

Thinkific Announces Fourth Quarter and Full Year 2025 Financial Results

*Revenue of \$18.7 Million for Q4 2025 and \$73.2 Million for 2025, up 6% and 9% Y/Y, respectively
Delivers Cash Flow from Operations of \$5.6 million in 2025 and Adjusted EBITDA of \$4.1 million*

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

VANCOUVER, BC, March 5, 2026 /CNW/ - Thinkific Labs Inc. ("**Thinkific**" or the "**Company**") (TSX: THNC), a leading learning commerce platform, today announced its financial results for the quarter ended December 31, 2025.

"We ended 2025 encouraged with the progress we are making in executing our upmarket strategy as demonstrated by our Q4 results which came in at the high-end of our guidance range," said Greg Smith, CEO and Founder of Thinkific. "Having laid out the new direction last year, our 2026 priorities are clear and we are focused on executing to validate and accelerate the path we are on. We are strengthening engineering excellence by deeply integrating AI into our development processes and platform capabilities while sharpening our go-to-market and packaging execution. With releases like Thinker AI Agents, we believe we are innovating to deliver the tools that will allow our customers to grow and scale their own businesses more effectively, which in turn will deliver measurable progress to Thinkific."

Fourth Quarter Financial Highlights

(All comparisons are relative to the fourth quarter of 2024)

- Total revenue for the fourth quarter of 2025 increased 6% to \$18.7 million, the high-end of the guided range of \$18.4 - \$18.7 million, driven by strong Commerce performance that helped ARPU⁽²⁾ grow by 5%, to \$175 per month.
 - Commerce revenue increased 13% to \$3.5 million, with GPV⁽²⁾ processed through Thinkific Commerce growing 23% to \$73.5 million. Thinkific Commerce penetration rate, measured as GPV⁽²⁾ as a percent of GMV⁽²⁾, increased to 63%, up from 52%. GMV⁽²⁾ saw an increase of 2% to \$117.3 million.
 - Subscription revenue increased 5% to \$15.2 million, with ARR⁽²⁾ also up 5% to \$61.0 million.
 - Thinkific Plus Subscription and Commerce revenue grew 17% to \$5.0 million. Self Serve Subscription and Commerce revenue increased by 3% to \$13.7 million.
- Gross margin decreased 3% to 72% in the fourth quarter of 2025, reflecting a shift in our revenue mix as we continue to see strong growth in Commerce revenue.
- Net income was \$0.3 million, an increase of \$1.0 million from a net loss of \$0.7 million.
- Adjusted EBITDA⁽¹⁾ was \$1.0 million or 6% of revenue, an improvement of \$0.1 million, or 16%.
- Cash, cash equivalents and short-term investments were \$50.7 million as of December 31, 2025. During the fourth quarter of 2025, the Company used \$0.5 million of cash for operating activities, compared to \$1.3 million of cash generated by operating activities in the same quarter a year ago.

"We are pleased with our Q4 results, which reaffirm the strength of our operating model even as we navigate a strategic transition," said Corinne Hua, CFO of Thinkific. "To better serve an upmarket customer, we are making one-time, targeted investments in R&D. We expect this to improve developer productivity and enable Thinkific to accelerate the delivery of our product roadmap in 2026."

Fiscal Year 2025 Financial Highlights

(All comparisons are relative to the year ended 2024)

- Total revenue for 2025 increased 9% to \$73.2 million, driven by strong Commerce performance.
 - Commerce revenue increased 32% to \$13.4 million with GPV⁽²⁾ processed through Thinkific Commerce growing 36% to \$273.5 million. Thinkific Commerce penetration rate, measured as GPV⁽²⁾ as a percent of GMV⁽²⁾, increased to 59%, up from 44%. GMV⁽²⁾ remained consistent at \$460.0 million.
 - Subscription revenue increased 5% to \$59.8 million.
 - Thinkific Plus Subscription and Commerce revenue grew 21% to \$19.0 million. Self Serve Subscription and Commerce revenue increased by 6% to \$54.2 million.
- Gross margin decreased 2% to 73% for 2025, reflecting a shift in our revenue mix as we continue to see strong growth in Commerce revenue.
- Net income for 2025 was \$1.3 million compared to a net loss of \$0.2 million.
- Adjusted EBITDA⁽¹⁾ was \$4.1 million or 6% of revenue, an improvement of \$1.1 million, or 38%.
- The Company generated \$5.6 million of cash from operating activities compared to \$7.0 million in 2024.

Subsequent to Quarter End

- On February 24, 2026, the company made Thinkific's AI Teaching Assistant, **Thinker**, generally available. Thinker represents the next step in Thinkific's broader AI vision allowing our customers to create their own custom agents, trained on their own proprietary data to interact with their own students and customers.

Fiscal Year 2025 Operational Highlights

- **Product Innovation.** Thinkific released continuous improvements to Our Platform, including enhancing our AI content generation tools, and advances in our advanced analytics capabilities.
 - There were substantial improvements made to Thinkific communities, including a modernized UI for communities and our mobile application, Weekly Digest Emails to support long-term community health and re-engagement, and rich text and multi-image posts to encourage more expressive, engaging community content that drives audience interaction.
 - Significant improvements to our Thinkific Commerce capabilities that allow our customers to scale their businesses by making it easier to sell and manage higher transaction volumes, include management of bulk licenses, checkout tracking, invoicing for B2B selling and improvements to subscription management and retention tools. Also added was coupon support and improved notification capabilities around subscriptions.
- Thinkific received several industry recognitions, including being named to G2's 2025 Best Software Awards in three categories (Best Customer

Service Software Products, Best Education Software Products, and Best Software Companies in Canada) in February 2025, recognition by Waterstone Human Capital as one of the 'Most Admired Corporate Cultures of 2024' in March 2025, and a 2025 Top Rated Award from TrustRadius in June 2025 based on customer reviews and ratings.

- Thinkific converted all multiple voting shares to single voting shares. Simplifying the capital structure improves corporate governance and is a first step in enhancing shareholder value. This strategic change demonstrates management's confidence in Thinkific's growth trajectory and their dedication to maximizing long-term value for every shareholder.
- Following its annual Shareholder's meeting, Thinkific named Russ Mann as Board Chairman, bringing a sharpened focus on revenue growth and dedication to maximizing long-term value for shareholders.
- Thinkific completed a secondary offering of approximately C\$15 million of Rhino Group's shares (which included an over allotment), simplifying the company's capital structure and paving the way to unlock shareholder value.
- The company renewed its normal course issuer bid which allows the company to purchase for cancellation up to 5%, or 3,395,023 of the common shares outstanding.

Outlook

For the first quarter of 2026, the Company expects revenue of \$18.6 - \$18.9 million. We expect an Adjusted EBITDA⁽¹⁾ loss in the range of 2% to 5% of Revenue due to one-time strategic investments within R&D, with improvements as we move through the year.

Actual results may differ materially from Thinkific's financial outlook as a result of, among other things, the factors described under "Forward-Looking Statements" below.

Quarterly Conference Call and Webcast Information

A conference call will be held at 5:00 PM ET (2:00 PM PT) on March 5, 2026 to discuss Thinkific's fourth quarter 2025 financial and operational results. To participate in the call, please dial 1.888.510.2154 (US/Canada toll-free) or 1.437.900.0527 (International/Toronto). For those unable to participate, a replay will be available an hour after the event by dialing 1.888.660.6345 (US/Canada toll-free) or 1.289.819.1450 (International/Toronto). The passcode is 73783#. The replay will expire at midnight ET on March 23, 2026. The conference call will also be available via webcast on the Investor Relations section of Thinkific's website at investors.thinkific.com/events-and-presentations.

Thinkific's audited consolidated financial statements and accompanying notes, and Management's Discussion and Analysis for the year ended December 31, 2025, are available on the Company's website at www.thinkific.com and on SEDAR+ at www.sedarplus.ca.

About Thinkific

Thinkific (TSX:THNC) is an award-winning learning commerce platform where courses and community come together to power business growth. Thinkific gives academies, experts, and businesses everything they need to create and sell online learning experiences, build communities, and grow their revenue — all from one platform. More than 35,000 customers — including companies like GoDaddy, Nasdaq, ActiveCampaign, and Datadog — have generated billions in revenue using Thinkific, impacting more than 200 million people worldwide.

For more information, please visit www.thinkific.com.

Non-IFRS Measures

The information presented within this press release includes "Adjusted EBITDA" and certain industry metrics. "Adjusted EBITDA" is not a recognized measure under International Financial Reporting Standards ("IFRS") as issued by the International Accounting Standards Board, does not have a standardized meaning prescribed by IFRS, and is therefore unlikely to be comparable to similar measures presented by other companies. Rather, this measure is provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management's perspective. Accordingly, it should not be considered in isolation nor as a substitute for analysis of our financial information reported under IFRS. We also use certain industry metrics: "Annual Recurring Revenue", "Average Revenue per User", "Gross Merchandise Volume" and "Gross Payments Volume". These industry metrics are unaudited and are not directly derived from our financial statements. The non-IFRS measure and industry metrics are used to provide investors with supplemental measures of our operating performance and thus highlight trends in our core business that may not otherwise be apparent when relying solely on IFRS measures. We also believe that securities analysts, investors and other interested parties frequently use non-IFRS measures and industry metrics in the evaluation of issuers. Our management also uses the non-IFRS measure and industry metrics in order to facilitate operating performance comparisons from period to period, to prepare annual operating budgets and forecasts and to determine components of management compensation.

"Adjusted EBITDA" is defined as Net income (loss) excluding taxes, interest, depreciation and amortization (or EBITDA), as adjusted for stock-based compensation, foreign exchange loss (gain), finance income, and non-recurring equity transaction costs. Adjusted EBITDA does not have a standardized meaning under IFRS and is not a measure of operating income, operating performance or liquidity presented in accordance with IFRS, and is subject to important limitations.

Please refer to "Reconciliation to IFRS from Non-IFRS measures" in this press release for more information.

Non-IFRS measure. See "Non-IFRS Measures" and the reconciliation to the most directly comparable IFRS

(1) measure.

(2) Key Performance Indicators. See definition in "Key Performance Indicators".

Key Performance Indicators

We monitor the following industry metrics to help us evaluate our business, measure our performance, identify trends affecting our business, formulate business plans and make strategic decisions: "Annual Recurring Revenue" or "ARR", "Average Revenue per User" or "ARPU", "Gross Merchandise Volume" or "GMV", and "Gross Payments Volume" or "GPV". Our key performance indicators may be calculated in a manner different than similar key performance indicators used by other companies.

"**ARPU**" is the average monthly Revenue per Paying Customer in the quarter. ARPU is calculated by taking the average Revenue for each month in the quarter and dividing this by the average number of Paying Customers for the same quarter.

"**ARR**" is the annual value of all current Paying Customer subscriptions at the end of the period, with the number of Paying Customers multiplied by 12 times the average monthly subscription plan fee in effect on the last day of that period.

"**GMV**" is the total dollar value of all transactions of course sales, membership subscriptions, or other products or services by our customers, facilitated through our platform during the period, net of refunds. GMV does not include transactions for course sales, membership subscriptions, or other products

or services processed by application programming interfaces or certain apps where the Company does not record the transaction value.

"GPV" is the total dollar value of transactions processed using Thinkific Payments in the period, net of refunds and inclusive of sales taxes where applicable. GPV does not represent revenue earned by us. Penetration rate is the percentage of GMV processed through Thinkific Payments, it is calculated by dividing GPV by GMV for the respective period. We believe that growth in GPV is an indicator of success of our customers in monetizing their learning products and of our Thinkific Payments offering. It is also a positive growth driver of revenue, which is derived from payment processing fees. Revenue earned from Thinkific Payments is included in our commerce revenue.

Forward-Looking Statements

This press release includes forward-looking statements and forward-looking information within the meaning of applicable securities laws in Canada. Forward-looking statements and information may relate to our future financial outlook and anticipated events or results and may include information regarding our financial position, business strategy, growth strategies, addressable markets, budgets, operations, financial results, taxes, dividend policy, plans and objectives. Particularly, information regarding our expectations of future results, performance, achievements, prospects or opportunities or the markets in which we operate is forward-looking information. In some cases, forward-looking information can be identified by the use of forward-looking terminology such as "plans", "targets", "trends", "directional indicator", "indicator", "future success", "expects", "is expected", "opportunity", "budget", "scheduled", "estimates", "outlook", "forecasts", "projection", "scalability", "trajectory", "prospects", "strategy", "intends", "anticipates", "adoption", "believes", or variations of such words and phrases or statements that certain actions, events or results "may", "could", "would", "might" or, "will", "occur" or "be achieved", and similar words, or the negative of these terms and similar terminology. In addition, any statements that refer to expectations, intentions, projections or other characterizations of future events or circumstances contain forward-looking information. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding future events or circumstances. Forward-looking statements in this press release include, but are not limited to statements regarding our financial position; management's ability to increase business efficiencies necessary to build and maintain a sustainable cost structure; business strategy, budgets, operations, investments, financial results, expectations with respect to Adjusted EBITDA, plans and objectives around growth and profitability; industry trends; growth in our industry; our growth rates and growth strategies; the expectations regarding our revenue and the revenue generation potential of Our Platform and other products; and our competitive position in our industry.

Forward-looking statements and information are based on our opinions, estimates and assumptions that, while considered by the Company to be appropriate and reasonable as of the date of this press release, are subject to known and unknown risks, uncertainties, and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information, including, but not limited to, the Company's ability to execute on its growth strategies; the impact of changing conditions and increasing competition in the global e-learning market in which the Company operates; the Company's ability to keep pace with technological and marketplace changes including, but not limited to fluctuations in currency exchange rates and volatility in financial markets; changes in attitudes, financial condition and demand of our target market; developments and changes in applicable laws and regulations; and such other factors discussed in greater detail under the "Risk Factors" section of our 2025 Annual Information Form ("AIF").

Forward-looking statements and information are necessarily based upon estimates and assumptions, which are inherently subject to significant business, economic and competitive uncertainties and contingencies, many of which are beyond the Company's control and many of which, regarding future business decisions, are subject to change. Assumptions or factors underlying the Company's expectations regarding forward-looking statements or information contained in this press release include, among others: our ability to continue investing in infrastructure to support our growth and brand recognition; our ability to continue maintaining, innovating, improving and enhancing our technological infrastructure and functionality, performance, reliability, design, security and scalability of our Platform (as defined in our AIF); our ability to maintain existing relationships with customers (as defined in our AIF) and to continue to expand our customers' use of our platform; our ability to acquire new customers; our ability to maintain existing material relationships on similar terms with service providers, suppliers, partners and other third parties; our ability to build our market share and enter new markets and industry verticals; the continued development, rollout, integration and success of new products, features, and services; our ability to retain key personnel; our ability to maintain and expand geographic scope; our ability to execute on our expansion and growth plans; our ability to obtain and maintain existing financing on acceptable terms; currency exchange and interest rates; the impact of competition; the changes and trends in our industry or the global economy; and the changes in laws, rules, regulations, and global standards. The foregoing list of assumptions cannot be considered exhaustive.

If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information provided herein. The opinions, estimates or assumptions referred to above are described in greater detail in "Summary of Factors Affecting our Performance" and in the "Risk Factors" section of our AIF, which is available under our profile on SEDAR+ at www.sedarplus.ca. should be considered carefully by prospective investors. Although we have attempted to identify important risk factors that could cause actual results to differ materially from those contained in forward-looking information, there may be other risk factors not presently known to us or that we presently believe are not material, that could also cause actual results or future events to differ materially from those expressed in such forward-looking information. There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. No forward-looking statement is a guarantee of future results. Accordingly, you should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this press release represents our expectations as of the date specified herein, and are subject to change after such date. However, we disclaim any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable securities laws.

All of the forward-looking information contained in this press release is expressly qualified by the foregoing cautionary statements. Readers are cautioned that any such forward-looking information should not be used for purposes other than for which it is disclosed.

THINKIFIC LABS INC.

Consolidated Statements of Financial Position

Amounts expressed in thousands of U.S. dollars

		As at December 31		As at December 31
		2025		2024
Assets				
Current assets				
Cash and cash equivalents	\$	7,837	\$	49,492
Short-term investments		42,857		—
Trade and other receivables		5,209		4,585
Prepaid expenses and other assets		3,030		3,288

Contract acquisition assets		705		640
Total current assets		59,638		58,005
Property and equipment		530		580
Lease right-of-use assets		1,396		1,738
Contract acquisition assets		1,034		909
Intangible assets		181		136
Total assets	\$	62,779	\$	61,368
Liabilities and shareholders' equity				
Current liabilities				
Accounts payable and accrued liabilities	\$	7,357	\$	7,598
Lease liabilities		342		368
Deferred revenue		10,697		9,869
Derivative liability		—		538
Total current liabilities		18,396		18,373
Lease liabilities		1,126		1,401
Total liabilities		19,522		19,774
Shareholders' equity				
Share capital		109,352		109,460
Contributed surplus		7,825		7,945
Accumulated other comprehensive income (loss)		26		(576)
Accumulated deficit		(73,946)		(75,235)
Total shareholders' equity		43,257		41,594
Total liabilities and shareholders' equity	\$	62,779	\$	61,368

THINKIFIC LABS INC.

Consolidated Statements of Income (Loss) and Comprehensive Income (Loss)

Amounts expressed in thousands of U.S. dollars, except share and per share amounts

	Three months ended December 31		Years ended December 31	
	2025	2024	2025	2024
Revenue	\$ 18,672	\$ 17,568	\$ 73,188	\$ 66,942
Cost of revenue	5,143	4,391	19,662	16,630
Gross profit	13,529	13,177	53,526	50,312
Operating expenses				
Sales and marketing	4,641	5,419	20,235	20,631
Research and development	5,815	5,083	21,601	19,049
General and administrative	3,134	3,103	13,015	13,076
Total operating expenses	13,590	13,605	54,851	52,756
Operating loss	(61)	(428)	(1,325)	(2,444)
Other income (expenses)				
Finance income	442	506	2,296	3,413
Foreign exchange (loss) gain	(35)	(755)	318	(1,206)
Total other (expenses) income	407	(249)	2,614	2,207
Net income (loss)	346	(677)	1,289	(237)
Other comprehensive income (loss)				
Unrealized gain (loss) on derivatives	171	(544)	602	(1,108)
Total comprehensive income (loss)	\$ 517	\$ (1,221)	\$ 1,891	\$ (1,345)
Weighted average number of common shares outstanding - basic	67,970,623	68,271,538	68,074,968	74,260,651
Weighted average number of common shares outstanding - diluted	68,736,419	68,271,538	68,865,330	74,260,651
Earnings (loss) per share				
Basic	\$ 0.01	\$ (0.01)	\$ 0.02	\$ (0.00)
Diluted	\$ 0.01	\$ (0.01)	\$ 0.02	\$ (0.00)

THINKIFIC LABS INC.

Consolidated Statements of Cash Flows

Amounts expressed in thousands of U.S. dollars

Years ended December 31

	2025	2024
Operating activities		
Net income (loss)	\$ 1,289	\$ (237)
Items not affecting cash and cash equivalents:		
Depreciation and amortization	1,339	1,386
Stock-based compensation	3,752	3,996
Unrealized foreign exchange (gain) loss	(361)	1,216
Finance income	(2,296)	(3,413)
Interest received	2,062	3,805
Changes in non-cash working capital:		
Trade and other receivables	(1,066)	(894)
Prepaid expenses and other assets	318	(152)
Contract acquisition assets	(925)	(732)
Accounts payable and accrued liabilities	649	1,677
Deferred revenue	828	340
Cash from operating activities	\$ 5,589	\$ 6,992
Investing activities		
Short-term investments	(42,384)	—
Proceeds on disposal of property and equipment	—	77
Investment in property and equipment and intangible assets	(258)	(243)
Cash used in investing activities	\$ (42,642)	\$ (166)
Financing activities		
Operating lease payments	(426)	(433)
Exercise of stock options	46	192
Tax remittances on stock based compensation	(1,169)	(2,696)
Shares repurchased for cancellation and other equity-related costs	(3,065)	(39,162)
Directors compensation and DSU settlements	(131)	(497)
Cash used in financing activities	\$ (4,745)	\$ (42,596)
Effect of exchange rate fluctuations on cash and cash equivalents held	143	(1,349)
Decrease in cash and cash equivalents	(41,655)	(37,119)
Cash and cash equivalents, beginning of year	49,492	86,611
Cash and cash equivalents, end of year	\$ 7,837	\$ 49,492
Non-cash transactions		
Taxes accrued on share repurchases included in accounts payable and accrued liabilities	\$ 44	\$ 775
Increase in right-of-use assets and lease liabilities	\$ —	\$ 1,308

THINKIFIC LABS INC.

Reconciliation from IFRS to Non-IFRS Measures (unaudited)

Amounts expressed in thousands of U.S. dollars

(in thousands of U.S. dollars)	Three months ended December 31		Years ended December 31	
	2025	2024	2025	2024
Net income (loss)	\$ 346	\$ (677)	\$ 1,289	\$ (237)
Stock-based compensation	771	964	3,752	3,996
Depreciation and amortization	330	359	1,339	1,386
Foreign exchange loss (gain)	35	755	(318)	1,206
Finance income	(442)	(506)	(2,296)	(3,413)
Non-recurring equity transaction costs	—	—	302	—
Adjusted EBITDA	\$ 1,040	\$ 895	\$ 4,068	\$ 2,938

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<https://investors.thinkific.com/2026-03-05-Thinkific-Announces-Fourth-Quarter-and-Full-Year-2025-Financial-Results>