

Thinkific Announces Reduction in Workforce, Realizing Efficiencies; Strategy, Growth and Commitment to Creator Success Remain on Track

Company remains focused on investing for growth and executing on its strategy - supporting Creators' success in the knowledge economy

Thinkific affirms Q1, 2022 revenue outlook, with revenue between \$11.6 and \$11.8 million; adjusted EBITDA loss expected to be slightly better than expectations of \$10.2 - \$10.8 million

Thinkific reports in U.S. dollars and in accordance with IFRS

VANCOUVER, BC, March 29, 2022 /CNW/ - Thinkific Labs Inc. ("Thinkific" or "the Company") (TSX: THNC), a leading cloud-based software platform that enables entrepreneurs and established businesses of all sizes to create, market, and sell online learning products, today announced a reduction in workforce to better reflect the areas of focus and growth at Thinkific. The Company also confirmed its Q1 2022 outlook.

THINKIFIC "We have made the difficult decision to reduce our workforce. We have grown from 270 at the end of Q1 2021 to 499 today and have concluded, following a rigorous review of our organizational structure, that with a reduction of 100 in our workforce, we could increase efficiency and lower costs without impacting our growth trajectory," said Mr. Greg Smith, Co-Founder and CEO of Thinkific. "While it is the right decision for the business, it was not one we made lightly. Everyone at Thinkific has played a role in the success we've had to date, and we are immensely grateful for their contributions. We are deeply committed to taking care of the members of our team that are leaving. This is a difficult day for the Thinkific team, but we are resilient. I am confident in our future.

"Our product-led growth strategy remains unchanged," continued Mr. Smith. "As evidenced by the affirmation of our Q1 outlook, our business performance is on track. We are confident that the leaner team will support our fanatical focus on the success of our Creators. Initiatives like broadening and deepening our partnerships, delivering technologies and solutions such as Thinkific Payments and Thinkific Communities, will further support our Creators in the growing knowledge economy."

Earlier today, Thinkific Co-Founder and CEO Greg Smith sent this [letter](#) to Thinkific employees.

Efficiencies will be realized in general and administrative, customer support, a reduced management layer, as well as targeted reductions in research and development and sales and marketing.

"Drivers of growth in 2022 continue to be Paying Customers and ARPU," stated Corinne Hua, CFO. "ARPU growth is expected to be significant as a result of Creators moving to higher-tier plans as well as Thinkific Payments. Our top-line growth remains our key focus, with a path to profitability a key component of our mid-term plan."

Thinkific will be reporting its first quarter 2022 results on Thursday May 5, 2022. At this time it will communicate its second quarter outlook and provide a general business update, including further details on this announcement.

About Thinkific

Thinkific (TSX:THNC) makes it simple for entrepreneurs and established businesses of any size to scale and generate revenue by teaching what they know. Our platform gives businesses everything they need to build, market, and sell online courses and other learning products, and to run their business seamlessly under their own brand, on their own site. Thinkific's 50,000+ active creators earned hundreds of millions of dollars in direct course sales while teaching tens of millions of students. Thinkific is headquartered in Vancouver, Canada, with a distributed and growing team.

For more information, please visit [Thinkific.com](https://thinkific.com).

Forward Looking Statements

This news release includes forward-looking statements and forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Often, but not always, forward-looking information can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative and grammatical variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements in this news release include statements regarding the Company's product-led growth strategy, restructuring plans and objectives to drive growth and long-term value creation; the potential for realizing efficiencies, lowering costs and decreasing operating expenses as a percentage of revenues; ARPU growth; Creators moving to higher tier plans; plans to broaden tools and features; growth in our industry; the adoption of Thinkific Payments, Thinkific Communities

and their features for the Company's customers. Such statements and information are based on the current expectations of Thinkific's management, and are based on assumptions and subject to risks and uncertainties. Although Thinkific's management believes that the assumptions underlying these statements and information are reasonable, they may prove to be incorrect. Except as required by applicable securities laws, forward-looking statements and information speak only as of the date on which they are made and Thinkific undertakes no obligation to publicly update or revise any forward-looking statement or information, whether as a result of new information, future events or otherwise.

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