, Item 1A: "Risk Factors." Should one or more of these risks or uncertainties materialize, or should any of our assumptions prove incorrect, actual results may vary in material respects from those projected in these forward-looking statements. We undertake no obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as may be required under applicable securities laws. These risks and others described under Part II, Item 1A: "Risk Factors" may not be exhaustive.

By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. We caution you that forward-looking statements are not guarantees of future performance and that our actual results of operations, financial condition and liquidity, and developments in the industry in which we operate may differ materially from those made in or suggested by the forward-looking statements contained in this Quarterly Report on Form 10-Q. In addition, even if our results or operations, financial condition and liquidity, and developments in the industry in which we operate are consistent with the forward-looking statements contained in this Quarterly Report on Form 10-Q, those results or developments may not be indicative of results or developments in subsequent periods.

PART I. FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS

BARK, INC.

CONDENSED CONSOLIDATED BALANCE SHEETS

(In thousands, except share and per share data)

(Unaudited)

	December 31, 2025	March 31, 2025
ASSETS		
CURRENT ASSETS:		
Cash and cash equivalents	$ 21,683	$ 94,022
Accounts receivable—net	12,126	9,453
Prepaid expenses and other current assets	12,708	10,036
Inventory	91,361	88,126
Total current assets	137,878	201,637
PROPERTY AND EQUIPMENT—NET	18,874	21,475
INTANGIBLE ASSETS—NET	1,768	5,426
OPERATING LEASE RIGHT-OF-USE ASSETS	25,133	28,277
OTHER NONCURRENT ASSETS	5,017	3,820
TOTAL ASSETS	$ 188,670	$ 260,635
LIABILITIES, AND STOCKHOLDERS’ EQUITY		
CURRENT LIABILITIES:		
Accounts payable	$ 22,444	$ 20,364
Operating lease liabilities, current	5,380	5,798
Accrued and other current liabilities	24,373	34,054
Deferred revenue	22,162	21,251
Current portion of long-term debt	—	42,573
Total current liabilities	74,359	124,040
OPERATING LEASE LIABILITIES	32,926	36,802
OTHER LONG-TERM LIABILITIES	140	267
Total liabilities	107,425	161,109
COMMITMENTS AND CONTINGENCIES (Note 8)		
STOCKHOLDERS’ EQUITY:		
Common stock, par value $0.0001 per share—500,000,000 shares authorized; 172,807,204 and 169,732,895 shares issued and outstanding	1	1
Treasury stock, at cost, 17,303,225 and 15,992,598 shares, respectively	(26,500)	(24,730)
Additional paid-in capital	513,964	504,022
Accumulated deficit	(406,220)	(379,767)
Total stockholders’ equity	81,245	99,526
TOTAL LIABILITIES, AND STOCKHOLDERS’ EQUITY	$ 188,670	$ 260,635

See notes to condensed consolidated financial statements

BARK, INC.

CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS AND COMPREHENSIVE LOSS
(In thousands, except share and per share data)

(Unaudited)

	Three Months Ended		Nine Months Ended	
	December 31, 2025	December 31, 2024	December 31, 2025	December 31, 2024
REVENUE	$ 98,447	$ 126,449	$ 308,277	$ 368,772
COST OF REVENUE	36,885	47,189	120,679	140,134
Gross profit	61,562	79,260	187,598	228,638
OPERATING EXPENSES:				
General and administrative	54,479	64,141	168,949	190,709
Advertising and marketing	16,067	27,364	46,643	66,460
Total operating expenses	70,546	91,505	215,592	257,169
LOSS FROM OPERATIONS	(8,984)	(12,245)	(27,994)	(28,531)
INTEREST INCOME	292	1,179	1,779	4,011
INTEREST EXPENSE	(415)	(677)	(1,836)	(2,074)
OTHER INCOME (EXPENSE)—NET	461	234	1,704	(217)
NET LOSS BEFORE INCOME TAXES	(8,646)	(11,509)	(26,347)	(26,811)
PROVISION FOR INCOME TAXES	—	—	—	—
NET LOSS AND COMPREHENSIVE LOSS	$ (8,646)	$ (11,509)	$ (26,347)	$ (26,811)
Net loss per common share attributable to common stockholders—basic and diluted	$ (0.05)	$ (0.07)	$ (0.15)	$ (0.15)
Weighted average common shares used to compute net loss per share attributable to common stockholders—basic and diluted	172,446,917	175,589,759	170,811,789	175,404,510

See notes to condensed consolidated financial statements

BARK, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY
(In thousands, except share data) (Unaudited)

Three months ended December 31, 2025

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance - September 30, 2025	188,850,222	$ 1	(17,303,225)	$ (26,500)	$ 510,454	$ (397,483)	$ 86,472
Net loss	—	—	—	—	—	(8,646)	(8,646)
Issuance for stock options exercised	119,761	—	—	—	46	—	46
Issuance for common stock vested	1,240,886	—	—	—	—	—	—
Issuance of common stock in connection with the employee stock purchase plan	278,160	—	—	—	161	—	161
Common stock withheld for tax upon release	(378,600)	—	—	—	(268)	—	(268)
Stock-based compensation	—	—	—	—	3,571	—	3,571
Cumulative translation adjustment	—	—	—	—	—	(91)	(91)
Balance - December 31, 2025	190,110,429	$ 1	(17,303,225)	$ (26,500)	$ 513,964	$ (406,220)	$ 81,245

Nine months ended December 31, 2025

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance - March 31, 2025	185,725,493	$ 1	(15,992,598)	$ (24,730)	$ 504,022	$ (379,767)	$ 99,526
Net loss	—	—	—	—	—	(26,347)	(26,347)
Issuance for stock options exercised	135,725	—	—	—	66	—	66
Issuance for common stock vested	5,265,269	—	—	—	—	—	—
Issuance of common stock in connection with the employee stock purchase plan	527,810	—	—	—	359	—	359
Common stock withheld for tax upon release	(1,543,868)	—	—	—	(1,384)	—	(1,384)
Repurchase of common stock	—	—	(1,310,627)	(1,770)	—	—	(1,770)
Excise tax from stock repurchases	—	—	—	—	20	—	20
Stock-based compensation	—	—	—	—	10,881	—	10,881
Cumulative translation adjustment	—	—	—	—	—	(106)	(106)
Balance - December 31, 2025	190,110,429	$ 1	(17,303,225)	$ (26,500)	$ 513,964	$ (406,220)	$ 81,245

Three months ended December 31, 2024

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance - September 30, 2024	182,674,940	$ 1	(8,186,449)	$ (11,409)	$ 497,139	$ (362,175)	$ 123,556
Net loss	—	—	—	—	—	(11,509)	(11,509)
Issuance for stock options exercised	408,954	—	—	—	261	—	261
Issuance for common stock vested	1,032,622	—	—	—	—	—	—
Issuance of common stock in connection with the employee stock purchase plan	191,901	—	—	—	232	—	232
Common stock withheld for tax upon release	(342,481)	—	—	—	(561)	—	(561)
Repurchase of common stock	—	—	(1,682,671)	(2,839)	—	—	(2,839)
Excise tax from stock repurchases	—	—	—	—	9		9
Stock-based compensation	—	—	—	—	3,873	—	3,873
Cumulative translation adjustment	—	—	—	—	—	16	16
Balance - December 31, 2024	183,965,936	$ 1	(9,869,120)	$ (14,248)	$ 500,953	$ (373,668)	$ 113,038

Nine months ended December 31, 2024

	Common Stock		Treasury Stock		Additional Paid-in Capital	Accumulated Deficit	Total Stockholders' Equity
	Shares	Amount	Shares	Amount			
Balance - March 31, 2024	180,176,725	$ 1	(4,643,589)	$ (6,225)	$ 492,427	$ (346,820)	$ 139,383
Net loss	—	—	—	—	—	(26,811)	(26,811)
Issuance for stock options exercised	927,571	—	—	—	554	—	554
Issuance for common stock vested	3,618,126	—	—	—	—	—	—
Issuance of common stock in connection with the employee stock purchase plan	476,121	—	—	—	425	—	425
Common stock withheld for tax upon release	(1,232,607)	—	—	—	(2,181)	—	(2,181)
Repurchase of common stock	—	—	(5,225,531)	(8,023)	—	—	(8,023)
Excise tax from stock repurchases	—	—	—	—	(43)	—	(43)
Stock-based compensation	—	—	—	—	9,771	—	9,771
Cumulative translation adjustment	—	—	—	—	—	(37)	(37)
Balance - December 31, 2024	183,965,936	$ 1	(9,869,120)	$ (14,248)	$ 500,953	$ (373,668)	$ 113,038

See notes to condensed consolidated financial statements

BARK, INC.

CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In thousands)

(Unaudited)

	Nine Months Ended	
	December 31, 2025	December 31, 2024
CASH FLOWS FROM OPERATING ACTIVITIES:		
Net loss	$ (26,347)	$ (26,811)
Adjustments to reconcile net loss to cash (used in) provided by operating activities:		
Depreciation & amortization	7,198	8,383
Impairment of assets	1,065	2,142
Non-cash lease expense	3,144	3,510
Amortization of deferred financing fees and debt discount	310	299
Bad debt expense	74	—
Stock-based compensation expense	10,881	9,771
Provision for inventory obsolescence	706	1,072
Change in fair value of warrant liabilities and derivatives	(913)	652
Paid in kind interest on convertible notes	—	2,235
Changes in operating assets and liabilities:		
Accounts receivable	(2,748)	(3,719)
Inventory	(3,942)	(7,255)
Prepaid expenses and other current assets	(102)	(2,105)
Other noncurrent assets	(947)	(1,733)
Accounts payable and accrued expenses	(4,297)	26,696
Deferred revenue	912	(2,433)
Operating lease liabilities	(4,293)	(3,919)
Other liabilities	(2,508)	(3,606)
Net cash (used in) provided by operating activities	(21,807)	3,179
CASH FLOWS FROM INVESTING ACTIVITIES:		
Capital expenditures	(2,703)	(4,428)
Net cash used in investing activities	(2,703)	(4,428)
CASH FLOWS FROM FINANCING ACTIVITIES:		
Payment of finance lease obligations	(174)	(165)
Proceeds from the exercise of stock options	66	554
Proceeds from issuance of common stock under ESPP	359	425
Tax payments related to the issuance of common stock	(1,384)	(2,181)
Excise tax from stock repurchases	20	(43)
Payments to repurchase common stock	(1,770)	(8,023)
Payments of long-term debt	(42,880)	—
Net cash used in financing activities	(45,763)	(9,433)
Effect of exchange rate changes on cash	(106)	(37)

NET DECREASE IN CASH, CASH EQUIVALENTS AND RESTRICTED CASH	(70,379)	(10,719)
CASH, CASH EQUIVALENTS AND RESTRICTED CASH—BEGINNING OF PERIOD	97,531	130,704
CASH, CASH EQUIVALENTS AND RESTRICTED CASH—END OF PERIOD	$ 27,152	$ 119,985
RECONCILIATION OF CASH, CASH EQUIVALENTS AND RESTRICTED CASH:		
Cash and cash equivalents	21,683	115,259
Restricted cash - prepaid expenses and other current assets, other noncurrent assets	5,469	4,726
Total cash, cash equivalents and restricted cash	$ 27,152	$ 119,985
SUPPLEMENTAL DISCLOSURES OF CASH FLOW INFORMATION:		
Purchases of property and equipment included in accounts payable and accrued liabilities	$ 168	$ 189
Cash paid for interest	$ 2,351	$ 88

See notes to condensed consolidated financial statements

BARK, INC.

NOTES TO THE CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

1. ORGANIZATION AND DESCRIPTION OF BUSINESS

BARK, Inc., is an omnichannel brand serving dogs across two categories: toys & accessories, and consumables. The Company is located and headquartered in New York, New York.

BARK, Inc. was incorporated in Delaware on July 8, 2020 as Northern Star Acquisition Corp. ("Northern Star") as a special purpose acquisition company with the purpose of effecting a merger with one or more operating businesses. On June 1, 2021, Northern Star completed the acquisition of Barkbox, Inc., a Delaware corporation ("Legacy BARK" and the acquisition, the "Merger"), pursuant to that certain Agreement and Plan of Reorganization (the "Merger Agreement"), dated December 16, 2020, by and among Northern Star, NSAC Merger Sub Corp. a wholly-owned subsidiary of Northern Star ("Merger Sub"), and Legacy Bark. Following the Merger, the Company's legal name became "The Original BARK Company," and in November 2021 changed its name to BARK, Inc. The Merger between Northern Star and Legacy BARK was accounted for as a reverse recapitalization.

Throughout the notes to the condensed consolidated financial statements, unless otherwise noted, the "Company," "we," "us" or "our" and similar terms refer to Legacy BARK and its subsidiaries prior to the consummation of the Merger, and BARK and its subsidiaries after the consummation of the Merger.

2. SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Basis of Presentation and Principles of Consolidation—The accompanying condensed consolidated financial statements include the accounts of BARK, Inc. and its wholly-owned subsidiaries and have been prepared in accordance with accounting principles generally accepted in the United States of America ("U.S. GAAP") and pursuant to the accounting disclosure rules and regulations of the Securities and Exchange Commission (the "SEC") regarding interim financial reporting. Certain information and note disclosures normally included in the financial statements prepared in accordance with U.S. GAAP have been condensed or omitted pursuant to such rules and regulations. Therefore, these condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and notes included in the Company's audited consolidated financial statements as of and for the years ended March 31, 2025 and 2024 contained in the Annual Report on Form 10-K filed with the SEC on June 4, 2025.

The consolidated balance sheet as of March 31, 2025, included herein, was derived from the audited consolidated financial statements as of that date, but does not include all disclosures, including certain notes required by U.S. GAAP, required on an annual reporting basis.

In the opinion of management, the accompanying condensed consolidated financial statements reflect all normal recurring adjustments necessary to present fairly the financial position, results of operations, and cash flows for the interim periods. The results for the three and nine months ended December 31, 2025 are not necessarily indicative of the results to be expected for any subsequent quarter, the year ending March 31, 2026, or any other period.

There have been no material changes to the Company's significant accounting policies as described in the audited consolidated financial statements as of March 31, 2025 and 2024.

Although the Company has incurred recurring losses in each fiscal year since inception, the Company expects its cash and cash equivalents will be sufficient to fund operations for at least the next twelve months.

Use of Estimates—The Company makes estimates and assumptions about future events that affect the amounts reported in its condensed consolidated financial statements and accompanying notes. Future events and their effects cannot be determined with certainty. On an ongoing basis, management evaluates these estimates, judgments and assumptions.

The Company bases its estimates on historical and anticipated results and trends and on various other assumptions that the Company believes are reasonable under the circumstances, including assumptions as to future events. Changes in estimates are recorded in the period in which they become known. Actual results could differ from those estimates, and any such differences may be material to the Company's condensed consolidated financial statements. The most significant estimates relate to determination of fair value of the Company's allowance for uncollectible accounts receivable, excess and obsolete inventory, stock-based compensation, stand-alone selling price of Direct to Consumer offerings, and fair value of right-of-use assets. Management evaluates its estimates and assumptions on an ongoing basis using historical experience and other factors, including the current economic environment, and records adjustments when facts and circumstances dictate. As future events and their effects cannot be determined with precision, actual results could differ from those estimates.

Fair Value of Financial Instruments—The Company's financial instruments, including cash and cash equivalents, accounts receivable, prepaid expenses and other current assets, accounts payable, and accrued expenses, are carried at historical cost. At December 31, 2025 and March 31, 2025, the carrying amounts of these instruments approximated their fair values because of their short-term nature. The carrying amounts of the Company's long-term debt approximate the fair value based on consideration of current borrowing rates that were available to the Company.

Assets and liabilities recorded at fair value on a recurring basis in the condensed consolidated balance sheets are categorized based upon the level of judgment associated with the inputs used to measure their fair values. Fair value is defined as the exchange price that would be received for an asset or an exit price that would be paid to transfer a liability in the principal or most advantageous market for the asset or liability in an orderly transaction between market participants on the measurement date. Valuation techniques used to measure fair value must maximize the use of observable inputs and minimize the use of unobservable inputs. The authoritative guidance on fair value measurements establishes a three-tier fair value hierarchy for disclosure of fair value measurements as follows:

Level 1—Inputs are unadjusted, quoted prices in active markets for identical assets or liabilities at the measurement date;

Level 2—Inputs are observable, unadjusted quoted prices in active markets for similar assets or liabilities, unadjusted quoted prices for identical or similar assets or liabilities in markets that are not active, or other inputs that are observable or can be corroborated by observable market data for substantially the full term of the related assets or liabilities; and

Level 3—Unobservable inputs that are supported by little or no market data for the related assets or liabilities.

The categorization of a financial instrument within the valuation hierarchy is based upon the lowest level of input that is significant to the fair value measurement.

The following summarizes assets and liabilities that are measured at fair value on a recurring basis, by level, within the fair value hierarchy (in thousands):

	As of March 31, 2025			
	Level 1	Level 2	Level 3	Total
Assets				
Money market funds(1)	$ 24,506	$ —	$ —	$ 24,506
	$ 24,506	$ —	$ —	$ 24,506
Liabilities				
Public warrant liability(2)	$ 593	$ —	$ —	$ 593
Private warrant liability(2)	—	319	—	319
	$ 593	$ 319	$ —	$ 912

(1) As of March 31, 2025, the Company had cash equivalents held in a money market account. The Company has concluded that due to the highly liquid nature of the money market account, the carrying value approximates fair value, which represents a Level 1 input. The balance of cash equivalents held in the money market account is included in cash and cash equivalents.
(2) Included in accrued and other current liabilities.

The Company's warrants include publicly-traded warrants (the "Public Warrants") which were issued as one-third of a warrant per unit issued during the Company's initial public offering on November 10, 2020, warrants sold in a private placement to Northern Star's sponsor (the "Private Warrants"), and preferred share warrants issued by Legacy BARK which were assumed by the Company in connection with the Merger and exchanged into warrants for BARK common stock (the "Common Stock Warrants"). All of the Common Stock Warrants have been exercised and are no longer outstanding. The Public Warrants trade on the OTC Markets Group Pink Market under the symbol "BARKW."

The Company evaluated its warrants under Accounting Standards Codification ("ASC") ASC 815-40, Derivatives and Hedging—Contracts in Entity's Own Equity ("ASC 815"), and concluded that they do not meet the criteria to be classified in stockholders' equity. Since the Public Warrants and Private Warrants meet the definition of a derivative under ASC 815, the warrants have been recorded as current liabilities on the balance sheet at fair value upon issuance, with subsequent changes in their respective fair values recognized in other income (expense), net on the condensed consolidated statements of operations and comprehensive loss at each reporting date.

On December 15, 2025, the Company received notice from the New York Stock Exchange (the "NYSE") that the NYSE has determined to (i) commence proceedings to delist the Company's Public Warrants and (ii) immediately suspend trading in the Warrants due to "abnormally low selling price" levels, pursuant to Section 802.01D of the NYSE Listed Company Manual. Each Warrant is presently exercisable for one share of the Company's common stock at an exercise price per share of $11.50. Since the Public and Private Warrants were determined to be significantly out of the money, the Company determined the value ascribed to them was *de minimus*. See further disclosure on the change in fair value of Public and Private Warrant liabilities within Note 10, "Other Income (Expense) Net."

There were no amounts in the Company's money market funds as of December 31, 2025.

Restricted Cash— The Company had cash held as collateral by our payments processor for BARK Air and an escrow account under the surety bond requirements of the U.S. Department of Transportation. As of December 31, 2025, the Company has classified $5.5 million within prepaid expenses and other current assets, as restricted cash. As of March 31, 2025 the Company has classified $3.5 million within prepaid expenses and other current assets, as restricted cash.

Concentration of Credit Risk and Major Customers and Suppliers—Financial instruments that potentially subject the Company to concentrations of credit risk consist primarily of cash and cash equivalents and accounts receivable. The Company maintains cash and cash equivalents with two financial institutions.

The Company's accounts receivable are derived from sales contracts with large retail customers. The Company maintains reserves for potential credit losses on customer accounts when deemed necessary. Accounts receivable, net was $12.1 million, $9.5 million, and $7.7 million as of December 31, 2025, March 31, 2025 and March 31, 2024, respectively.

Significant customers are those that represent more than 10% of the Company's total revenues or gross accounts receivable balance at each balance sheet date. For the three and nine months ended December 31, 2025 and 2024, the Company did not have any customers that accounted for 10% or more of total revenues. The Company had one customer that accounted for 27% and 46% of gross accounts receivable as of December 31, 2025 and March 31, 2025, respectively. The Company's accounts receivable relates to sales to customers within the Commerce segment, which represented 18.6% and 14.4% of total revenue for the nine months ended December 31, 2025, and 2024, respectively.

Significant suppliers are those that represent more than 10% of the Company's total finished goods purchased or accounts payable at each balance sheet date. During the three months ended December 31, 2025 and 2024, the Company had three suppliers that accounted for 38% and 47% of total finished goods purchased, respectively. During the nine months ended December 31, 2025 and 2024, the Company had three suppliers that accounted for 43% of total finished goods purchased and two suppliers that accounted for 39% of total finished goods purchased, respectively. The Company had two suppliers that accounted for 41% of the accounts payable balance and one supplier that accounted for 14% of the accounts payable balance as of December 31, 2025 and March 31, 2025, respectively.

Recently Issued Accounting Pronouncements

ASU 2023-09, Income Taxes (Topic 740): Improvements to Income Tax Disclosures ("ASU 2023-09"). On April 1, 2025 ASU 2023-09 became effective and requires, among other things, greater disaggregation of information in the rate reconciliation and for paid income taxes to be disaggregated by jurisdiction. ASU 2023-09 affects financial statement disclosure only, which is not required until fiscal year end 2026 and, as a result, does not affect our results of operations or financial condition.

ASU 2024-03, Income Statement-Reporting Comprehensive Income-Expense Disaggregation Disclosures (Subtopic 220-40): Disaggregation of Income Statement Expenses. In November 2024, the FASB issued this ASU to improve disclosures regarding the types of expenses included in commonly presented expense captions. This update is effective beginning with the Company's 2028 fiscal year annual reporting period, with early adoption permitted. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements.

ASU 2024-04, Debt with Conversion and Other Options (Subtopic 470-20): Induced Conversions of Convertible Debt Instruments. In November of 2024 the FASB issued this ASU to clarify the requirements for determining whether certain settlements of convertible debt instruments should be accounted for as an induced conversion. ASU 2024-04 is effective for the Company's 2027 fiscal year annual reporting period. The Company is currently evaluating the impact that the adoption of this standard will have on its consolidated financial statements.

ASU 2025-05, Financial Instruments–Credit Losses (Topic 326): Measurement of Credit Losses for Accounts Receivable and Contract Assets ("ASU 2025-05"). In July 2025, the FASB issued ASU 2025-05, which permits companies to apply a practical expedient which assumes that current conditions as of the balance sheet date do not change for the remaining life of the asset when developing estimates for credit losses for accounts receivable and contract assets under Topic 606, Revenue from Contracts with Customers. The update will be effective for the Company's first quarter of fiscal year 2027 with early adoption permitted. The Company is currently evaluating ASU 2025-05 and the impact it may have on the Company's financial position, results of operations, cash flow, and disclosures.

3. REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company's standard payment terms vary but do not result in a significant delay between the timing of invoice and payment. The Company occasionally negotiates other payment terms during the contracting process for its Commerce business. The Company has elected the practical expedient to not adjust the total consideration within a contract to reflect a financing component when the duration of the financing is one year or less.

Disaggregated Revenue

Revenue disaggregated by significant revenue stream for the three and nine months ended December 31, 2025 and 2024 were as follows (in thousands):

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Revenue				
Direct to Consumer:				
Toys & Accessories[(1)]	$ 46,049	$ 64,348	$ 145,930	$ 201,799
Consumables[(1)]	30,168	39,808	95,648	109,909
Other[(2)]	3,363	1,963	9,326	4,069
Total Direct to Consumer	$ 79,580	$ 106,119	$ 250,904	$ 315,777
Commerce	18,867	20,330	57,373	52,995
Revenue	$ 98,447	$ 126,449	$ 308,277	$ 368,772

(1) The allocation between Toys & Accessories and Consumables includes estimates and was determined utilizing data on stand-alone selling prices that the Company charges for similar offerings, and also reflects historical pricing practices.

(2) Other Direct to Consumer revenue is derived from BARK Air.

Contract Liability

The Company's contract liability represents cash collections from its customers prior to delivery of subscription products, which is recorded as deferred revenue on the condensed consolidated balance sheets. Deferred revenue is recognized as revenue upon the delivery of the box, product or service.

Deferred revenue was $22.2 million, $21.3 million, and $26.0 million as of December 31, 2025, March 31, 2025, and March 31, 2024 respectively.

Performance Obligations

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account. Performance obligations are satisfied as of a point in time when control of promised goods are transferred to customers. The Company has elected to not disclose information related to remaining performance obligations due to their original expected terms being one year or less.

4. DEBT

As of December 31, 2025 there was no debt outstanding. As of March 31, 2025, the current portion of long-term debt consisted of the following (in thousands):

	As of December 31, 2025	As of March 31, 2025
Current portion of long-term debt:		
2025 Convertible Notes	$ —	$ 42,880
Less: deferred financing fees and debt discount	—	(307)
Total current portion of long-term debt	$ —	$ 42,573
Total debt	$ —	$ 42,573

As of December 31, 2025 and 2024 the Company had accrued interest of $0 and $0.2 million within Accrued and other current liabilities, respectively, on the Condensed Consolidated Balance Sheet.

The following table summarizes the components of interest expense on the Condensed Consolidated Statements of Operations and Comprehensive Loss for the three and nine months ended December 31, 2025 and 2024 (in thousands):

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Debt interest expense	$ 393	$ 569	$ 1,572	$ 1,687
Deferred financing fees and debt discount amortization	79	95	310	299
Total debt interest expense	$ 472	$ 664	$ 1,882	$ 1,986

2025 Convertible Notes

On November 27, 2020, the Company issued $75.0 million aggregate principal amount of 2025 Convertible Notes (the “2025 Convertible Notes”) to Magnetar Capital, LLC (“Magnetar”) under an indenture, dated as of November 27, 2020, between Legacy BARK and U.S. Bank National Association, as trustee and collateral agent (the “Indenture”). The Company received net proceeds of approximately $74.7 million from the sale of the 2025 Convertible Notes, after deducting fees and expenses of approximately $0.3 million. The Company recorded the expenses associated with the issuance of the 2025 Convertible Notes as a discount to the note and amortized the expenses over the term of the note.

On November 2, 2023, the Company repurchased $45.0 million of the $83.5 million of outstanding aggregate principal amount of 5.50% Convertible Secured Notes due 2025 from entities affiliated with Magnetar Financial, LLC (collectively, the “Holders”), pursuant to the terms and conditions of a negotiated notes purchase agreement (the “2023 Agreement”) among the Company and the Holders.

Pursuant to the 2023 Agreement, the Company repurchased $45.0 million in aggregate principal amount of the 2025 Convertible Notes plus $2.2 million of accrued and unpaid interest thereon to, but excluding the repurchase date, from the Holders for a total cash purchase price of $44.4 million. In addition, $1.0 million of unamortized deferred financing fees were derecognized from the Company’s balance sheet on the date of extinguishment. The accelerated deferred financing fees were recognized as a component of gain on extinguishment of debt. The Company recognized a gain on debt extinguishment of $1.8 million in connection with the repurchase.

On November 6, 2025, the Company repurchased the remaining $42.9 million of outstanding aggregate principal amount of 5.50% Convertible Secured Notes due 2025 (the "2025 Convertible Notes") from entities affiliated with Magnetar Financial, LLC (collectively, the "Holders"), pursuant to the terms and conditions of a negotiated notes purchase agreement (the "2025 Agreement") among the Company and the Holders (the "Final Repurchase").

Pursuant to the 2025 Agreement, on November 6, 2025, the Company repurchased all $42.9 million of the remaining outstanding aggregate principal amount of the 2025 Convertible Notes from the Holders for a total cash purchase price of $45.1 million (which included $2.2 million of accrued and unpaid interest, through but excluding, the repurchase date). There was no gain or loss in connection with the Final Repurchase.

Western Alliance Bank—Revolving Line of Credit

In October 2017, the Company entered into a loan and security agreement with and issued a warrant to purchase preferred stock ("Initial Western Alliance Warrant") to Western Alliance Bank ("Western Alliance"), which provide for a revolving line of credit (as amended, the "Credit Facility") in an aggregate principal amount of up to $35.0 million, subject to borrowing base limitations derived from advance rates derived from the Company's eligible subscription revenues and eligible accounts receivable. The Credit Facility has been amended several times, most recently in November 2025. After giving effect to this most recent amendment, the maturity date of the Credit Facility is March 2, 2026. Certain of the Company's obligations to Western Alliance and under the Credit Facility are guaranteed by certain of its subsidiaries and secured by substantially all of their assets. The Company intends to enter in to a longer term renewal of the Credit Facility.

The interest rate for borrowings under the Credit Facility is equal to (a) the greater of (i) the prime rate that is published in the Money Rates section of The Wall Street Journal from time to time and (ii) five and one quarter percent (5.25%) per annum, plus (b) half of one percent (0.50%), per annum.

The Credit Facility has a borrowing base subject to an amount equal to eighty percent (80.00%) of the Company's trailing three months of subscription revenue and an amount equal to eighty percent (80.00%) of certain of the Company's customer accounts receivable when a collateral audit is performed and sixty percent (60.00%) when no such collateral audit is performed. Western Alliance has first perfected security in substantially all of the Company's assets, including its rights to its intellectual property.

The Credit Facility requires the Company to comply with certain financial and performance covenants, including, among other things, minimum cash deposits with Western Alliance. The Credit Facility also contains affirmative and negative covenants customary for financings of this type, including, among other things, limitations or prohibitions on repurchasing common shares, declaring and paying dividends and other distributions, making payments in respect of subordinated debt, incurring indebtedness, making loans and investments, incurring liens, or entering into mergers, asset sales and transactions with affiliates.

As of December 31, 2025 and March 31, 2025, there were no outstanding borrowings under the Credit Facility. As of December 31, 2025 and March 31, 2025, the Company was in compliance with its financial covenants.

5. STOCKHOLDERS' EQUITY

On August 17, 2023, June 3, 2024, and February 26, 2025, the Company respectively announced that its Board of Directors (the "Board") had authorized a stock repurchase program, pursuant to which the Company was authorized to repurchase, from time to time, up to an aggregate of $7.5 million, $15.0 million, and $4.0 million or $26.5 million in total, of the Company's outstanding shares of common stock, exclusive of any fees, commissions or other expenses related to such repurchases, in open market transactions made in accordance with the provisions of Rule 10b-18 and/or Rule 10b5-1 under the Securities Exchange Act of 1934, as amended, privately negotiated transactions or by other means in accordance with applicable securities laws.

During the three months ended December 31, 2025 the Company did not repurchase any shares of common stock. During the nine months ended December 31, 2025, the Company repurchased a total of 1,310,627 shares of its common stock under the program for $1.8 million at an average price of $1.35. During the three and nine months ended December 31, 2024, the Company repurchased a total of 1,682,671 and 5,225,531 shares of its common stock under the program for $2.8 million and $8.0 million at an average price of $1.69 and $1.54, respectively. The repurchased shares of common stock were recorded as treasury stock and were accounted for under the cost method. None of the repurchased shares of common stock have been retired. As of December 31, 2025, none of the shares authorized for issuance under the two stock repurchase programs remained available for future share repurchases.

6. STOCK-BASED COMPENSATION PLANS

Equity Incentive Plans

The Barkbox, Inc. 2011 Stock Incentive Plan (as amended from time to time, the "2011 Plan") provides for the award of stock options and other equity interests in the Company to directors, officers, employees, advisors or consultants of the Company.

On June 1, 2021, in connection with the Merger, the 2021 Equity Incentive Plan (the "2021 Plan") became effective and 16,929,505 authorized shares of common stock were reserved for issuance thereunder. In addition, pursuant to the terms of the Merger Agreement, on the Closing Date of the Merger, options to purchase shares of Legacy BARK's common stock previously issued under the 2011 Plan were converted into options to purchase an aggregate of 29,390,344 shares of BARK common stock.

For the fiscal year beginning on April 1, 2022 and ending on (and including) March 31, 2031, the aggregate number of shares of common stock that may be issued under the 2021 Plan may be increased by a number, determined and approved by the Board on or before May 1st of such fiscal year, not to exceed 5% of the total number of shares of common stock issued and outstanding on the last day of the preceding fiscal year. In April 2025, the Board approved an increase of the aggregate number of common stock that may be issued under the 2021 Plan by 8,480,573 shares. There was no increase in the aggregate number of common stock that may be issued under the 2021 Plan in fiscal year 2025. As of December 31, 2025, 11,553,222 shares of common stock were available for the Company to grant under the 2021 Stock Plan; there were no remaining shares available for grant under the 2011 Plan. Periodically, the Company issues new hire, promotion and other awards under the 2021 Stock Plan and awards may be forfeited resulting in the underlying shares returning to the 2021 Stock Plan.

The 2011 and 2021 Plans (together, the "Plans") are administered by the Company's Compensation Committee of its Board (the "Compensation Committee"). The exercise prices, vesting and other restrictions are determined by the Board, except that the exercise price per share of a stock option may not be less than 100% of the fair value of the common share on the date of grant. Stock options awarded under the Plans typically expire 10 years after the date of grant and generally have vesting conditions of 25% on the first anniversary of the date of grant and 75% on a monthly basis at a rate of 1/36th, unless otherwise determined by the Compensation Committee. Restricted stock units ("RSUs") awarded under the plan for the purchase of common stock will vest based on continued service which is generally four years. The grant date fair value of the award will be recognized as compensation expense over the requisite service period. The fair value of the RSUs is estimated on the date of grant based on the fair value of the Company's common stock. The Plans provide that the Compensation Committee shall determine the vesting conditions of awards granted under the Plans, and the Compensation Committee has from time to time approved vesting schedules for certain awards that deviate from the vesting conditions described in this paragraph.

Employee Stock Purchase Plan

In June 2021, the 2021 Employee Stock Purchase Plan (the "ESPP") became effective. The ESPP authorizes the issuance of shares of common stock pursuant to purchase rights granted to employees. On the first day of each fiscal year commencing on April 1, 2022 and ending on (and including) March 31, 2041, the aggregate number of shares of common stock that may be issued under the ESPP shall increase by a number, determined by the Board on or before May 1st of such fiscal year, not to exceed the lesser of (i) one percent (1%) of the total number of shares of common stock issued and outstanding on the last day of the preceding fiscal year or (ii) 1,500,000 shares of common stock. If the Board does not determine to increase the aggregate number of shares of common stock in the ESPP by May 1 of the applicable fiscal year, then the increase shall be zero for that year.

In April 2025, the Board approved the authorization of an additional 1,500,000 shares of common stock that may be issued under the ESPP. There was no authorization of additional shares of common stock that may be issued under the ESPP in the fiscal year ended March 31, 2025. A total of 5,858,091 shares of common stock have been reserved for future issuance under the ESPP.

Employees who elect to participate in the ESPP commence payroll withholdings that accumulate through the end of the respective offering period. In accordance with the guidance in ASC 718-50 - Compensation - Stock Compensation, the ability to purchase shares of the Company's common stock for eighty-five percent (85%) of the lower of the price on the first day of the offering period or the last day of the offering period (i.e. the purchase date) represents an option and, therefore, the ESPP is a compensatory plan under this guidance. Accordingly, share-based compensation expense is determined based on the option's grant-date fair value as estimated by applying the Black Scholes option-pricing model and is recognized over the withholding period.

During the nine months ended December 31, 2025 and 2024, employees who elected to participate in the ESPP purchased a total of 527,810 and 476,121 shares of common stock, respectively, at an average price of $0.68 and $0.89, respectively. ESPP employee payroll contributions accrued as of December 31, 2025 were less than $0.1 million, and are included within accrued and other current liabilities in the condensed consolidated balance sheet. Cash withheld via employee payroll deductions to purchase common stock is presented in financing activities as proceeds from stock purchases under employee stock purchase plan on the condensed consolidated statement of cash flows.

Stock Option Activity

During the nine months ended December 31, 2025 and 2024, the Company granted to its employees equity awards to purchase an aggregate of 25,000 and 1,087,500 shares of common stock, respectively, with a weighted average exercise price of $1.26 and $1.37, respectively, vesting over a four-year period.

RSU Activity

During the nine months ended December 31, 2025 and 2024, the Company granted to its employees RSUs for the purchase of 13,432,722 and 11,269,447 shares of common stock, respectively.

In May 2025, the Company approved the Fiscal Year 2026 Management Incentive Program ("2026 Incentive Program"). Under this program, each participant's award is denominated in shares of common stock and is subject to attainment of BARK's performance goals as established by the Compensation Committee of the Board for fiscal year 2026.

Stock-based Compensation

The following table summarizes the total stock-based compensation expense by expense caption and by type of award for the three and nine months ended December 31, 2025 and 2024 (in thousands):

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Stock-based compensation expense by expense caption				
General and administrative	$ 3,237	$ 3,548	$ 9,854	$ 8,880
Advertising and marketing	334	325	1,027	891
Total stock-based compensation expense	$ 3,571	$ 3,873	$ 10,881	$ 9,771
Stock-based compensation expense by type of award				
RSUs	$ 2,745	$ 3,152	$ 8,396	$ 7,370
Stock options	216	440	621	1,506
Management Incentive Program	562	220	1,700	711
ESPP	48	61	164	184
	$ 3,571	$ 3,873	$ 10,881	$ 9,771

7. LEASES

The Company has operating leases for its offices and fulfillment centers. Fulfillment and customer service centers and corporate office leases expire at various dates through 2038, excluding renewal options.

The Company also leases certain equipment under operating and finance leases. The terms of equipment leases are generally five years and do not contain renewal options. These finance leases expire at various dates through 2028.

The Company's finance leases as of December 31, 2025 and March 31, 2025 were not material and were included in property and equipment net, on the Company's condensed consolidated balance sheets.

The following schedule represents the components of the Company's operating lease assets as of December 31, 2025 and March 31, 2025 (in thousands):

Leases	Classification	As of December 31, 2025		As of March 31, 2025	
Assets					
Operating	*Operating lease right-of-use assets*	$	25,133	$	28,277
Total operating lease assets		$	25,133	$	28,277
Liabilities					
Operating lease liabilities (current)	*Operating lease liabilities, current*	$	5,380	$	5,798
Operating lease liabilities (non-current)	*Operating lease liabilities*	$	32,926	$	36,802
Total operating lease liabilities		$	38,306	$	42,600

For both the nine months ended December 31, 2025 and 2024 no assets were acquired in exchange for new operating lease liabilities. Lease expense for both periods primarily pertains to operating lease cost. Lease expense for operating leases was $1.8 million and $1.8 million for the three months ended December 31, 2025 and 2024, respectively. Lease expense for operating leases was $5.3 million and $5.3 million for the nine months ended December 31, 2025 and 2024, respectively. These lease expenses were included within general and administrative expenses in the condensed consolidated statements of operations and comprehensive loss.

Cash flows used in operating activities related to operating leases was approximately $3.1 million, and $3.5 million for the nine months ended December 31, 2025 and 2024 respectively.

8. COMMITMENTS AND CONTINGENCIES

Litigation

On March 20, 2024, three alleged shareholders filed a putative class action complaint in the lawsuit styled Kenville v. Northern Star Sponsor LLC, et al., Case No. 2024-276, which is pending in the Delaware Court of Chancery. On September 30, 2024, plaintiffs filed an amended complaint. The amended complaint is currently pending against (a) certain officers and directors of Northern Star Acquisition Corp. at the time of its proposed acquisition of Legacy BARK, and (b) Northern Star Sponsor, LLC. The claims alleged are for breach of fiduciary duty and unjust enrichment. On October 31, 2025, the court certified the class, which consists of Company stockholders who held stock as of the redemption deadline and who elected not to redeem all or some of their stock. Trial in the case is scheduled to start September 8, 2027. At this time, the Company is not able to quantify any potential liability in connection with this litigation because the case is in its early stages.

In addition, the Company is from time to time subject to, and are presently involved in, litigation and other legal proceedings in the ordinary course of business. While it is not possible to determine the outcome of any legal proceedings brought against the Company, the Company believes that, except for the matter described above, there are no pending lawsuits or claims that, individually or in the aggregate, may have a material effect on the Company's business, financial condition or operating results. The Company's view and estimates related to these matters may change in the future, as new events and circumstances arise and as the matters continue to develop.

9. INCOME TAXES

The Company did not record a federal, state, or foreign income tax provision or benefit for the nine months ended December 31, 2025 and 2024, due to the expected loss before income taxes to be incurred for the fiscal year ending March 31, 2026, and actual loss before income taxes incurred for the fiscal year ended March 31, 2025 as well as the Company's continued maintenance of a full valuation allowance against its net deferred tax assets.

On July 4, 2025, the One Big Beautiful Bill Act ("OBBBA"), which includes a broad range of tax reform provisions, was signed into law in the United States. The Company continues to assess the impact of the OBBBA on its financial position. The OBBBA is not expected to materially impact the Company's effective tax rate in the current fiscal year.

10. OTHER INCOME (EXPENSE)—NET

Other income (expense)—net consisted of the following:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Other income (expense)—net:				
Other income (expense)	$ 200	$ (27)	$ 791	$ 435
Change in fair value of warrants	261	261	913	(652)
	$ 461	$ 234	$ 1,704	$ (217)

11. NET LOSS PER SHARE

Basic and diluted net loss per share attributable to common stockholders was calculated as follows:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Numerator:				
Net loss attributable to common stockholders—basic and diluted	$ (8,646)	$ (11,509)	$ (26,347)	$ (26,811)
Denominator:				
Weighted average common shares outstanding—basic and diluted	172,446,917	175,589,759	170,811,789	175,404,510
Net loss per share attributable to common stockholders - basic and diluted	$ (0.05)	$ (0.07)	$ (0.15)	$ (0.15)

For the three and nine months ended December 31, 2025 and 2024, the Company excluded the following potential dilutive securities, which include stock options, RSUs, warrants and convertible notes from the computation of diluted net loss per share as the effect would be to reduce the net loss per share. Therefore, the weighted-average number of shares of common stock outstanding used to calculate both basic and diluted net loss per share attributable to common stockholders is the same for each of the three and nine months ended December 31, 2025 and 2024.

	As of December 31,	
	2025	2024
Stock options to purchase common stock	8,812,525	10,321,196
Restricted stock units	23,225,795	18,436,857
Warrants to purchase common stock	13,036,333	13,036,333
2025 Convertible Notes as converted to common stock	—	4,307,607
Employee Stock Purchase Plan	291,434	153,664

12. SEGMENTS

The Company applies ASC 280, *Segment Reporting*, in determining reportable segments for its financial statement disclosure. The Company operates and manages the business across multiple operating segments which are aggregated based on similar qualitative and economic characteristics into two reportable segments: Direct to Consumer and Commerce. The Direct to Consumer segment derives revenue primarily from the sale of toys & accessories and consumables through BarkBox, Super Chewer, and the Company's website, Bark.co. The Commerce segment derives revenue primarily from the sale of individual toys through major retailers and online marketplaces. Reporting in this format provides management with the financial information necessary to evaluate the success of the segments and the overall business. There are no internal revenue transactions between the Company's segments.

The Company's Chief Executive Officer is the chief operating decision maker ("CODM") and manages and allocates resources between the Direct to Consumer and Commerce segments. Consistent with this decision-making process, the CODM uses financial information disaggregated between the Direct to Consumer and Commerce segment for purposes of evaluating performance, forecasting future period financial results, allocating resources and setting incentive targets. The CODM evaluates segment business performance based primarily on gross profit. The CODM considers budget-to-actual variances on a monthly basis when making decisions about allocating capital and personnel to the segments and also uses segment gross profit for evaluating product pricing. The Company does not allocate assets at the reportable segment level as these are managed on an entity-wide group basis and, accordingly, the Company does not report asset information by segments. Foreign sales were immaterial for the three and nine months ended December 31, 2025 and 2024.

Key financial performance measures of the segments including revenue, cost of revenue, and gross profit are as follows (in thousands):

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Direct to Consumer[1]:				
Revenue	$ 79,580	$ 106,119	$ 250,904	$ 315,777
Cost of revenue	26,749	35,796	86,357	110,930
Gross profit	52,831	70,323	164,547	204,847
Commerce:				
Revenue	18,867	20,330	57,373	52,995
Cost of revenue	10,136	11,393	34,322	29,204
Gross profit	8,731	8,937	23,051	23,791
Consolidated:				
Revenue	98,447	126,449	308,277	368,772
Cost of revenue	36,885	47,189	120,679	140,134
Gross profit	$ 61,562	$ 79,260	$ 187,598	$ 228,638

(1) Direct to Consumer includes revenue from BARK Air

Reconciliation:

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Total gross profit	$ 61,562	$ 79,260	$ 187,598	$ 228,638
Less:				
Advertising and marketing expenses	16,067	27,364	46,643	66,460
General and administrative expenses	54,479	64,141	168,949	190,709
Loss from operations	(8,984)	(12,245)	(27,994)	(28,531)
Less:				
Interest income	292	1,179	1,779	4,011
Interest expense	(415)	(677)	(1,836)	(2,074)
Other income - net	461	234	1,704	(217)
Net loss before income taxes	$ (8,646)	$ (11,509)	$ (26,347)	$ (26,811)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis provides information which management believes is relevant to an assessment and understanding of our condensed consolidated results of operations and financial condition. The discussion should be read in conjunction with the unaudited condensed consolidated financial statements and notes thereto contained in this Quarterly Report on Form 10-Q and the audited consolidated financial statements and notes thereto for the year ended March 31, 2025 contained in the Annual Report on Form 10-K filed with the SEC on June 4, 2025. This discussion contains forward-looking statements and involves numerous risks and uncertainties, including, but not limited to, those described in the "Risk Factors" section of this Quarterly Report on Form 10-Q. Actual results may differ materially from those contained in any forward-looking statements. Unless the context otherwise requires, references to "we", "us", "our", "the Company" and "BARK" are intended to mean the business and operations of BARK, Inc. and its subsidiaries. The unaudited condensed consolidated financial statements for the three and nine months ended December 31, 2025 and 2024, respectively, present the financial position and results of operations of BARK, Inc. and its wholly-owned subsidiaries.

Overview

We believe that dogs and humans are better together and we aspire to be the world's favorite dog brand. We are a team of dog-obsessed people committed to delivering personalization at scale by satisfying each dog's distinct personality, preferences, and needs with the best products and services. Since our founding in 2011, we have happily served millions of dogs and their people.

We are an omnichannel brand serving dogs across two key categories: toys & accessories and consumables. All of our products are designed, developed, and branded by BARK. We leverage an ever-growing collection of first-party data, customer insights, and machine learning to deliver personalized products and experiences tailored to the needs of each and every dog we serve. Our products are sold Direct-to-Consumer and through our network of retail partners, which currently spans over 50,000 doors nationwide and online marketplaces including Amazon and Chewy.

We began our journey with BarkBox – a monthly-themed subscription of toys and treats, tailored to the needs of each customer based on their dog's size, play style, allergies, and more. By viewing each dog as an individual, and by creating magical experiences for our customers, we have been able to build lasting relationships with millions of dogs and their parents. Our customer service ("Happy Team") proactively engages around 200,000 customers each month. We use the valuable data from these customer interactions to inform the design and development of future products, and we leverage it along with machine learning technology to recommend additional products to our customers through cross-selling and Add-to-Box ("ATB").

In addition to being one of the largest dog toy brands in the U.S. by revenue, we also have entered exciting, and much larger categories in the consumables space, which include kibble, treats, toppers, supplements, and dental products. These categories have significantly increased our total addressable market and the number of customers we can serve. We believe that our growing first-party dataset, strong brand, and loyal customer base afford us a meaningful advantage and opportunity to win market share in these newer categories.

Certain macroeconomic and global events, conditions and challenges

Market factors or international events, such as increased inflation, war, rising tensions between the U.S. and China, and continued changes to trade policy, including the imposition of tariffs or changes in tariff rates, create uncertainty and could impact our results of operations.

Tariffs. In early 2025, new tariffs were announced on imports to the United States, including additional tariffs on goods from China, Canada, and other countries from which we source products. The scope, duration, and ultimate impact of these tariffs and related actions remain uncertain and could result in higher product costs.

The Company has implemented, and continues to execute, various mitigation strategies to manage the impact of tariffs, including negotiating lower product costs with suppliers, diversifying supply sources to alternate countries, optimizing product assortment, providing Direct to Consumer subscribers with a lower-cost packaging option and implementing select pricing adjustments. Collectively, these actions have meaningfully mitigated the potential impact of tariffs on our Gross Profit. We believe our mitigation strategies will help maintain our competitiveness over the long term and, most importantly, make all dogs happy.

The ultimate impact of tariffs and related measures will depend on factors such as whether additional or incremental tariffs are imposed, the extent of retaliatory actions by other countries, and the overall effectiveness of, and consumer response to, our mitigation strategies.

Macroeconomic Conditions. Macroeconomic conditions and the related effects on levels of consumer spending impact our business as purchases of discretionary items tend to decline when disposable income is lower or when there are recessions, inflationary pressures or other economic uncertainty. Inflation, rising interest rates, higher fuel and energy costs and commodity prices, reductions in net worth based on market declines and uncertainty, home prices, credit availability and consumer debt levels, political instability due to war or or global conflicts or other geopolitical factors and other macroeconomic pressures and general uncertainty regarding the overall future economic environment have led to recession fears and created a challenging environment.

We cannot predict the duration or magnitude of such impacts. Please refer to the "Cautionary Note Regarding Forward-Looking Statements" and the "Risk Factors" in this Quarterly Report on Form 10-Q.

Key Performance Indicators

We use the following key financial and operating metrics to evaluate our business and operations, measure our performance, identify trends affecting our business, project our future performance, and make strategic decisions. These key financial and operating metrics should be read in conjunction with the following discussion of our results of operations and financial condition together with our condensed consolidated financial statements and the related notes and other financial information included elsewhere in this Quarterly Report on Form 10-Q. These measures may not be comparable to similarly titled performance indicators used by other companies.

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Total Orders (in thousands)	2,427	3,332	7,790	10,044
Average Order Value	$ 31.41	$ 31.25	$ 31.01	$ 31.03
Direct to Consumer Gross Profit (in thousands)(1)	$ 52,711	$ 70,154	$ 164,433	$ 204,927
Direct to Consumer Gross Margin (1)	69.2 %	67.4 %	68.1 %	65.7 %

(1) Direct to Consumer Gross Profit and Direct to Consumer Gross Margin does not include the revenue or cost of goods sold from BARK Air.

Total Orders

We define Total Orders as the total number of Direct to Consumer orders shipped in a given period. These include all orders across all of our product categories, regardless of whether they are purchased on a subscription, auto-ship, or one-off basis. Total Orders excludes orders from BARK Air. We use Total Orders as an indicator of customer interest and demand.

Average Order Value

Average Order Value ("AOV") is Direct to Consumer revenue for the period divided by Total Orders for the same period. AOV excludes Direct to Consumer revenue from BARK Air. We use AOV to provide insight into customer spending patterns.

Components of Our Results of Operations

We operate with two reportable segments: Direct to Consumer and Commerce, to reflect the way our Chief Executive Officer, who is our CODM, reviews and assesses the performance of the business.

Revenue

The Company generates revenue through its Direct to Consumer and Commerce segments, each of which participate in the sale of the Company's Toys & Accessories and Consumables product lines. See below for additional information.

Toys & Accessories ("toys")—The majority of our revenue in the toys category is derived from BarkBox and Super Chewer, which are subscription products that feature monthly themed boxes of premium-quality BARK toys and treats that are delivered directly to a dog's home. Customers have the option to subscribe to these products on a one month, three month, six month, or twelve month basis. Subscription revenue is recognized at a point in time as control is transferred to the subscriber upon delivery of each monthly box. During the life of their subscription, we offer our customers incremental products via "ATB", which allows us to cross-sell customers across our full portfolio of products, including kibble, treats, toppers, dental and more. ATB revenue is recognized at a point in time as control is transferred to the customer upon delivery of goods to the subscriber.

We also sell toys through our Commerce segment which is a network of retail partners and online major market places. This distribution channel allows us to reach new customers and introduce them to the BARK brand. Commerce revenue derived from our retail partners is recognized net of estimates for sales returns, discounts, markdowns and allowances, after the goods are shipped, or when the retail customer picks up the goods directly from one of our distribution points and control of the goods is transferred to the customer. Online marketplaces revenue is recognized upon delivery of goods to the end customer.

Our toys category also includes revenue derived from the sale of other products such as beds, leashes, apparel, and other accessories.

Consumables—The majority of our consumables revenue today is derived from the treats and chews that are included in our BarkBox and Super Chewer boxes. Over the past several years, the Company has expanded into new and larger consumables markets such as kibble, toppers, supplements and dental products. The Company sells its consumables products both Direct to Consumer (through Bark.co) and through its retail footprint. Products sold via the Company's website can be purchased on a recurring, auto-ship, or one-off basis. Revenue related to bark.co is recognized at a point in time, as control is transferred to the customer upon each delivery.

Treats— Includes treats and chews included in our BarkBox and Super Chewer boxes, as well as the sale of treats on Bark.co. Many of our treats feature monthly themes, similar to our toys. Today, BARK is one of the largest treat brands in the U.S. by revenue. The Company anticipates expansion of its treat offerings amongst commerce customers.

Toppers—Includes meal-enhancing sprinkles, broths and bites that are added to a dog's meal to enhance the flavor of their food. These toppers are often single ingredient proteins that can be easily added to a dog's existing meal plan. Toppers are particularly beneficial for picky eaters.

Supplements—Includes a variety of dog supplements such as hip and joint support, and skin and coat support. These products are often targeted at specific breeds that are prone to certain ailments.

Kibble—We sell a variety of kibble, priced to compete with the premium category. While our kibble can be purchased on an individual basis or auto-ship basis, we entered this market with a breed-based approach that recommends meal plans consisting of a mix of kibble, toppers, and supplements based on the characteristics and personalities of various dog breeds. For example, because German Shepherds are prone to hip issues, we recommend hip and joint support supplements with the purchase of their kibble. If that dog is also a picky eater, we will recommend adding one of our toppers. This enhances our average order value and margin profile.

Dental—Also known as BARK Bright, this category includes a variety of chews and toothpastes aimed at improving your dog's dental health. BARK Bright eliminates the arduous task of brushing a dog's teeth while still effectively fighting germs and bad breath. Our BARK Bright dental kit provides an innovative regimen for dog dental care.

Overall, we see significant runway in our consumables category long-term, and anticipate the majority of our future growth may be driven by these product categories.

BARK Air—Announced in April 2024, BARK Air is a first-of-its kind air travel experience tailored to dogs. The Company partnered with a jet charter company, offering premium flights for customers and their dogs. Interested parties can book flights at dogsflyfirst.com. Our charter partner is responsible for all aircraft, crew, maintenance, and insurance, allowing BARK to focus on creating a great travel experience for dogs and their people worldwide. We believe this initiative exemplifies the Company's dog-first approach to curating the best products and services.

Cost of Revenue

Cost of revenue primarily consists of the purchase price of inventory sold, inbound freight costs associated with inventory, shipping supply costs, inventory shrinkage costs and charter costs for BARK Air.

Operating Expenses

Operating expenses consist of general and administrative and advertising and marketing expenses.

General and Administrative

General and administrative expenses consist primarily of compensation and benefits costs, including stock-based compensation expense, office expense, including rent, insurance, professional service fees, and other general overhead costs including depreciation and amortization of right-of-use, fixed and intangible assets, account management support teams, and commissions. General and administrative expenses also include fees charged by third parties that provide payment processing services, fulfillment costs, which represent costs incurred in operating and staffing fulfillment and customer service centers, including costs attributable to receiving, inspecting, picking, packaging and preparing customer orders for shipment, outbound freight costs associated with shipping orders to customers, and responding to inquiries from customers.

Advertising and Marketing

Advertising and marketing expense consists primarily of internet advertising, promotional items, agency fees, other marketing costs and compensation and benefits expenses, including stock-based compensation expense, for employees engaged in advertising and marketing.

Interest Income

Interest income primarily consists of income earned on our money market funds and interest-bearing deposit accounts.

Interest Expense

Interest expense primarily consists of interest incurred under our 2025 Convertible Notes (as defined below), and amortization of debt issuance costs.

Other Income (Expense) Net

Other income (expense) net, primarily consists of changes in the fair value of our warrant liabilities.

Results of Operations

We operate in two reportable segments to reflect the way our CODM reviews and assesses the performance of the business. See Note 2, “Summary of Significant Accounting Policies,” in our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q.

	Three Months Ended December 31,			Nine Months Ended December 31,		
	2025	2024	% Change	2025	2024	% Change
	(in thousands)			(in thousands)		
Condensed Consolidated Statements of Operation and Comprehensive Loss Data:						
Revenue						
Direct to Consumer	$ 79,580	$ 106,119	(25.0)%	$ 250,904	$ 315,777	(20.5)%
Commerce	18,867	20,330	(7.2)%	57,373	52,995	8.3 %
Total revenue	98,447	126,449	(22.1)%	308,277	368,772	(16.4)%
Cost of revenue						
Direct to Consumer	26,749	35,796	(25.3)%	86,357	110,930	(22.2)%
Commerce	10,136	11,393	(11.0)%	34,322	29,204	17.5 %
Total cost of revenue	36,885	47,189	(21.8)%	120,679	140,134	(13.9)%
Gross profit	61,562	79,260	(22.3)%	187,598	228,638	(17.9)%
Operating expenses:						
General and administrative	54,479	64,141	(15.1)%	168,949	190,709	(11.4)%
Advertising and marketing	16,067	27,364	(41.3)%	46,643	66,460	(29.8)%
Total operating expenses	70,546	91,505	(22.9)%	215,592	257,169	(16.2)%
Loss from operations	(8,984)	(12,245)	(26.6)%	(27,994)	(28,531)	(1.9)%
Interest income	292	1,179	(75.2)%	1,779	4,011	(55.6)%
Interest expense	(415)	(677)	(38.7)%	(1,836)	(2,074)	(11.5)%
Other income (expense), net	461	234	97.0 %	1,704	(217)	N/M
Net Loss before income taxes	(8,646)	(11,509)	(24.9)%	(26,347)	(26,811)	(1.7)%
Net loss and comprehensive loss	$ (8,646)	$ (11,509)	(24.9)%	$ (26,347)	$ (26,811)	(1.7)%

N/M means not meaningful.

Comparison of the Three Months Ended December 31, 2025 and December 31, 2024

Revenue

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	$ Change	% Change
	(in thousands)			
Revenue				
Direct to Consumer[1]	$ 79,580	$ 106,119	$ (26,539)	(25.0)%
Commerce	18,867	20,330	(1,463)	(7.2)%
Total revenue	$ 98,447	$ 126,449	$ (28,002)	(22.1)%
Percentage of Revenue				
Direct to Consumer	80.8 %	83.9 %		
Commerce	19.2 %	16.1 %		

(1) Direct to Consumer includes revenue from BARK Air.

Direct to Consumer revenue decreased by $26.5 million, or 25.0%, for the three months ended December 31, 2025 compared to the three months ended December 31, 2024. This decrease was primarily driven by a 27.2%, or 0.9 million decrease in Total Orders. The decrease was partially offset by an increase in revenue from BARK Air of $1.4 million. Total BARK Air revenue was $3.4 million or 4.2% of Direct to Consumer revenue.

Commerce revenue decreased by $1.5 million, or 7.2% for the three months ended December 31, 2025 compared to the three months ended December 31, 2024. This decrease was primarily driven by lower sales volume.

Gross Profit

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	$ Change	% Change
	(in thousands)			
Gross Profit				
Direct to Consumer [1]	$ 52,831	$ 70,323	$ (17,492)	(24.9)%
Commerce	8,731	8,937	(206)	(2.3)%
Total gross profit	$ 61,562	$ 79,260	$ (17,698)	(22.3)%
Percentage of revenue	62.5 %	62.7 %		

(1) Direct to Consumer includes revenue and cost of goods sold from BARK Air.

Direct to Consumer and Commerce gross profit decreased by $17.5 million and $0.2 million, respectively for the three months ended December 31, 2025 compared to the three months ended December 31, 2024. The decrease in Direct to Consumer gross profit is primarily attributable to a decrease in revenue. The decrease in Commerce gross profit attributable to lower revenue in the quarter.

Gross profit as a percentage of revenue decreased 20 basis points for the three months ended December 31, 2025 compared to the three months ended December 31, 2024. Direct to Consumer gross margin was 66.4%, 10 basis points higher than the same period last year. Excluding the impact of BARK Air, Direct to Consumer gross margin was 69.2%, 180 basis points higher than the same period last year. The increase in Direct to Consumer gross margin is primarily attributable to product cost improvements and plan mix changes. Commerce gross margin was

46.3%, 230 basis points higher than the same period last year. The increase in Commerce gross margin is primarily attributable to changes in customer mix and the timing of the implementation of our tariff mitigation strategies.

General and Administrative Expense

	Three Months Ended December 31,			
	2025	2024	$ Change	% Change
	(in thousands)			
Other general and administrative	$ 25,357	$ 27,449	$ (2,092)	(7.6)%
Shipping and fulfillment	29,122	36,692	(7,570)	(20.6)%
Total General and administrative	54,479	64,141	$ (9,662)	(15.1)%
Percentage of revenue	55.3 %	50.7 %		

Total general and administrative expense decreased by $9.7 million, or 15.1%, for the three months ended December 31, 2025 compared to the three months ended December 31, 2024. The decrease from the prior period was primarily due to: decreased shipping and fulfillment costs of $7.6 million attributable to lower Direct to Consumer volumes, decreased compensation expense of $1.4 million, decreased insurance expense of $0.2 million, and decreased professional fees of $0.2 million.

Advertising and Marketing

	Three Months Ended December 31,			
	2025	2024	$ Change	% Change
	(in thousands)			
Advertising and marketing	$ 16,067	$ 27,364	$ (11,297)	(41.3)%
Percentage of revenue	16.3 %	21.6 %		

Advertising and marketing expense decreased by $11.3 million, or 41.3%, for the three months ended December 31, 2025 compared to the three months ended December 31, 2024. The decrease is primarily attributable to decreased Direct to Consumer marketing spend.

Interest Income

	Three Months Ended December 31,			
	2025	2024	$ Change	% Change
	(in thousands)			
Interest income	$ 292	$ 1,179	$ (887)	(75.2)%
Percentage of revenue	0.3 %	0.9 %		

Interest income decreased by $0.9 million, or 75.2%, for the three months ended December 31, 2025 compared to the three months ended December 31, 2024. The decrease in interest income is due to an overall decrease in cash in interest-bearing deposit accounts.

Interest Expense

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	$ Change	% Change
	(in thousands)			
Interest expense	$ (415)	$ (677)	$ 262	(38.7)%
Percentage of revenue	(0.4)%	(0.5)%		

Interest expense decreased $0.3 million for three months ended December 31, 2025 compared to the three months ended December 31, 2024. The decrease is attributable to the timing of the 2025 Convertible Note repurchase which occurred on November 6, 2025.

Other Income (Expense) Net

	Three Months Ended December 31, 2025	Three Months Ended December 31, 2024	$ Change	% Change
	(in thousands)			
Other income (expense) net	$ 461	$ 234	$ 227	97.0%
Percentage of revenue	0.5 %	0.2 %		
NM means not meaningful				

Other income, net increased by $0.2 million for the three months ended December 31, 2025 compared to the three months ended December 31, 2024. The increase was primarily due to the change of the fair value of our warrant liabilities.

Comparison of the Nine Months Ended December 31, 2025 and December 31, 2024

Revenue

	Nine Months Ended December 31, 2025	Nine Months Ended December 31, 2024	$ Change	% Change
		(in thousands)		
Revenue				
Direct to Consumer [1]	$ 250,904	$ 315,777	$ (64,873)	(20.5)%
Commerce	57,373	52,995	4,378	8.3 %
Total revenue	$ 308,277	$ 368,772	$ (60,495)	(16.4)%
Percentage of Revenue				
Direct to Consumer	81.4 %	85.6 %		
Commerce	18.6 %	14.4 %		

(1) Direct to Consumer includes revenue from BARK Air.

Direct to Consumer revenue decreased by $64.9 million, or 20.5%, for the nine months ended December 31, 2025 compared to the nine months ended December 31, 2024. This decrease was primarily driven by the 22.4% or 2.3 million decrease in Total Orders. The decrease was partially offset increased revenue from BARK Air of $5.3 million. Total BARK Air revenue was $9.3 million or 3.7% of Direct to Consumer revenue.

Commerce revenue increased by $4.4 million for the nine months ended December 31, 2025 compared to the nine months ended December 31, 2024. This increase was primarily driven by sales volume from existing and new customers.

Gross Profit

	Nine Months Ended December 31,						
	2025		2024		$ Change		% Change
			(in thousands)				
Gross Profit							
Direct to Consumer (1)	$	164,547	$	204,847	$	(40,300)	(19.7)%
Commerce		23,051		23,791		(740)	(3.1)%
Total gross profit	$	187,598	$	228,638	$	(41,040)	(17.9)%
Percentage of revenue		60.9 %		62.0 %			

(1) Direct to Consumer includes revenue and cost of goods sold from BARK Air.

Direct to Consumer and Commerce gross profit decreased by $40.3 million and $0.7 million, respectively for the nine months ended December 31, 2025 compared to the nine months ended December 31, 2024. The decrease in Direct to Consumer gross profit is primarily attributable to a decrease in revenue. The decrease in Commerce gross profit is partly attributable to the opportunistic sell-through of surplus inventory, higher tariffs and inbound shipping costs.

Gross profit as a percentage of revenue decreased 110 basis points for the nine months ended December 31, 2025 compared to the nine months ended December 31, 2024. Direct to Consumer gross margin was 65.6%, 70 basis points higher than the same period last year. Excluding the impact of BARK Air, Direct to Consumer gross margin increased 230 basis points compared to the same period last year. The increase in Direct to Consumer gross margin is primarily attributable to product cost improvements and plan mix changes.

Commerce gross margin was 40.2%, 470 basis points lower than the same period last year. The decrease in Commerce gross margin is primarily attributable to opportunistic sell-through of surplus inventory, and changes in customer mix. The decrease was partially offset by our tariff mitigation strategies in the current period.

Operating Expenses

General and Administrative Expense

	Nine Months Ended December 31,						
	2025		2024		$ Change		% Change
			(in thousands)				
Other general and administrative	$	76,580	$	85,529	$	(8,949)	(10.5)%
Shipping and fulfillment	$	92,369	$	105,180		(12,811)	(12.2)%
Total General and administrative	$	168,949	$	190,709	$	(21,760)	(11.4)%
Percentage of revenue		54.8 %		51.7 %			

General and administrative expense decreased by $21.8 million, or 11.4%, for the nine months ended December 31, 2025 compared to the nine months ended December 31, 2024. This decrease from the prior period was primarily due to: decreased shipping and fulfillment costs of $12.8 million attributable to lower direct to consumer volumes, decreased compensation expense of $7.0 million primarily due to a decrease in headcount, decreased impairment expense of $1.1 million, and decreased professional and legal fees of $0.9 million.

Advertising and Marketing

	Nine Months Ended December 31, 2025	Nine Months Ended December 31, 2024	$ Change	% Change
	(in thousands)			
Advertising and marketing	$ 46,643	$ 66,460	$ (19,817)	(29.8)%
Percentage of revenue	15.1 %	18.0 %		

Advertising and marketing expense decreased by $19.8 million, or 29.8%, for the nine months ended December 31, 2025 compared to the nine months ended December 31, 2024. The decrease during the period is attributable to decreased Direct to Consumer marketing spend.

Interest Income

	Nine Months Ended December 31, 2025	Nine Months Ended December 31, 2024	$ Change	% Change
	(in thousands)			
Interest income	$ 1,779	$ 4,011	$ (2,232)	(55.6)%
Percentage of revenue	0.6 %	1.1 %		

Interest income decreased by $2.2 million for the nine months ended December 31, 2025 compared to the nine months ended December 31, 2024. The decrease in interest income is due to an overall decrease in cash in interest-bearing deposit accounts.

Interest Expense

	Nine Months Ended December 31, 2025	Nine Months Ended December 31, 2024	$ Change	% Change
	(in thousands)			
Interest expense	$ (1,836)	$ (2,074)	$ 238	(11.5)%
Percentage of revenue	(0.6)%	(0.6)%		

Interest expense decreased by $0.2 million for the nine months ended December 31, 2025, compared to the nine months ended December 31, 2024. The decrease is attributable to the timing of the 2025 Convertible Note repurchase which occurred on November 6, 2025.

Other Income (Expense), Net

	Nine Months Ended December 31, 2025	Nine Months Ended December 31, 2024	$ Change	% Change
	(in thousands)			
Other income (expense), net	$ 1,704	$ (217)	$ 1,921	(885.3)%
Percentage of revenue	0.6 %	(0.1)%		

Other income (expense), net increased by $1.9 million for the nine months ended December 31, 2025 compared to the nine months ended December 31, 2024. The increase in other income (expense), net, was primarily due to the decrease in the fair value of our warrant liabilities of $1.6 million.

Non-GAAP Financial Measures

We report our financial results in accordance with U.S. GAAP. However, management believes that Adjusted Net Loss, Adjusted Net Loss Margin, Adjusted Net Loss Per Common Share, Adjusted EBITDA, Adjusted EBITDA Margin, and Free Cash Flow, all non-GAAP financial measures (together the "Non-GAAP Measures"), provide investors with additional useful information in evaluating our performance.

We calculate Adjusted Net Loss as net loss, adjusted to exclude: (1) stock-based compensation expense, (2) change in fair value of warrants and derivatives, (3) sales and use tax income, (4) restructuring charges related to reduction in force payments, (5) litigation expenses (consisting of legal and related fees for a specific proceeding that is outside of our ordinary course of business), (6) warehouse restructuring costs, (7) non-cash impairment of previously capitalized software and cloud computing implementation costs, (8) technology modernization costs, and (9) other items (as defined below).

We calculate Adjusted Net Loss Margin by dividing Adjusted Net Loss for the period by Revenue for the period.

We calculate Adjusted Net Loss Per Common Share by dividing Adjusted Net Loss for the period by weighted average common shares used to compute net loss per share attributable to common stockholders for the period.

We calculate Adjusted EBITDA as net loss, adjusted to exclude: (1) interest income, (2) interest expense, (3) depreciation and amortization, (4) stock-based compensation expense, (5) change in fair value of warrants and derivatives, (6) capitalized cloud computing amortization, (7) sales and use tax income, (8) restructuring charges related to reduction in force payments, (9) litigation expenses (consisting of legal and related fees for a specific proceeding that is outside of our ordinary course of business), (10) warehouse restructuring costs, (11) non-cash impairment of previously capitalized software and cloud computing implementation costs, (12) technology modernization costs, and (13) other items (as defined below).

We calculate Adjusted EBITDA Margin by dividing Adjusted EBITDA for the period by revenue for the period.

We calculate Free Cash Flow as net cash (used in) provided by operating activities less capital expenditures.

The Non-GAAP Measures are financial measures that are not required by, or presented in accordance with U.S. GAAP. We believe that the Non-GAAP Measures, when taken together with our financial results presented in accordance with U.S. GAAP, provide meaningful supplemental information regarding our operating performance and facilitates internal comparisons of our historical operating performance on a more consistent basis by excluding certain items that may not be indicative of our business, results of operations or outlook. In particular, we believe that the use of the Non-GAAP Measures are helpful to our investors as they are measures used by management in assessing the health of our business, determining incentive compensation and evaluating our operating performance, as well as for internal planning and forecasting purposes.

The Non-GAAP Measures are presented for supplemental informational purposes only, have limitations as an analytical tool and should not be considered in isolation or as a substitute for financial information presented in accordance with U.S. GAAP. Some of the limitations of the Non-GAAP Measures include that (1) the measures do not properly reflect capital commitments to be paid in the future, (2) although depreciation and amortization are non-cash charges, the underlying assets may need to be replaced and Adjusted EBITDA and Adjusted EBITDA Margin do not reflect these capital expenditures, (3) Adjusted EBITDA and Adjusted EBITDA Margin do not consider the impact of stock-based compensation expense, which is an ongoing expense for our company, (4) Adjusted EBITDA and Adjusted EBITDA Margin do not reflect other non-operating expenses, including interest expense and (5) Free cash flow does not represent the total residual cash flow available for discretionary purposes and does not reflect our future contractual commitments. In addition, our use of the Non-GAAP Measures may not be comparable to similarly titled measures of other companies because they may not calculate the Non-GAAP Measures in the same manner, limiting their usefulness as a comparative measure. Because of these limitations, when evaluating our performance, you should consider the Non-GAAP Measures alongside other financial measures, including our net loss and other results stated in accordance with U.S. GAAP.

The following table presents a reconciliation of Adjusted Net Loss to Net loss, the most directly comparable financial measure stated in accordance with U.S. GAAP, and the calculation of net loss margin, Adjusted Net Loss Margin and Adjusted Net Loss Per Common Share for the periods presented:

Adjusted Net Loss

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
	(in thousands, except per share data)			
Net Loss	$ (8,646)	$ (11,509)	$ (26,347)	$ (26,811)
Stock compensation expense	3,571	3,873	10,881	9,771
Change in fair value of warrants and derivatives	(261)	(261)	(913)	652
Sales and use tax income (1)	(623)	(450)	(950)	(1,999)
Restructuring	93	924	516	2,624
Litigation expenses (2)	358	468	645	1,106
Warehouse restructuring costs	336	2,391	2,004	3,289
Impairment of assets	296	—	1,065	2,142
Technology modernization (3)	336	545	1,059	1,750
Other items (4)	120	88	320	827
Adjusted net loss	$ (4,420)	$ (3,931)	$ (11,720)	$ (6,649)
Net loss margin	(8.78)%	(9.10)%	(8.55)%	(7.27)%
Adjusted net loss margin	(4.49)%	(3.11)%	(3.80)%	(1.80)%
Adjusted net loss per common share - basic and diluted	$ (0.03)	$ (0.02)	$ (0.07)	$ (0.04)
Weighted average common shares used to compute adjusted net loss per share attributable to common stockholders - basic and diluted	172,446,917	175,589,759	170,811,789	175,404,510

The following table presents a reconciliation of Adjusted EBITDA to net loss, the most directly comparable financial measure stated in accordance with U.S. GAAP, and the calculation of net loss margin and Adjusted EBITDA margin for the periods presented:

Adjusted EBITDA

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
	(in thousands)		(in thousands)	
Net Loss	$ (8,646)	$ (11,509)	$ (26,347)	$ (26,811)
Interest income	(292)	(1,179)	(1,779)	(4,011)
Interest expense	415	677	1,836	2,074
Depreciation and amortization expense	2,094	2,704	7,198	8,383
Stock compensation expense	3,571	3,873	10,881	9,771
Change in fair value of warrants and derivatives	(261)	(261)	(913)	652
Cloud computing amortization	595	174	1,509	346
Sales and use tax income (1)	(623)	(450)	(950)	(1,999)
Restructuring	93	924	516	2,624
Litigation expenses (2)	358	468	645	1,106
Warehouse restructuring costs	336	2,391	2,004	3,289
Impairment of assets	296	—	1,065	2,142
Technology modernization (3)	336	545	1,059	1,750
Other items (4)	120	88	320	827
Adjusted EBITDA	$ (1,608)	$ (1,555)	$ (2,956)	$ 143
Net loss margin	(8.78)%	(9.10)%	(8.55)%	(7.27)%
Adjusted EBITDA margin	(1.63)%	(1.23)%	(0.96)%	0.04 %

(1) Sales and use tax (income) expense relates to recording a liability for sales and use tax we did not collect from our customers. Historically, we had collected state or local sales, use, or other similar taxes in certain jurisdictions in which we only had physical presence. On June 21, 2018, the U.S. Supreme Court decided, in South Dakota v. Wayfair, Inc., that state and local jurisdictions may, at least in certain circumstances, enforce a sales and use tax collection obligation on remote vendors that have no physical presence in such jurisdiction. A number of states have positioned themselves to require sales and use tax collection by remote vendors and/or by online marketplaces. The details and effective dates of these collection requirements vary from state to state and accordingly, we recorded a liability in those periods in which we created economic nexus based on each state's requirements. Accordingly, we now collect, remit, and report sales tax in all states that impose a sales tax. Subsequently, as certain of these liabilities are waived by tax authorities or the applicable statute of limitations expires, the related accrued liability is reversed.

(2) Litigation expenses related to a shareholder class action complaint, see Item 1. Legal Proceedings.

(3) Includes consulting fees related to technology transformation activities, and payroll costs for employees that dedicate significant time to this project. We believe that these costs are discrete and non-recurring in nature, as they mainly relate to a one-time unification of our product offerings on our new commerce platform. As such, they are not normal, recurring operating expenses and are not reflective of ongoing trends in the cost of doing business.

(4) For the three months ended December 31, 2025, other items is comprised of executive transition costs including recruiting costs of $0.1 million. For the three months ended December 31, 2024, other items is comprised of executive transition costs including recruiting costs of less than $0.1 million, costs associated with the stock repurchase program of less than $0.1 million, and duplicate headquarters rent of less than $0.1 million. For the nine months ended December 31, 2025, other items is comprised of executive transition costs including recruiting costs of $0.3 million and costs associated with the stock repurchase program of less than $0.1 million. For the nine months ended December 31, 2024, other items is comprised of executive transition costs including recruiting costs of $0.5 million, costs associated with the stock repurchase program of $0.3 million, and duplicate headquarters rent of less than $0.1 million.

The following table presents a reconciliation of Free Cash Flow to Net cash provided by (used in) operating activities, the most directly comparable financial measure prepared in accordance with GAAP, for each of the periods indicated:

Free Cash Flow

	Three Months Ended December 31,		Nine Months Ended December 31,	
	2025	2024	2025	2024
Free cash flow reconciliation:				
Net cash (used in) provided by operating activities	$ 1,705	$ (1,387)	$ (21,807)	$ 3,179
Capital expenditures	(143)	(577)	(2,703)	(4,428)
Free cash flow	$ 1,562	$ (1,964)	$ (24,510)	$ (1,249)

Liquidity and Capital Resources

Since inception, we have funded our operations with proceeds from sales of our capital stock and proceeds from borrowings in addition to cash generated by our operations. As of December 31, 2025, we had cash and cash equivalents of approximately $21.7 million. We expect that our cash and cash equivalents, together with cash provided by our operating activities and proceeds from borrowings, will be sufficient to fund our operations for at least the next 12 months. We are required to comply with certain financial and non-financial covenants related to our borrowing agreements, which we expect to be in compliance with during the next 12 months. Our future capital requirements will depend on many factors, including our pace of new and existing customer growth and our investments in partnerships and unexplored channels. We may be required to seek additional equity or debt financing.

2025 Convertible Notes

On November 27, 2020, the Company issued $75.0 million aggregate principal amount of 2025 Convertible Notes (the “2025 Convertible Notes”) to Magnetar Capital, LLC (“Magnetar”) under an indenture, dated as of November 27, 2020, between Legacy BARK and U.S. Bank National Association, as trustee and collateral agent (the “Indenture”). The Company received net proceeds of approximately $74.7 million from the sale of the 2025 Convertible Notes, after deducting fees and expenses of approximately $0.3 million. The Company recorded the expenses associated with the issuance of the 2025 Convertible Notes as a discount to the note and amortized the expenses over the term of the note.

On November 2, 2023, the Company repurchased $45.0 million of the $83.5 million of outstanding aggregate principal amount of 5.50% Convertible Secured Notes due 2025 from entities affiliated with Magnetar Financial, LLC (collectively, the “Holders”), pursuant to the terms and conditions of a negotiated notes purchase agreement (the “2023 Agreement”) among the Company and the Holders.

Pursuant to the 2023 Agreement, the Company repurchased $45.0 million in aggregate principal amount of the 2025 Convertible Notes plus $2.2 million of accrued and unpaid interest thereon to, but excluding the repurchase date, from the Holders for a total cash purchase price of $44.4 million. In addition, $1.0 million of unamortized deferred financing fees were derecognized from the Company’s balance sheet on the date of extinguishment. The accelerated deferred financing fees were recognized as a component of gain on extinguishment of debt. The Company recognized a gain on debt extinguishment of $1.8 million in connection with the repurchase.

On November 6, 2025, the Company repurchased the remaining $42.9 million of outstanding aggregate principal amount of 5.50% Convertible Secured Notes due 2025 (the “2025 Convertible Notes”) from entities affiliated with Magnetar Financial, LLC (collectively, the “Holders”), pursuant to the terms and conditions of a negotiated notes purchase agreement (the “2025 Agreement”) among the Company and the Holders (the “Final Repurchase”).

Pursuant to the 2025 Agreement, on November 6, 2025, the Company repurchased all $42.9 million of the remaining outstanding aggregate principal amount of the 2025 Convertible Notes from the Holders for a total cash purchase price of $45.1 million (which included $2.2 million of accrued and unpaid interest, through but excluding, the repurchase date). There was no gain or loss in connection with the Final Repurchase. In the unlikely event that a Change of Control of the Company occurs prior to the December 1, 2025 maturity date of the Notes, the Holders are also entitled to receive an additional cash “true-up” payment from the Company, totaling, in the aggregate for all Holders, either (i) $10.7 million in the event that the Company elects to redeem all of the Notes outstanding at the time of such Change of Control or (ii) $4.3 million in the event that the Holders elect to require the Company to repurchase all of the 2025 Convertible Notes outstanding at the time of such Change of Control, in each case, in accordance with the terms and conditions specified in the 2025 Agreement.

Western Alliance Bank—Revolving Line of Credit

In October 2017, the Company entered into a loan and security agreement with and issued a warrant to purchase preferred stock (“Initial Western Alliance Warrant”) to Western Alliance Bank (“Western Alliance”), which provide for a revolving line of credit (as amended, the “Credit Facility”) in an aggregate principal amount of up to $35.0 million, subject to borrowing base limitations derived from advance rates derived from the Company’s eligible subscription revenues and eligible accounts receivable. The Credit Facility has been amended several times, most recently in November 2025. After giving effect to this most recent amendment, the maturity date of the Credit Facility is March 2, 2026. Certain of the Company’s obligations to Western Alliance and under the Credit Facility are guaranteed by certain of its subsidiaries and secured by substantially all of their assets. The Company intends to enter in to a longer term renewal of the Credit Facility.

The interest rate for borrowings under the Credit Facility is equal to (a) the greater of (i) the prime rate that is published in the Money Rates section of The Wall Street Journal from time to time and (ii) five and one quarter percent (5.25%) per annum, plus (b) half of one percent (0.50%), per annum.

The Credit Facility has a borrowing base subject to an amount equal to eighty percent (80.00%) of the Company’s trailing three months of subscription revenue and an amount equal to eighty percent (80.00%) of certain of the Company’s customer accounts receivable when a collateral audit is performed and sixty percent (60.00%) when no such collateral audit is performed. Western Alliance has first perfected security in substantially all of the Company’s assets, including its rights to its intellectual property.

The Credit Facility requires the Company to comply with certain financial and performance covenants, including, among other things, minimum cash deposits with Western Alliance. The Credit Facility also contains affirmative and negative covenants customary for financings of this type, including, among other things, limitations or prohibitions on repurchasing common shares, declaring and paying dividends and other distributions, making payments in respect of subordinated debt, incurring indebtedness, making loans and investments, incurring liens, or entering into mergers, asset sales and transactions with affiliates.

As of December 31, 2025 and March 31, 2025, there were no outstanding borrowings under the Credit Facility. As of December 31, 2025 and March 31, 2025, the Company was in compliance with its financial covenants.

Cash Flows

Comparison of the Nine Months Ended December 31, 2025 and 2024.

The following table summarizes our cash flows for the nine months ended December 31, 2025 and 2024:

	Nine Months Ended December 31,	
	2025	2024
	(in thousands)	
Net cash provided by (used in) operating activities	$ (21,807)	$ 3,179
Net cash used in investing activities	(2,703)	(4,428)
Net cash used in financing activities	(45,763)	(9,433)
Effect of exchange rate changes on cash	(106)	(37)
Net decrease in cash and restricted cash	$ (70,379)	$ (10,719)

Cash flows provided by (used in) Operating Activities

Net cash flows provided by (used in) operating activities represent the cash receipts and disbursements related to our activities other than investing and financing activities.

Net cash flows provided by (used in) operating activities is derived by adjusting our net loss for:

- non-cash operating items such as depreciation and amortization, stock-based compensation and other non-cash income or expenses; and
- changes in operating assets and liabilities reflect timing differences between the receipt and payment of cash associated with transactions.

For the nine months ended December 31, 2025, net cash used in operating activities was $21.8 million. The $21.8 million of net cash used in operating activities consisted of net loss of $26.3 million adjusted for non-cash charges totaling $22.5 million and a net decrease of $17.9 million in our net operating assets and liabilities. The non-cash charges primarily consisted of $10.9 million for stock based compensation, and depreciation and amortization of $7.2 million. The decrease in our net operating assets and liabilities was primarily driven by an increase in inventory of $3.9 million, an increase in accounts receivable of $2.7 million and a net decrease in accounts payable and accrued expenses of $4.3 million.

For the nine months ended December 31, 2024, net cash provided by operating activities was $3.2 million. The $3.2 million of net cash provided by operating activities consisted of net loss of $26.8 million adjusted for non-cash charges totaling $28.1 million and a net increase of $1.9 million in our net operating assets and liabilities. The non-cash charges primarily consisted of $0.7 million for changes in fair value of warrants, $9.8 million for stock based compensation, impairment of $2.1 million, depreciation and amortization of $8.4 million, paid in kind interest on convertibles notes of $2.2 million, and an increase in the provision for inventory obsolescence of $1.1 million. The increase in our net operating assets and liabilities was primarily driven by higher accounts payable and accrued expenses of $26.7 million, offset by and an increase in inventory of $7.3 million and an increase in accounts receivable of $3.7 million.

Cash flows used in Investing Activities

For the nine months ended December 31, 2025 and 2024, net cash used in investing activities was $2.7 million and $4.4 million, respectively, primarily due to software development costs and capital expenditures.

Cash flows used in Financing Activities

For the nine months ended December 31, 2025, net cash used in financing activities was $45.8 million, primarily due to the repurchase of the 2025 Convertible Notes of $42.9 million and $1.8 million in payments to repurchase common stock.

For the nine months ended December 31, 2024, net cash used in financing activities was $9.4 million, primarily due to payments to repurchase common stock.

Critical Accounting Policies and Estimates

Our management's discussion and analysis of our financial condition and results of operations is based on our condensed consolidated financial statements, which have been prepared in accordance with U.S. GAAP. The preparation of these condensed consolidated financial statements requires us to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure of contingent assets and liabilities at the date of the condensed consolidated financial statements, as well as the reported revenue generated and expenses incurred during the reporting periods. Our estimates are based on our historical experience and various other factors that we believe are reasonable under the circumstances, the results of which form the basis for making judgments about items that are not readily apparent from other sources. Actual results may differ from these estimates under different assumptions or conditions.

Except as described in Note 2, “Summary of Significant Accounting Policies – Recently Issued Accounting Pronouncements,” to our condensed consolidated financial statements included in this Quarterly Report on Form 10-Q, there have been no material changes to our critical accounting policies and estimates as compared to the critical accounting policies and estimates disclosed in our audited consolidated financial statements and notes thereto for the year ended March 31, 2025 contained in the Annual Report on Form 10-K filed with the SEC on June 4, 2025.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Interest Rate Risk

We had cash and cash equivalents of approximately $21.7 million as of December 31, 2025. The Company does not have any other investments. We have not been exposed, nor do we anticipate being exposed, to material risks due to changes in interest rates. A hypothetical 10% increase in interest rates during any of the periods presented would not have had a material impact on our condensed consolidated financial statements.

We are primarily exposed to changes in short-term interest rates with respect to our cost of borrowing under our Credit Facility with Western Alliance Agreement. As of December 31, 2025 there are no outstanding borrowings under the Credit Facility.

Inflation Risk

We do not believe that inflation has had a material effect on our business, financial condition, or results of operations. Nonetheless, if our costs or if consumer discretionary spending were to become subject to significant inflationary pressures, we may not be able to fully offset such higher costs through price increases or demand for our products could decrease.

Foreign Exchange Risk

We operate our business primarily within the United States and currently execute the majority of our transactions in U.S. dollars. We have not utilized hedging strategies with respect to such foreign exchange exposure. This limited foreign currency translation risk is not expected to have a material impact on our consolidated financial statements.

ITEM 4. CONTROLS AND PROCEDURES

As of the end of the period covered by this report, the Company conducted an evaluation, under the supervision and with the participation of the principal executive officer and principal financial officer, of the Company’s disclosure controls and procedures (as defined in Rules 13a-15(e) and 15d-15(e) under the Securities Exchange Act of 1934 (the “Exchange Act”)). Based on this evaluation, the principal executive officer and principal financial officer concluded that the Company’s disclosure controls and procedures are effective to ensure that information required to be disclosed by the Company in reports that it files or submits under the Exchange Act is recorded, processed, summarized and reported within the time periods specified in Securities and Exchange Commission rules and forms. There was no change in the Company’s internal control over financial reporting during the Company’s most recently completed fiscal quarter that has materially affected, or is reasonably likely to materially affect, the Company’s internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

On March 20, 2024, three alleged shareholders filed a putative class action complaint in the lawsuit styled Kenville v. Northern Star Sponsor LLC, et al., Case No. 2024-276, which is pending in the Delaware Court of Chancery. On September 30, 2024, plaintiffs filed an amended complaint. The amended complaint is currently pending against (a) certain officers and directors of Northern Star Acquisition Corp. at the time of its proposed acquisition of Legacy BARK, and (b) Northern Star Sponsor, LLC. The claims alleged are for breach of fiduciary duty and unjust enrichment. On October 31, 2025, the court certified the class, which consists of Company stockholders who held stock as of the redemption deadline and who elected not to redeem all or some of their stock. Trial in the case is scheduled to start September 8, 2027. At this time, the Company is not able to quantify any potential liability in connection with this litigation because the case is in its early stages.

In addition, we are from time to time subject to, and are presently involved in, litigation and other legal proceedings in the ordinary course of business. While it is not possible to determine the outcome of any legal proceedings brought against us, we believe that, except for the matter described above, there are no pending lawsuits or claims that, individually or in the aggregate, may have a material effect on our business, financial condition or operating results. Our views and estimates related to these matters may change in the future, as new events and circumstances arise and as the matters continue to develop.

ITEM 1A. RISK FACTORS

An investment in our securities involves a high degree of risk. You should carefully consider the risks described below, as well as the other information in this Quarterly Report on Form 10-Q, including our condensed consolidated financial statements and the related notes and "Management's Discussion and Analysis of Financial Condition and Results of Operations." Our business, prospects, financial condition, or operating results could be harmed by any of these risks, as well as other risks not known to us or that we consider immaterial as of the date of this quarterly report on Form 10-Q. The trading price of our securities could decline due to any of these risks, and, as a result, you may lose all or part of your investment. Additional risks and uncertainties not presently known to us or that we currently deem immaterial may also impair our business operations. This quarterly report on Form 10-Q also contains forward-looking statements that involve risks and uncertainties. Our actual results could differ materially from those anticipated in the forward-looking statements as a result of a number of factors, including the risks described below. See also "Cautionary Note Regarding Forward-Looking Statements.”

Risks Related to Our Strategy

Our ability to execute our strategy depends on successfully navigating numerous challenges and uncertainties.

Our past operating performance may not be indicative of our future operating performance, which depends on our ability to execute our strategy while successfully navigating numerous challenges and uncertainties including, but not limited to, the following:

- costs or other issues with acquiring new customers and retaining existing customers;
- adverse impacts on shipping and fulfillment services and costs, including related to the imposition of current tariffs and the uncertainty relating to such tariff rates in the future, and shipping lane constraints and/or labor disputes;
- changes in consumer trends and preferences and/or discretionary spending, which would negatively impact our revenue;
- interruptions in our business due to technology failures, cybersecurity breaches or labor shortages;
- our ability to retain existing suppliers and attract new suppliers and scale our supply chain;
- our ability to develop a unified, scalable, high-performance technology and fulfillment infrastructure;
- our migration of current and future customers to our unified platform;
- our ability to hire and retain talented, experienced people at all levels of our organization;
- the imposition of new or increased tariffs or other trade barriers that disrupt our supply chain, or negatively

impact our revenue and profitability; and

- deterioration of the macro-economic environment resulting in disruptions in global trade (in particular due to the imposition of tariffs and uncertainty relating to such tariffs), inflation, increasing interest rates, instability in the banking system or financial markets, changes in the labor markets, and political, economic and social instability, such as wars, global conflicts or pandemics, in particular as such changes impact our revenue through reduced consumer discretionary spending, our cost structure or our supply chain.

If we fail to meet the challenges or navigate the uncertainties described above, as well as those described elsewhere in this "Risk Factors" section, our business, financial condition and results of operations will be materially adversely affected.

We may fail to acquire and retain customers in a cost-effective manner.

In order to acquire and/or retain our customers, we have made, and expect to continue to make, significant investments to acquire and retain our customers. We must appropriately, effectively and efficiently allocate our marketing spend for multiple products and services, including: selecting the right marketplace, media and specific media vehicle in which to advertise; identifying the most effective and efficient level of spending in each marketplace, media and specific media vehicle; determining the appropriate creative message and media mix for advertising, marketing and promotional expenditures; managing marketing costs, including creative and media expenses, in order to maintain acceptable customer acquisition costs. If the costs of acquiring or retaining our customers exceeds our expectations, we may not be able to acquire or retain the necessary number of customers to purchase products or services in volumes sufficient to grow our business and generate the scale necessary to achieve operational efficiency and/or our margins could decrease, which could have a material adverse effect on our business, financial condition, and results of operations.

We depend on various digital channels to reach and engage current and potential customers.

As digital technology has become a dominant method for marketing, we use various online channels and third party platforms (social media, web, search engines, e-commerce) to engage current and potential customers. Search engines and social media platforms frequently evolve their algorithms, policies and procedures, which could lower our effectiveness in reaching and engaging the right audience for our products and services. Furthermore, the digital landscape is crowded with many companies and brands vying for consumer attention. Technology is also continually evolving, with new digital tools finding fast adoption by consumers, in particular with the emergence and adoption of new artificial intelligence (AI) technologies. If we cannot effectively adapt to, or compete with, these new technologies, our ability to reach and engage current and potential customers will be limited, impacting our brand awareness and potentially forcing us to increase our marketing investment to acquire and retain our customers. The resulting increase in our marketing costs or decrease in our revenue could have a material adverse effect on our business, financial condition and results of operations.

We may be unable to sustain a high level of customer engagement, which could damage our brand and reputation.

Our strong customer relationships create a positive brand reputation which increases our average order volume, customer acquisition and retention and overall revenue growth. Continual elevation of the customer experience, quick responses to requests for support and proactive communications with our customers provide high customer satisfaction ratings and engagement. Disruptions in our supply chain, shipping delays, changes to the product or service experience, inadequate staffing or failure of our customer relationship management could harm our brand and reputation. Failure to maintain our high level of engagement and protect our brand and reputation with our customers would cause our revenue to decrease and/or our costs to increase, which could have a material adverse effect on our business, financial condition and results of operations.

We may not be able to accurately predict consumer trends, successfully introduce new products and services, improve existing products and services, or expand into new offerings.

Our business growth partly depends on our ability to successfully introduce new products and services to our existing categories, and to improve and reposition our existing products to continue to meet the requirements of our customers. To be successful, we must accurately predict and respond to evolving consumer trends, demands and preferences, including predicting successful monthly themes for BarkBox and Super Chewer subscriptions that will resonate with our customers. The development and introduction of new products and expansion into new offerings and services also involves considerable costs. Our product development activities also could be impacted by competition from products with new features or new technologies, such as artificial intelligence (AI), that might render our existing products less competitive or obsolete. We may not respond effectively to the technological requirements of the changing market. In addition, new products, offerings or services may not generate sufficient customer interest to become profitable or cover the costs of development and promotion, which could result in a decrease in customer retention, a reduction in purchases, and/or negatively affect our brand and reputation. If we are unable to anticipate, identify, develop or market products, or create new offerings or services that respond to changes in customer requirements and preferences, or if our product introductions, repositions, or new offerings or services fail to gain consumer acceptance, we may be unable to grow our business as anticipated. Our revenue, margins and profitability may decline or not improve, which could materially adversely affect our business, financial condition and results of operations.

Our success depends on our ability to recruit and retain senior leaders and key employees.

We depend on the contributions of our senior leaders and key employees to achieve our strategy. Such individuals are in high demand and we may incur significant costs to recruit and retain them. All of our employees, including our senior leaders, are at-will employees who could terminate their employment relationship with us at any time. Their knowledge of, and contributions to, our business could be extremely difficult to replace. If we fail to retain talented senior leaders and other key employees, or if we cannot recruit such individuals, our business, financial condition, and results of operations could be materially adversely affected.

We face challenges due to our reliance on third party sales channels to sell and distribute our products.

We sell some of our products through a network of retailers and e-retailers (in addition to our direct sales channel). Our products are available through Amazon.com as well as in retail locations including Target, Petco, PetSmart, Costco, Walmart, Kroger and CVS, and many others. We depend on these indirect sales channel partners to distribute and sell our products to dog parents, which subjects us to a number of challenges, including:

- the sales and business practices, reputation or failure to comply with laws and regulations, of or by our sales channel partners, of which we may or may not be aware, may affect our business and reputation;
- adverse changes in our relationships with our sales channel partners could impact sales of our products;
- economic conditions, labor issues, natural disasters, severe weather events, regional or global pandemics, evolving consumer preferences, and purchasing patterns of our distribution partners, or competition between our sales channels, which result in sales channel disruptions;
- our sales channel partners, who also sell products offered by our competitors, and in the case of retailer house brands, may also be our competitors, which sales may compete with sales of our own products;
- certain of our sales channel partners could decide to de-emphasize the product categories that we offer, change their algorithmic logic, policies or procedures making our products harder for customers to find, or remove them from sales channels altogether; and
- building relationships with new channel partners or adapting to new distribution and marketing models in order to expand into new product categories and markets may require significant management attention and operational resources, and affect our accounting, including revenue recognition, gross margins, and the ability to make comparisons from period to period.

If we fail to effectively meet the challenges described above our business and future operating results will be materially adversely affected.

Risks Related to the Macro-Economic Environment

We rely on consumer discretionary spending, which may be adversely affected by economic downturns and other macroeconomic conditions, events, or trends.

Our business depends on consumer discretionary spending. Some of the factors that may negatively influence consumer spending include economic recession, inflation or stagflation, high levels of unemployment; increases in consumer debt levels; reductions in net worth, declines in asset values, and related market uncertainties; home foreclosures and reductions in home values; fluctuating interest rates and credit availability; bank failures; global disruptions, fluctuating fuel and other energy costs; fluctuating commodity prices; and general uncertainty regarding the overall current and future political and economic environment. Furthermore, any increases in consumer discretionary spending during times of crisis may be temporary, such as those related to government stimulus programs or tax cuts, and consumer spending may decrease when those programs or circumstances end. In addition, economic conditions in certain regions may be affected by natural disasters or severe weather events, such as hurricanes, tropical storms, earthquakes, and wildfires; public health crises; tariff and trade wars, and other major unforeseen events. Consumer purchases of discretionary items, including the merchandise that we offer, generally decline during recessionary periods or periods of economic uncertainty, when disposable income is reduced or when there is a reduction in consumer confidence. Any decline in consumer discretionary spending could negatively impact our revenue, which could have a material adverse effect on our business, financial condition and results of operations.

We may be impacted by global disruptions or disasters.

The extent to which global disruptions or disasters or severe weather events, may impact our business will depend on nature, scope and geographic impact of the disruption or disaster. A significant portion of our workforce, and the workforce of our partners, works remotely. Natural disasters, power outages, connectivity issues, or other events that impact our employees' or our partners' ability to work remotely, could disrupt business for a substantial period of time. Global disruptions or disasters or severe weather events, have had, and could have, unprecedented and unexpected effects on the global economy, civil society, labor markets, and certain industries. As a result, it is difficult to predict the magnitude or scope of the adverse impacts that these effects may have directly, or indirectly, on our business, operating results and financial condition.

Changes in trade policy or the imposition of tariffs could affect our revenue and profitability.

Recent and potential future changes to U.S. and international trade policy, including the imposition of new or increased tariffs, duties, or other trade restrictions, could increase our cost of goods sold and adversely affect our supply chain, particularly for products sourced internationally, such as those manufactured in China. The macroeconomic impacts of such tariffs could also reduce consumer discretionary spending, which would impact our revenue. While we have taken steps to mitigate potential cost increases and impacts to our revenue—such as negotiating with suppliers and diversifying sourcing and taking steps to avoid increasing the price of our products and services—these efforts may not fully offset the impact of such policies. Continued or expanded tariffs, retaliatory trade measures, or supply chain disruptions resulting from trade tensions could materially and adversely affect our business, operating results, and financial condition.

Risks Related to our Manufacturing, Inventory and Supply Chain

Our business critically relies on a limited number of suppliers, manufacturers, and logistics partners.

We rely on a limited number of contract manufacturers, suppliers and logistics providers to manufacture and transport our products. We do not currently have alternative or replacement providers and we do not generally maintain long-term supply contracts with any of these providers. We face a number of risks relating to these providers, including:

- our suppliers, manufacturers or logistics partners could be impacted by a natural disaster or severe weather events, an epidemic or pandemic, or other interruptions at a particular location;
- our manufacturers and suppliers for our toys are primarily located in Asia, which introduces risks related to changes in trade policies, including the imposition of tariffs, geopolitical developments and differences in regulatory standards and legal systems;
- our existing supply channels may not be able to satisfy a significant increase in demand for our products, or we may need to replace an existing manufacturer or supplier. It could take a significant amount of time to identify a manufacturer or supplier that has the capability and resources to manufacture our products to our specifications in sufficient volume, and with acceptable quality control, technical capabilities, responsiveness and service, financial stability, regulatory compliance, and labor and other ethical practices;
- our current product purchases are centralized among a few manufacturers and suppliers to realize substantial cost savings, which exposes us to credit and other risks, including insolvency, financial difficulties, supply chain delays or other factors which may result in our manufacturers or suppliers not being able to fulfill the terms of their agreements with us; and
- we have signed a number of contracts whose performance depends upon third party suppliers delivering products on schedule to meet our contractual commitments. Concentration in the number of our manufacturers and suppliers could lead to delays in the delivery of products or components, and possible

resultant breaches of contracts that we have entered into with our customers; increases in the prices we must pay for products; problems with product quality; and other concerns.

Any of the above risks could delay delivery of our products to customers in a timely and cost-effective manner, which could have a material adverse effect on our business, financial condition and results of operations.

We may face supply chain disruptions.

We have limited control over our suppliers, contract manufacturers, and logistics partners, which subjects our supply chain to potential disruptions such as those that materialized during the COVID-19 pandemic and could similarly result from changes in trade policies, including the imposition of tariffs or uncertainties related to such tariffs. Such disruptions could result in failure to satisfy demand for our products; reduced control over delivery timing, product reliability, the manufacturing process and components used in our products; limited ability to develop comprehensive manufacturing specifications that take into account any materials shortages or substitutions; variance in the manufacturing capability of our third-party manufacturers; price increases; failure of a significant supplier, manufacturer, or logistics partner to perform its obligations for technical, market, or other reasons; misappropriation of our intellectual property; changes in local economic conditions in the jurisdictions where our suppliers, manufacturers, and logistics partners are located; the imposition of new laws and regulations, including those relating to labor conditions, quality and safety standards, imports, duties, tariffs, taxes, and other charges on imports, as well as trade restrictions and restrictions on currency exchange or the transfer of funds; and insufficient warranties and indemnities on components supplied to our manufacturers or performance by our partners. The results of the supply chain disruptions described above, could have a material adverse effect on our business, financial condition and results of operations.

Shipping, which is subject to numerous risks, is a critical part of our business.

We currently rely on third-party national, regional and local logistics providers to deliver our products. We may not be able to negotiate acceptable pricing and other terms with these providers, or these providers may experience performance problems or other difficulties in processing our orders or delivering our products to customers. In addition, our ability to receive inbound inventory efficiently and ship merchandise to customers may be negatively affected by factors beyond our and these providers' control, including severe weather events, natural disasters, fire, flood, power loss, earthquakes, pandemics, acts of war or terrorism, potential trade wars, including current or potential future tariffs, or other events specifically impacting our or other shipping partners, such as labor disputes, financial difficulties, system failures and other disruptions to the operations of the shipping companies on which we rely. We are also subject to risks of damage or loss during delivery by our shipping vendors. If the products ordered by our customers are not delivered in a timely fashion or are damaged or lost during the delivery process, our customers could become dissatisfied and cease buying our products. Further, there may be disruptions and delays in national, regional and local shipping, which may negatively impact our customers' experience. Changes to the terms of our shipping arrangements and delays or failures in delivery of our products may have a material adverse effect on our margins and profitability, which could adversely affect our business, financial condition and results of operations.

We may be unable to manage the complexities created by our omnichannel operations.

Our omnichannel operations, such as offering our products through our websites, on third party websites and in traditional brick and mortar stores, create additional complexities in our ability to manage inventory levels, as well as certain operational issues, including timely shipping and refunds. Accordingly, our success depends to a large degree on continually evolving the processes and technology that enable us to plan and manage inventory levels and fulfill orders, address any related operational issues and further align channels to optimize our omnichannel operations. If we are unable to successfully manage these complexities, it may have a material adverse effect on our business, financial condition, operating results and prospects.

If we are unable to implement appropriate systems, procedures and controls, we may not be able to successfully offer our products, grow our business and account for transactions in an appropriate and timely manner.

Our ability to successfully offer our products, grow our business and account for transactions in an appropriate and timely manner requires an effective planning and management process and certain other automated management and accounting systems. We currently do not have a fully integrated enterprise resource planning system and certain other automated management and accounting systems. We periodically update our operations and financial systems, procedures and controls; however, our current procedures may not scale proportionately with our business growth or with becoming a public company. Our systems will continue to require automation, modifications and improvements to respond to current and future changes in our business. Failure to implement in a timely manner appropriate internal systems, procedures and controls could materially and adversely affect our business, financial condition and results of operations.

We may not be able to successfully optimize, operate and manage our fulfillment centers and shipping services.

If we do not optimize and operate our fulfillment centers and shipping services successfully and efficiently, it could result in excess or insufficient fulfillment capacity, an increase in costs and/or inventory shrinkage or impairment charges or harm to our business in other ways. In addition, if we do not have sufficient fulfillment or shipping capacity or experience a problem fulfilling or shipping orders in a timely manner, our customers may experience delays in receiving their purchases, which could harm our reputation and our relationship with our customers. We also anticipate the need to add fulfillment center and shipping capacity as our business continues to grow or as we respond to the current tariffs and/or uncertainties related to potential future tariffs. We may not be able to locate suitable facilities or services on commercially acceptable terms in accordance with our expansion plans, or recruit qualified managerial and operational supply personnel to support our expansion plans. If we are unable to secure new facilities for the expansion of our fulfillment and shipping operations, recruit qualified personnel to support any such facilities, or effectively control expansion-related expenses, our business, financial condition, and results of operations could be materially adversely affected.

Risks Related to Our Industry

Our estimate of the size of our addressable market may prove to be inaccurate.

Data for retail sales of dog products is collected for most, but not all channels. As a result, it is difficult to accurately estimate the size of the market, and predict with certainty the rate at which the market for our products will grow (if at all). While our market size estimate is made in good faith and is based on assumptions and estimates we believe to be reasonable, this estimate may not be accurate. If our estimates of the size of our addressable market are not accurate, our potential for future growth may be less than we currently anticipate, which could have a material adverse effect on our business, financial condition, and results of operations.

We may not be able to compete effectively in the dog products and services industry.

The dog products and services industry, in particular online, is highly competitive and we expect this competition to increase. We compete with pet product retail stores, supermarkets, warehouse clubs and other mass and general retail and online merchandisers. We also compete with a number of specialty dog supply stores and independent dog stores, catalog retailers and other specialty e-retailers. As we expand our offerings and services (such as consumables and BARK Air), we will face additional competition. For example, in the consumables category, there are numerous brands and products that compete for shelf space and sales, with competition based primarily upon brand recognition and loyalty, product packaging, quality and innovation, taste, nutrition, breadth of product line, price and convenience. Many of these current competitors have, and potential competitors may have, longer operating histories, greater brand recognition, larger fulfillment infrastructures, greater technical capabilities, significantly greater financial, marketing and other resources and larger customer bases than we do, allowing our competitors to derive greater net sales and profits from their existing customer base, acquire customers at lower costs or respond more quickly than we can to new or emerging technologies and changes in consumer preferences or habits. Our competitors may engage in more extensive research and development efforts, undertake more far-reaching marketing campaigns and adopt more aggressive pricing policies (including but not limited to predatory pricing policies and the provision of substantial discounts), allowing them to build larger customer bases or generate gross profit from their customer bases more effectively than we do. Current and future competitors may also utilize artificial intelligence (AI) technologies in ways that we cannot replicate, make strategic acquisitions or establish cooperative relationships among themselves or with others. If we fail to compete effectively, are required to offer promotions and other incentives or adopt more aggressive pricing strategies, our operating margins could decrease, which could materially adversely affect our business, financial condition and results of operations.

Risks Related to Information Technology and Cybersecurity

We are subject to risks related to online payment methods.

We currently accept payments using a variety of methods, including credit card, debit card, PayPal, Venmo, Apple Pay, Shop Pay and gift cards. As we offer new payment options to customers, we may be subject to additional regulations, compliance requirements, fraud and other risks. For certain payment methods, we pay interchange and other fees, which may increase over time and raise our operating costs and lower profitability. We are also subject to payment card association operating rules and certification requirements, including the Payment Card Industry Data Security Standard and rules governing electronic funds transfers, which could change or be reinterpreted to make it difficult or impossible for us to comply. Furthermore, as our business changes, we may be subject to different rules under existing standards, which may require new assessments that involve costs above what we currently pay for compliance. In the future, as we offer new payment options to customers, including by way of integrating emerging mobile and other payment methods, we may be subject to additional regulations, compliance requirements and fraud, if our customers re-use their login and password information across multiple websites, exposing us to breaches on other sites. If we fail to comply with the rules or requirements of any provider of a payment method we accept, if the volume of fraud in our transactions limits or terminates our rights to use payment methods we currently accept, or if a data breach occurs relating to our payment systems, we may, among other things, be subject to fines or higher transaction fees and may lose, or face restrictions placed upon, our ability to accept credit card payments from customers or facilitate other types of online payments. If any of these events were to occur, our business, financial condition, and results of operations, could be materially adversely affected.

We rely on software-as-a-service ("SaaS") technologies from third parties.

We rely on SaaS technologies from third parties in order to operate critical functions of our business, including site management, financial management services, credit card processing, customer relationship management services, supply chain services and data storage services. If these services become unavailable due to extended outages or interruptions or because they are no longer available on commercially reasonable terms or prices, or for any other reason, our expenses could increase, our ability to manage our finances could be interrupted, our processes for managing sales of our offerings and supporting our customers could be impaired, our ability to communicate with our suppliers could be weakened and our ability to access or save data stored to the cloud may be impaired until equivalent services, if available, are identified, obtained and implemented. We are also subject to certain standard terms and conditions with these providers, who have broad discretion to change their terms of service and other policies with respect to us, which may be unfavorable. Any failure to maintain successful partnerships with our SaaS providers could impact our success and materially adversely affect our business, financial condition and results of operations.

Limitations on our use of "cookies" may impact our ability to cost-effectively acquire new customers.

The use of third-party "cookies" is the subject of litigation, regulatory scrutiny and industry self-regulatory

activities. Federal and state governmental authorities continue to evaluate and enact legislation regarding the privacy implications inherent in the use of third-party "cookies" and other methods of online tracking for behavioral advertising and other purposes. The U.S. government has enacted, or has considered or is considering legislation or regulations that could significantly restrict the ability of companies and individuals to engage in these activities, such as by regulating the level of consumer notice and consent required before a company can employ cookies or other electronic tracking tools or the use of data gathered with such tools. Additionally, some providers of consumer devices and web browsers have implemented, or announced plans to implement, means to make it easier for Internet users to prevent the placement of cookies or to block other tracking technologies, which if widely adopted could result in making cookies and other methods of online tracking significantly less effective. This regulation of the use of cookies and other current online tracking and advertising practices, and litigation related to the same, or the loss of our ability to make effective use of services that employ such technologies could limit our ability to acquire new customers on cost-effective terms, which could materially adversely affect our business, financial condition, and results of operations.

We may be unable to maintain and scale our technology.

Our reputation and ability to acquire, retain and serve our customers depends on the reliable performance of our websites and mobile application and our cloud-based solutions. The operation of these systems, and the consolidation of our websites and related migration of our current and future customers to our unified platform, is complex and could result in operational failures. Interruptions or delays in these systems, or in the consolidation of our websites, whether due to system failures, computer viruses, physical or electronic break-ins, undetected errors, design faults or other unexpected events or causes, could affect the security or availability of our websites and mobile application and prevent our customers from accessing our websites and mobile application. If sustained or repeated, these performance issues could reduce the attractiveness of our products and services. In addition, the costs and complexities involved in consolidating our websites or expanding and upgrading our systems may prevent us from doing so in a timely manner and may prevent us from adequately meeting the demand placed on our systems. Any web or mobile platform interruption or inadequacy that causes performance issues or interruptions in the availability of our websites or mobile application could reduce consumer satisfaction and result in a reduction in the number of customers using our products and services, which could have a material adverse effect on our business, financial condition and results of operations.

Our disaster recovery arrangements may be insufficient.

The occurrence of a natural disaster, power loss, telecommunications failure, data loss, computer virus, an act of terrorism, cyberattack, vandalism or sabotage, act of war or any similar event, or a decision to close the third-party data centers on which we normally operate or the facilities of any other third-party provider without adequate notice or other unanticipated problems at these facilities could result in lengthy interruptions in the availability of our websites and mobile application. Cloud computing, in particular, is dependent upon having access to an Internet connection in order to retrieve data. If a natural disaster or severe weather events, global pandemic, blackout or other unforeseen event were to occur that disrupted our ability to obtain an Internet connection, we may experience a slowdown or delay in our operations. While we have some limited disaster recovery arrangements in place, our preparations may not be adequate to account for disasters or similar events that may occur in the future and may not effectively permit us to continue operating in the event of any problems with respect to our systems or those of our third-party data centers or any other third-party facilities. Our disaster recovery and data redundancy plans may be inadequate, and our business interruption insurance may not be sufficient to compensate us for the losses that could occur. If any such event were to occur to our business, our operations could be impaired, which could have a material adverse effect on our business, financial condition, and results of operations.

The security of our and our partners' computer networks and databases containing personal information may be compromised.

In the ordinary course of business, we and our vendors collect, process, and store certain personal information and other data relating to individuals, such as our customers and employees, including customer payment card information. We rely substantially on commercially available systems, software, tools, and monitoring to provide security for our processing, transmission, and storage of personal information and other confidential information. We, or our vendors, may suffer a data compromise from hackers or other unauthorized parties who gain access to personal information or other data, including payment card data or confidential business information, which may not be discovered in a timely fashion. In addition, cyber-attacks such as ransomware attacks could lock us out of our information systems and disrupt our operations, or the operations of the vendors or manufacturers on which we rely. The techniques used to obtain unauthorized access or to sabotage systems change frequently and generally are not identified until they are launched against a target, and we, and our vendors, may be unable to anticipate these techniques or to implement adequate preventative measures. Advances in computer capabilities, including as a result of artificial intelligence (AI), supercomputing, new technological discoveries, or other developments may result in the breach or compromise of the technology used or maintained by us to protect transactions or other sensitive data. We may not have the resources or technical sophistication to anticipate or prevent rapidly evolving types of cyber-attacks. If our business partners work remotely, they may be more vulnerable to cyber-attacks. In addition, our vendors, or other third parties with whom we do business may attempt to circumvent security measures in order to misappropriate personal information, confidential information, or other data, or may inadvertently release or compromise such data. Compromise of our data security by third parties with whom we do business, failure to prevent or mitigate the loss of personal or business information, and delays in detecting or providing prompt notice of any such compromise or loss may disrupt our operations, damage our reputation, and subject us to litigation, government action, or other additional costs and liabilities that could materially adversely affect our business, financial condition, and results of operations.

Risks Related to Our Intellectual Property

We may be unable to adequately protect our intellectual property rights.

We rely on trademark, copyright and patent law, trade secret protection, agreements and other methods with our employees and others to protect our proprietary rights. Effective intellectual property protection may not be available in every country and the protection of our intellectual property rights may require significant financial, managerial and operational expenditures. Artificial intelligence (AI) technologies also present novel risks to the protection of our intellectual property rights. In addition, our efforts may not prevent third parties from infringing or misappropriating our intellectual property rights and any of our intellectual property rights could be challenged by others or invalidated through administrative processes or litigation. Our patent and trademark applications may never be granted and the process of obtaining patent protection is expensive and time-consuming. We may be unable to prosecute all necessary or desirable patent applications at a reasonable cost or in a timely manner. Even if issued, these patents may not adequately protect our intellectual property, as the legal standards relating to the validity, enforceability and scope of patent protection are uncertain. In addition, others may independently develop or otherwise acquire equivalent or superior technology. Our confidentiality agreements may not effectively prevent disclosure of our proprietary information, technologies and processes and may not provide an adequate remedy in the event of unauthorized disclosure of such information. We might be required to spend significant resources to monitor and protect our intellectual property rights and we may be unable to discover or determine the extent of any infringement, misappropriation or other violation of our intellectual property rights and other proprietary rights. Failure to protect our intellectual property rights or costs associated with such protection could have a material adverse effect on our business, financial condition, and results of operations.

We may be subject to intellectual property infringement claims or other allegations.

Third parties have from time to time claimed, and may claim in the future, that we have infringed their intellectual property rights, including through the use of artificial intelligence (AI) technologies. These claims, whether meritorious or not, could be time-consuming, result in considerable litigation costs, injunctions against us or the payment of damages or royalties by us, require significant amounts of management time or divert significant operational resources or cause expensive changes to our business model. In addition, we may be unable to obtain or utilize on terms that are favorable to us, or at all, licenses or other rights with respect to intellectual property we do not own. These risks have been amplified by the increase in third parties whose sole or primary business is to assert such claims. Any payments we are required to make and any injunctions against us could materially adversely affect our business, financial condition, and results of operations.

Risks Related to Government Regulation and Legal Proceedings

We are subject to federal and state and foreign laws and regulations relating to privacy, data protection, advertising and consumer protection.

We rely on a variety of marketing techniques, including email and social media marketing and postal mailings, which are subject to various federal and state laws and regulations. A variety of federal and state laws and regulations also govern our collection, use, retention, sharing and security of consumer data, particularly in the context of the online advertising that we rely on to attract new customers. These laws and regulations are constantly evolving and subject to potentially differing interpretations, in particular from one jurisdiction to another, and may conflict with other laws and regulations. In addition, various federal and state legislative and regulatory bodies, or self-regulatory organizations, may expand current laws or regulations, enact new laws or regulations or issue revised rules or guidance regarding privacy, data protection, consumer protection, and advertising. For example, the State of California enacted the California Consumer Privacy Act of 2018 (the “CCPA”), which requires companies that process information on California residents make new disclosures to customers about the collection of their data, use and sharing practices, and allow customers to opt out of certain data sharing with third parties and provides a new cause of action for data breaches. Further, the California Privacy Rights Act (the “CPRA”) significantly amends the CCPA and imposes additional data protection obligations on companies doing business in California, including additional consumer rights processes and opt outs for certain uses of sensitive data. It also creates a new California Privacy Protection Agency specifically tasked to enforce the law, which could result in increased regulatory scrutiny of businesses in the areas of data protection and security. Similar laws have been proposed in other states and at the federal level, and if passed, such laws may have potentially conflicting requirements that could make compliance challenging. We are also subject to consumer protection laws that may affect our sales and marketing efforts, including laws related to subscriptions, billing, and auto-renewal. These laws, as well as any changes in these laws, could adversely affect our business model and make it more difficult for us to retain and attract new customers. Our practices and procedures to comply with these laws and regulations may not always be effective, particularly as the legal landscape continues to evolve. In addition, some of our internal processes are manual, which could result in employee error and internal compliance failures. Any failure, or perceived failure, to comply with our posted privacy policies or with any federal or state privacy or consumer protection-related laws, regulations, industry self-regulatory principles, industry standards or codes of conduct, regulatory guidance, orders to which we may be subject or other legal obligations relating to privacy or consumer protection could adversely affect our reputation, brand and business, and may result in claims, liabilities, proceedings or actions against us by governmental entities, customers, suppliers or others, or may require us to change our operations and/or cease using certain data. Any such claims, proceedings or actions could further harm our reputation and brand, force us to incur significant expenses in defense of such proceedings or actions, distract our management, increase our costs of doing business, result in a loss of customers and suppliers and result in the imposition of monetary penalties. We may also be contractually required to indemnify and hold harmless third parties from the costs or consequences of our non-compliance with any laws, regulations or other legal obligations relating to privacy or consumer protection or any inadvertent or unauthorized use or disclosure of data that we store or handle as part of operating our business. Any harm to our reputation or brand, being subject to regulatory action and incurring related fees, distraction of our management and loss of customers or suppliers could have a material adverse effect on our business, financial condition and results of operations.

We are subject to product safety, labor, or other laws.

The products we sell to our customers are subject to regulation by the Federal Consumer Product Safety Commission, the Federal Trade Commission, and similar state and international regulatory authorities. As such, our products could be subject to recalls and other remedial actions. Product safety, labeling, and licensing concerns may result in our voluntarily removing selected products from our inventory. Recalls or voluntary removal of products can result in, among other things, lost sales, diverted resources, potential harm to our reputation, increased customer service costs and legal expenses. In addition, some of the merchandise we sell may expose us to product liability claims, litigation or regulatory actions. Although we maintain liability insurance, we cannot be certain that our coverage will be adequate for liabilities actually incurred or that insurance will continue to be available to us on economically reasonable terms or at all. In addition, some of our agreements with our vendors may not indemnify us from product liability for a particular vendor's merchandise or our vendors may not have sufficient resources or insurance to satisfy their indemnity and defense obligations. In addition, failure of our vendors to comply with applicable laws and regulations and contractual requirements could lead to litigation against us, resulting in increased legal expenses. Furthermore, the failure of any vendors to provide safe and humane factory conditions at their facilities could damage our reputation with our customers and result in legal claims against us. Our international relationships also require us to overcome logistical and other challenges based on differing languages, cultures, legal and regulatory schemes and time zones. Foreign labor laws, standards and customs may vary greatly from those in the U.S. The U.S. or foreign countries could enact legislation or impose regulations, including unfavorable labor regulations, tax policies or economic sanctions that could have an adverse impact on our ability to conduct our business in the countries in which we have relationships. The difficulties inherent in complying with labor, safety and other laws, or consequences resulting from any failure to comply with those laws could result in increased costs, disruptions in our relationships with our vendors, and harm to our brand and reputation, which could have a material adverse effect on our business, financial condition and results of operations.

We are subject to extensive governmental regulation.

We are subject to a broad range of federal, state, local, and foreign laws and regulations intended to protect public and worker health and safety, natural resources and the environment. Our operations, including our manufacturing partners, are subject to regulation by the Occupational Safety and Health Administration, the Food and Drug Administration, the Department of Agriculture and by various other federal, state, local and foreign authorities regarding the processing, packaging, storage, distribution, advertising, labeling and export of our products, including food safety standards. In addition, we and our manufacturing partners are subject to additional regulatory requirements, including environmental, health and safety laws and regulations administered by the U.S. Environmental Protection Agency, state, local and foreign environmental, health and safety legislative and regulatory authorities and the National Labor Relations Board, covering such areas as discharges and emissions to air and water, the use, management, disposal and remediation of, and human exposure to, hazardous materials and wastes, and public and worker health and safety. Violations of, or liability under, any of these laws and regulations may result in administrative, civil or criminal fines, penalties or sanctions against us, revocation or modification of applicable permits, licenses or authorizations, environmental, health and safety investigations or remedial activities, voluntary or involuntary product recalls, warning or untitled letters or cease and desist orders against operations that are not in compliance, among other things. Such laws and regulations generally have become more stringent over time and may become more so in the future, and we may incur (directly, or indirectly through our manufacturing partners) material costs to comply with current or future laws and regulations or in any required product recalls. Complying with the current laws and regulations, and potential future changes to these laws and regulations, or failing to comply with these laws and regulations, could impose significant limitations and/or require changes to our business, which may involve substantial expenses, make our business more costly and less efficient to conduct, and compromise our growth strategy, which could have a material adverse effect on our business, financial condition and results of operations.

We may be adversely affected by changes in tax laws, rules or regulations.

Existing tax laws, rules or regulations are subject to interpretation by tax authorities or amendment, repeal, or new enactments. For example, the 2018 U.S. Supreme Court decision in South Dakota v. Wayfair, Inc. required us to collect sales tax in many jurisdictions despite our lack of a physical presence in such jurisdictions. Also, the 2017 Tax Cuts and Jobs Act may limit our ability to use our substantial net operating losses to offset potential future taxable income. We are further dependent on the ability to generate taxable income before the expiration dates of the net operating losses, and we cannot predict with certainty when, or whether, we will generate sufficient taxable income to use all of our net operating losses. We are currently monitoring changes in the tax landscape, however, it is difficult to predict whether such changes could materially adversely affect our financial condition and results of operation.

Current and future litigation could have a material adverse effect on our business.

Lawsuits and other administrative, regulatory, or legal proceedings that may arise in the course of our operations can involve substantial costs, including the costs associated with investigation, litigation and possible settlement, judgment, penalty or fine. In addition, the stock market has experienced price and volume fluctuations and companies have experienced fluctuations in their stock prices that have often been unrelated or disproportionate to their operating results. Under these circumstances, stockholders may sometimes institute securities class action litigation against such companies. Any litigation or other administrative, regulatory, or legal proceedings against us could result in substantial costs, and divert management's attention and resources. Although we generally maintain insurance to mitigate certain costs, there can be no assurance that costs associated with lawsuits or other legal proceedings will not exceed the limits of our insurance policies. Moreover, we may be unable to continue to maintain our existing insurance at a reasonable cost, if at all, or to secure additional coverage, which may result in costs associated with lawsuits and other legal proceedings being uninsured. Our business, financial condition and results of operations could be materially adversely affected if fees associated with lawsuits or other legal proceedings or a judgment, penalty or fine is not fully or is only partially covered by insurance.

General Risks Related to Our Business

Our estimates or judgments relating to our critical accounting policies could prove to be incorrect.

We prepare our financial statements in accordance with U.S. GAAP, which requires our management to make estimates, judgments, and assumptions that affect the amounts reported in our condensed consolidated financial statements and accompanying notes. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances, see "Management's Discussion and Analysis of Financial Condition and Results of Operations." The results of these estimates form the basis for making judgments about the carrying values of assets, liabilities, and equity as of the date of the financial statements, and the amount of revenue and expenses, during the periods presented, that are not readily apparent from other sources. Significant assumptions and estimates used in preparing our condensed consolidated financial statements include those related to determination of fair value of the Company's allowance for uncollectible accounts receivable, excess and obsolete inventory, stock-based compensation, stand-alone selling price of Direct to Consumer offerings, and the fair value of right-of-use assets. If our assumptions change or if actual circumstances differ from those in our assumptions, our operating results could fall below the expectations of industry or financial analysts and investors, resulting in a decline in the trading price of our common stock.

We may be unable to accurately forecast our revenue and appropriately plan for our expenses in the future.

Revenue is difficult to forecast with certainty because it depends on a number of factors, some of which are outside of our control, including the volume, timing, and type of orders we receive and increased third party costs or transportation and freight costs. Many of these factors are uncertain and are likely to fluctuate significantly from period to period. We base our expense levels and investment plans on our estimates of revenues and gross margins, and many of our expenses, such as office leases, manufacturing costs and personnel costs, will be relatively fixed in the short term and will increase as we continue to make investments in our business and hire additional personnel. If our revenue forecasts do not cover our planned operating expenses, our business and future operating results will be materially adversely affected.

We have in the past and may in the future identify material weaknesses in our internal control over financial reporting.

In order to maintain effective internal control over financial reporting, we must perform system and process evaluations, document our controls and perform testing of our key controls over financial reporting to allow for management and our independent public accounting firm to report on the effectiveness of our internal control over financial reporting. In the past, we have identified material weaknesses in our internal control over financial reporting which we have remedied. If we, or our independent registered public accounting firm, identify deficiencies in our internal control over financial reporting in the future that are deemed to be material weaknesses, our investors could lose confidence in our reported financial information, we may be required to restate those financial statements, the market price of our stock may decline and we could be subject to lawsuits, sanctions or investigations by regulatory authorities, which would require additional financial and management resources and otherwise could have a material adverse effect on our business, financial condition or results of operations.

Certain of our key performance indicators are subject to inherent challenges in measurement, and real or perceived inaccuracies.

We track certain key performance indicators, including metrics such as total orders and average order value, with internal systems and tools. Estimates or similar metrics published by third parties may differ from our reported key performance indications, due to differences in sources, methodologies, or assumptions. For example, we rely on third-party marketing analytics systems to identify marketing spend by channel, which we then reconcile across a number of systems. In addition, we rely on third-party warehouse and fulfillment providers to communicate the receiving and shipping information that drives active customer count and related data. Our internal systems and tools have a number of limitations, and our methodologies for tracking these metrics may change over time, which could result in unexpected changes to our key performance indicators, including the metrics or estimates that we publicly disclose. While these metrics or estimates are based on what we believe to be reasonable estimates for the applicable period of measurement, there are inherent challenges in measuring our key performance indicators. Some of these challenges include manual reconciliation of information provided by different input systems, resulting in undetected errors. If our key performance indicators are not accurate representations of our business, or if investors do not perceive our key performance indicators to be accurate, or if we discover material inaccuracies with respect to these numbers, our reputation may be significantly harmed, which could have a material adverse effect on our business, financial condition and results of operations.

We have a history of losses and we may be unable to achieve or sustain profitability.

We expect our operating expenses to increase over the next several years as we increase our advertising, expand into new markets, expand our offerings, hire additional personnel, incur additional expenses related to being a public company and continue to develop features on our websites and mobile applications. In particular, we intend to continue to invest substantial resources to grow and diversify our product offerings and in marketing to acquire new customers. Our operating expenses may also be adversely impacted by increased costs and delays in launching in new markets and expanding fulfillment center capacity. Our future growth and operating performance must eventually offset our operating losses or we may not be able to achieve or sustain profitability.

We may fail to manage or integrate acquisitions of, or investments in, new or complementary businesses, facilities, technologies or products, or through strategic alliances.

From time to time, we may consider opportunities to acquire or make investments in complementary businesses, facilities, technologies, offerings, or products, or enter into strategic alliances, in order to enhance our capabilities, expand our outsourcing and supplier network, complement our current products or expand the breadth of our offerings. Acquisitions, investments and other strategic alliances involve numerous risks, including: problems integrating the acquired business, facilities, technologies, customers, partners or products, issues maintaining uniform standards, procedures, controls and policies; unanticipated costs; diversion of management's attention from our existing business; adverse effects on existing business relationships with suppliers, manufacturing partners, and retail partners; challenges with entering new markets in which we may have limited or no experience; potential loss of key employees of acquired businesses; and increased legal, accounting and compliance costs. Failure to integrate acquired businesses, facilities, technologies and products effectively could materially and adversely affect our business, financial condition, and results of operations.

Our operating flexibility may be limited by our credit facilities and debt instruments.

Our revolving credit facility limits our ability to, among other things: incur or guarantee additional debt; make certain investments and acquisitions; incur certain liens or permit them to exist; enter into certain types of transactions with affiliates; merge or consolidate with another company; and transfer, sell or otherwise dispose of assets, including our cash. Our revolving credit facility also contains covenants requiring us to satisfy certain financial covenants. These limitations, requirements and costs may affect our ability to obtain future financing, pursue attractive business opportunities, maintain flexibility in planning for, and reacting to, changes in business conditions, which could have a material adverse effect on our business, financial condition, and results of operations.

We may not be able to raise the capital we need to grow our business.

As of December 31, 2025, we had cash and cash equivalents of approximately $21.7 million. In the future, we could be required to raise capital through public or private financing or other debt arrangements. Such capital may not be available on acceptable terms, or at all, and our failure to raise capital when needed could harm our business. We may sell common stock, convertible securities and other equity securities in one or more transactions at prices and in a manner as we may determine from time to time. If we sell any such securities in subsequent transactions, investors in our common stock may be materially diluted. New investors in such subsequent transactions could gain rights, preferences and privileges senior to those of holders of our common stock. Debt financing, if available, may involve restrictive covenants and could reduce our operational flexibility or profitability. We may be forced to raise capital on undesirable terms or be unable to grow our business or respond to competitive pressures, which could have a material adverse effect on our business, financial condition, and results of operations.

Risks Relating to Ownership of Our Common Stock

Public disclosure of, and market reaction to, preliminary non-binding proposals for a possible going private or other transaction could adversely affect our business, results of operations, financial condition and stock price, regardless of whether any transaction is pursued or completed.

On January 9, 2026, we announced that our Board received a preliminary non-binding indicative proposal letter(the “Letter”)submitted to the Board by Great Dane Ventures, LLC (“Great Dane”), comprised of a group of the Company’s current stockholders, including Matt Meeker, the Company’s Chief Executive Officer and Executive Chairman of the Board, RRE Ventures, Resolute Ventures, Founders Circle Capital and Ironbound Partners Fund. The Letter proposes that Great Dane would acquire all of the outstanding shares of the Company’s common stock not already beneficially owned by the Stockholder Group or their affiliates, in an all-cash transaction, for $0.90 per share. On January 9, 2026, we also announced that our Board had established a special committee of independent and disinterested directors (the “Special Committee”) to evaluate the proposal submitted by Great Dane and any proposal from other parties and consider whether they are in the best interests of the Company and all its stockholders. On January 14, 2026, we received another preliminary non-binding indicative proposal letter from GNK Holdings LLC, together with Marcus Lemonis, proposing to acquire all of the outstanding shares of the Company’s common stock in an all-cash transaction, for $1.10 per share. The special committee of our Board has retained legal and financial advisors to assist the Special Committee in the review and evaluation of those preliminary non-binding indicative proposal letters the Company has received and any proposals from other parties. We do not intend to disclose further developments regarding these matters unless and until further disclosure is determined to be necessary or appropriate.

There can be no assurance that we will pursue a possible going private transaction or any other particular transaction or other strategic outcome, or that a possible going private transaction or any other proposed transaction will be approved or consummated. The Special Committee may suspend or terminate its consideration of a possible going private transaction at any time. Further, Great Dane,GNK Holdings LLC, Marcus Lemonis or other parties who submit a proposal, or any parties who may be possible financing sources for a possible going private transaction, may suspend or terminate their exploration of a possible going private transaction at any time. A possible going private transaction or other transaction is also dependent upon a number of factors that may be beyond our control including, among other factors, market conditions, industry trends, regulatory developments and litigation.

Speculation regarding any developments and perceived uncertainties related to our future could impact our ability to retain, attract or strengthen our relationships with key personnel, current and potential customers, suppliers and partners, which may cause them to terminate, or not to renew or enter into, arrangements with us, and could lead to fluctuations in our stock price. We may incur significant expenses related to a possible going private transaction or other transaction and any such transaction or consideration of such a transaction may require and divert significant time and attention of management.

Any of these factors could disrupt or adversely affect our business, financial condition and results of operations, as well as the market price of our common stock. To the extent receipt and consideration of proposals regarding a possible going private transaction or another transaction adversely affects our business, financial condition and results of operations, as well as the market price of our common stock, it may also have the effect of heightening many of the other risks described in this "Risk Factors" section.

Our stock price may be volatile or decline regardless of our operating performance.

The market price of our common stock may fluctuate significantly or decline in response to numerous factors, many of which are beyond our control, including: the proposals discussed above and any other publicly-made proposal, actual or anticipated fluctuations in our revenue and results of operations; financial projections we may provide to the public, any changes in these projections or our failure to meet these projections; failure of securities analysts to maintain coverage of BARK, changes in financial estimates or ratings by any securities analysts who follow BARK or our failure to meet the estimates or the expectations of investors; announcements by us or our competitors of significant acquisitions, strategic partnerships, joint ventures, or capital commitments; changes in operating performance and stock market valuations of other retail or technology companies generally, or those in our industry in particular; price and volume fluctuations in the overall stock market, including as a result of trends in the economy as a whole; trading volume of our common stock; the inclusion, exclusion or removal of our common stock from any indices; changes in members of our Board of Directors or management; transactions in our common stock by directors, officers, affiliates and other major investors; lawsuits threatened or filed against us; changes in laws or regulations applicable to our business; changes in our capital structure, such as future issuances of debt or equity securities; short sales, hedging and other derivative transactions involving our capital stock; general economic conditions in the U.S. or global markets; other events or factors, such as a global pandemic, failure to regain compliance with the listing standards of NYSE; wars or other global conflicts, inflation, bank failures, incidents of terrorism or responses to these events; and the other events or factors described in this "Risk Factors" section.

Sales of shares by existing stockholders may cause our stock price to decline.

If our existing stockholders sell or indicate an intention to sell substantial amounts of our common stock in the public market, the trading price of our common stock could decline. In addition, shares underlying any outstanding options and restricted stock units will become eligible for sale if exercised or settled, as applicable, and to the extent permitted by the provisions of various vesting agreements and Rule 144 of the Securities Act. All the shares of common stock subject to stock options outstanding and reserved for issuance under our equity incentive plans have been registered on Form S-8 under the Securities Act and such shares are eligible for sale in the public markets, subject to Rule 144 limitations applicable to affiliates. If these additional shares are sold, or if it is perceived that they will be sold in the public market, the trading price of our common stock could decline.

Securities or industry analysts may not publish accurate or favorable research about BARK.

The trading market for our common stock is influenced in part by the research and reports that securities or industry analysts may publish about us, our business, our market, or our competitors. If one or more of the analysts initiate research with an unfavorable rating or downgrade our common stock, provide a more favorable recommendation about our competitors, or publish inaccurate or unfavorable research about our business, the price of our common stock could decline.

Delaware law, our certificate of incorporation and bylaws may impede a merger, tender offer, or proxy contest.

Our certificate of incorporation and amended and restated bylaws contain provisions that could depress the trading price of our common stock by impeding a change in control of BARK or changes in our management that our stockholders may deem advantageous. These provisions include: a classified board; removal of directors only for cause or a super majority vote; super majority vote required to amend of certain provisions of our certificate of incorporation and any provisions of our bylaws; issuance of "blank check" preferred stock authorized; stockholders may not call special stockholder meetings; stockholder action by written consent prohibited; indemnification of our director and officers; Board of Directors is expressly authorized to make, alter, or repeal our bylaws; and advance notice requirements for nominations for election to our Board of Directors or for proposing matters that can be acted upon by stockholders at annual stockholder meetings.

Substantially all disputes between BARK and our stockholders are subject to exclusive forum provisions.

Our certificate of incorporation provides that, unless we consent in writing to the selection of an alternative forum, the Court of Chancery of the State of Delaware is the exclusive forum for any derivative action or proceeding brought on our behalf, any action asserting a breach of fiduciary duty, any action asserting a claim against us arising pursuant to the Delaware General Corporation Law, our certificate of incorporation or our bylaws or any action asserting a claim against us that is governed by the internal affairs doctrine. Any person or entity purchasing or otherwise acquiring any interest in any of our securities shall be deemed to have notice of and consented to these provisions. These exclusive-forum provisions may limit a stockholder's ability to bring a claim in a judicial forum of its choosing for disputes with us or our directors, officers or other employees, which may discourage lawsuits against us and our directors, officers and other employees. This choice of forum provision does not preclude or contract the scope of exclusive federal or concurrent jurisdiction for any actions brought under the Securities Act or the Exchange Act. Accordingly, our exclusive forum provision will not relieve us of our duties to comply with the federal securities laws and the rules and regulations thereunder, and our stockholders will not be deemed to have waived our compliance with these laws, rules and regulations.

We do not intend to pay dividends for the foreseeable future.

We currently intend to retain any future earnings to finance the operation and expansion of our business and we do not expect to declare or pay any dividends in the foreseeable future. Moreover, the terms of our revolving credit facility may restrict our ability to pay dividends, and any additional debt we may incur in the future may include similar restrictions. As a result, stockholders must rely on sales of their common stock after price appreciation as the only way to realize any future gains on their investment.

Ownership of our stock is concentrated among our current officers, directors and their respective affiliates.

Our existing executive officers, directors and their respective affiliates, together as a group, beneficially own a significant amount of the outstanding shares of our common stock. This group, if it acts together, could have the ability to influence matters requiring stockholder approval, including the election of directors, amendment of our certificate of incorporation and approval of significant corporate transactions. As a result, this group could, for example, delay or prevent a change in control of BARK and the approval of certain transactions.

We may issue additional shares of common stock or other equity securities, which would dilute your ownership interests and could depress the market price of our common stock.

We currently have options, RSUs and warrants outstanding that are convertible into shares of our common stock. We also have the ability to issue equity awards that are convertible into shares of our common stock under our 2021 Equity Incentive Plan and under our Employee Stock Purchase Plan, see Note 4— Debt, and Note 6 — Stock-Based Compensation Plans, to our condensed consolidated financial statements set forth in this Quarterly Report on Form 10-Q. We may issue additional shares of common stock or other equity securities of equal or senior rank in the future in connection with, among other things, future acquisitions or repayment of outstanding indebtedness, without stockholder approval, in a number of circumstances. Our issuance of additional shares of common stock or other equity securities of equal or senior rank would dilute our existing shareholders and may cause the market price of our common stock to decline.

If we fail to regain compliance with the listing standards of the New York Stock Exchange, it could result in the delisting of our common stock and adversely affect the market price and liquidity of our common stock.

Our common stock is currently traded on the New York Stock Exchange (the "NYSE"). NYSE rules require us to maintain a minimum trading price of $1.00 per share of our common stock (the "Bid Price Requirement"). On July 10, 2025, we received a notification letter from the NYSE that we are not in compliance with the Bid Price Requirement because the average closing price of our common stock was less than $1.00 over a consecutive 30 trading-day period. Under applicable NYSE rules, we had a the six-month period following receipt of the NYSE's notice, or until January 10, 2025 (the "Compliance Date"), to regain compliance if on the last trading day of any calendar month prior to the Compliance Date, we had (i) a closing share price of at least $1.00 and (ii) an average closing share price of at least $1.00 over the 30 trading-day period ending on the last trading day of that month.

Under applicable NYSE rules, if we determined that we will regain compliance with the Bid Price Requirement by taking an action that requires stockholder approval, as is the case to effectuate a reverse stock split, we must obtain stockholder approval by no later than our next annual meeting of stockholders. Since the Bid Price Requirement condition did not cure within the six-month cure period, we currently intend to seek stockholder approval of a reverse stock split proposal at the annual meeting of stockholders, as disclosed in our preliminary proxy statement filed with the Securities and Exchange Commission on January 30, 2026. In such scenario, the Bid

Price Requirement condition will be deemed cured if the price promptly exceeds $1.00 per share, and the price remains above $1.00 per share for at least the following 30 trading days.

The notification received from the NYSE has no immediate effect on our NYSE listing. Our common stock will continue to be listed and trade on the NYSE at this time, subject to our ongoing compliance with the NYSE's other continued listing standards.

We cannot predict whether the reverse stock split, if completed, will increase the market price for our common stock for a sustained period of time. The history of similar stock split combinations for companies in like circumstances is varied. There can be no assurance that we will be able to satisfy the Bid Price Requirement, or maintain continued compliance with the Bid Price Requirement, or the other listing requirements of the NYSE. If we are unable to meet these requirements, and our common stock were to be delisted from the NYSE, trading of our common stock most likely will be conducted in the over-the-counter market on an electronic bulletin board established for unlisted securities such as the OTC Markets or in the "pink sheets." Such a downgrading in our listing market may limit our ability to make a market in our common stock and may impact purchases or sales of our securities.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 4. MINE SAFETY DISCLOSURES

Not applicable.

ITEM 5. OTHER INFORMATION

Securities Trading Plans of Directors and Executive Officers

During the period covered by this report, none of the Company's directors or officers adopted or terminated any contract, instruction or written plan for the purchase or sale of Company securities that was intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) or any "non-Rule 10b5-1 trading arrangement" as defined in Item 408 of Regulation S-K under the Exchange Act.

Repurchase of the Remaining Balance of 2025 Convertible Notes

On November 6, 2025, the Company repurchased the remaining 42.9 million of outstanding aggregate principal amount of 5.50% Convertible Secured Notes due 2025 (the "2025 Convertible Notes") from entities affiliated with Magnetar Financial, LLC (collectively, the "Holders"), pursuant to the terms and conditions of a negotiated notes purchase agreement (the "Agreement") among the Company and the Holders. See Note 4, "Debt," for additional details.

Pursuant to the Agreement, on November 6, 2025, the Company repurchased all $42.9 million of the remaining outstanding aggregate principal amount of the 2025 Convertible Notes from the Holders for a total cash purchase price of $45.1 million (which included $2.2 million of accrued and unpaid interest, through but excluding, the repurchase date).

The foregoing description of the Agreement and the transactions contemplated thereby is not complete and is subject to, and qualified in its entirety by reference to, the executed Agreement, a copy of which was filed as Exhibit 10.1 to the Company's Quarterly Report on Form 10-Q for the quarter ended September 30, 2025, filed with the Securities and Exchange Commission on November 10, 2025.

ITEM 6. EXHIBITS

The following exhibits are filed as part of, or incorporated by reference into, this Quarterly Report on Form 10-Q.

			Incorporated by Reference		
No.	Description of Exhibit	Filed or Furnished Herewith	Form	File No.	Date Filed
10.1	Notes Purchase Agreement dated November 6, 2025 by and among Magnetar Financial LLC, Magnetar Constellation Master Fund, LTD, Magnetar Constellation Fund II, LTD, Magnetar Structured Credit Fund, LP, Magnetar Xing He Master Fund LTD, Magnetar Longhorn Fund LP, Purpose Alternative Credit Fund-F LLC, Purpose Alternative Credit Fund-T LLC, Magnetar Lake Credit Fund LLC.	X			
31.1	Certification of Principal Executive Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
31.2	Certification of Principal Financial Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
31.3	Certification of Principal Accounting Officer Pursuant to Securities Exchange Act Rules 13a-14(a) and 15(d)-14(a), as adopted pursuant to Section 302 of the Sarbanes-Oxley Act of 2002	X			
32.1*	Certification of Principal Executive Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X			
32.2*	Certification of Principal Financial Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X			
32.3*	Certification of Principal Accounting Officer Pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002	X			
101.INS	Inline XBRL Instance Document	X			
101.SCH	Inline XBRL Taxonomy Extension Schema Document				
101.CAL	Inline XBRL Taxonomy Extension Calculation Linkbase Document	X			
101.DEF	XBRL Taxonomy Extension Definition Linkbase Document	X			
101.LAB	Inline XBRL Taxonomy Extension Label Linkbase Document	X			
101.PRE	XBRL Taxonomy Extension Presentation Linkbase Document	X			
104	Cover Page Interactive Data File (formatted as Inline XBRL and contained in Exhibit 101)				
*	The certifications attached as Exhibit 32.1 and 32.2 that accompany this Quarterly Report on Form 10-Q are not deemed filed with the Securities and Exchange Commission and are not to be incorporated by reference into any filing of BARK, Inc. under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, whether made before or after the date of this Quarterly Report on Form 10-Q, irrespective of any general incorporation language contained in such filing.				

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned thereunto duly authorized.

	BARK, Inc.
February 5, 2026	/s/ Matt Meeker
	Matt Meeker
	Chief Executive Officer
	(Principal Executive Officer)
	BARK, Inc.
February 5, 2026	/s/ Zahir Ibrahim
	Zahir Ibrahim
	Chief Financial Officer
	(Principal Financial Officer)
	BARK, Inc.
February 5, 2026	/s/ Brian Dostie
	Brian Dostie
	Vice President of Accounting, Controller
	(Principal Accounting Officer)

CERTIFICATION
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Matt Meeker, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended December 31, 2025 of BARK, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 05, 2026	/s/ Matt Meeker
	Matt Meeker
	Chief Executive Officer
	(Principal Executive Officer)

CERTIFICATION
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Zahir Ibrahim, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended December 31, 2025 of BARK, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant's other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

    a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

    b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

    c. Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

    d. Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and

5. The registrant's other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):

    a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and

    b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

February 05, 2026	/s/ Zahir Ibrahim
	Zahir Ibrahim
	Chief Financial Officer
	(Principal Financial Officer)

CERTIFICATION
PURSUANT TO RULES 13a-14(a) AND 15d-14(a)
UNDER THE SECURITIES EXCHANGE ACT OF 1934, AS ADOPTED PURSUANT TO
SECTION 302 OF THE SARBANES-OXLEY ACT OF 2002

I, Brian Dostie, certify that:

1. I have reviewed this quarterly report on Form 10-Q for the quarter ended December 31, 2025 of BARK, Inc.;

2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;

3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;

4. The registrant’s other certifying officer and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:

   a. Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;

   b. Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;

   c. Evaluated the effectiveness of the registrant’s disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and

   d. Disclosed in this report any change in the registrant’s internal control over financial reporting that occurred during the registrant’s most recent fiscal quarter (the registrant’s fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant’s internal control over financial reporting; and

5. The registrant’s other certifying officers and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant’s auditors and the audit committee of the registrant’s board of directors (or persons performing the equivalent functions):

   a. All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant’s ability to record, process, summarize and report financial information; and

   b. Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant’s internal control over financial reporting.

February 05, 2026	/s/ Brian Dostie
	Brian Dostie
	Vice President of Accounting, Controller
	(Principal Accounting Officer)

EXHIBIT 32.1

CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002

In connection with this quarterly report on Form 10-Q of BARK, Inc. (the "Company") for the quarter ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Matt Meeker, Chief Executive Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by the Report.

February 05, 2026

/s/ Matt Meeker
Matt Meeker
Chief Executive Officer
(Principal Executive Officer)

EXHIBIT 32.2

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this quarterly report on Form 10-Q of BARK, Inc. (the "Company") for the quarter ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Zahir Ibrahim, Chief Financial Officer of the Company, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by the Report.

February 05, 2026

/s/ Zahir Ibrahim
Zahir Ibrahim
Chief Financial Officer
(Principal Financial Officer)

EXHIBIT 32.3

**CERTIFICATION PURSUANT TO
18 U.S.C. SECTION 1350, AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with this quarterly report on Form 10-Q of BARK, Inc. (the "Company") for the quarter ended December 31, 2025, as filed with the Securities and Exchange Commission on the date hereof (the "Report"), I, Brian Dostie, Principal Accounting Officer, certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that, to my knowledge:

(1) the Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and

(2) the information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company for the period covered by the Report.

February 05, 2026

/s/ Brian Dostie

Brian Dostie
Vice President of Accounting, Controller
(Principal Accounting Officer)