

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025

As used in this management's discussion and analysis ("MD&A"), unless the context indicates or requires otherwise, all references to the "Company", "Thinkific", "we", "us" or "our" refer to Thinkific Labs Inc. together with our subsidiary, on a consolidated basis as constituted on September 30, 2025.

This MD&A, filed on November 12, 2025, for the three and nine months ended September 30, 2025, should be read in conjunction with the Company's unaudited condensed interim consolidated financial statements and the accompanying notes for the three and nine months ended September 30, 2025 (the "interim financial statements") as well as with our audited annual consolidated financial statements and the notes related thereto for the year ended December 31, 2024 (the "annual financial statements"). The financial information presented in this MD&A is derived from the Company's annual financial statements, which have been prepared in accordance with IFRS Accounting Standards ("IFRS") as issued by the International Accounting Standards Board ("IASB"). The Company's functional currency is the U.S. dollar and all amounts are reported in U.S. dollars unless otherwise noted. References to "CAD" refer to Canadian dollars. Certain amounts presented in this MD&A may not recalculate due to rounding.

This MD&A, the annual financial statements, and related press release have been filed in Canada on SEDAR+ at www.sedarplus.ca. Additional information relating to the Company is also available in our [2024 annual information form](#) ("2024 AIF") filed on SEDAR+ on March 5, 2025.

Forward-looking information

This MD&A contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking information") within the meaning of applicable securities laws in Canada. Forward-looking 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", "continue", "opportunity", "budget", "scheduled", "estimates", "outlook", "forecasts", "projection", "scalability", "trajectory", "prospects", "strategy", "intends", "anticipates", "adoption", "believes", "probably", "typically" 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 MD&A include, but are not limited to, statements with respect to industry trends; potential growth of our industry; our growth rates and growth strategies including our product-led growth strategy through the introduction of additional features and tools to support the success of our customers; addressable markets for our solutions; the achievement of advances in and expansion of our offered platform service (defined as "Thinkific Platform" and "Our Platform" in the 2024 AIF); the roll-out, development and success of new products, features, and services; the expectations regarding our revenue and the revenue generation potential of Our Platform and other products; the devotion of resources to enhance scalability of Our Platform; financial results, expectations with respect to Adjusted EBITDA; expectations regarding our Key Performance Indicators; seasonal variability in quarterly results; the use of foreign exchange forward contracts and applied hedge accounting to mitigate foreign currency risk; potential strategic transactions; purchases of Common Shares (as defined below) under the NCIB (as defined below); objectives around growth and profitability; our business plans and strategies including relationships with third parties; and our competitive position in our industry.

Forward-looking statements 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 MD&A, 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 in the digital learning market;
- 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 the ethical, legal and regulatory implications in the advancement and potential use of artificial intelligence;
- fluctuations in currency exchange rates and volatility in financial markets;
- changes in the 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 2024 AIF.

Assumptions or factors underlying the Company's expectations regarding forward-looking statements or information contained in this MD&A 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; our ability to maintain existing relationships with customers 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 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 2024 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 MD&A 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 MD&A is expressly qualified by the foregoing cautionary statements. Readers are cautioned that any such forward-looking financial information should not be used for purposes other than for which it is disclosed.

OVERVIEW

We believe any business can use education as a tool for growth. Our mission is to make it simple for our customers – to scale and generate revenue by offering learning products and exceptional learning experiences to their students. Thinkific provides our customers with a leading learning commerce platform that enables them to grow and diversify their businesses. Our platform gives businesses everything they need to build, market and sell learning products comprised of customized courses, membership sites, communities, digital products and other experiences (collectively, "**Learning Products**").

Our Platform is designed to enable our customers to easily develop Learning Products under their own brands, requiring no specialized technical expertise while offering enterprise-grade security, functionality and scalability for growth.

Our customers are a broad range of businesses looking to generate revenue from Online Courses, retain customers, and build community. Our global customers span nearly every industry vertical.

Thinkific was founded to solve problems for businesses seeking to use online education for growth. As a complete business solution for our customers, Our Platform provides the commerce and management functionality they need. Additionally, the Learning Products they create on Our Platform serve as the end product that our customers are selling. By focusing on creating business success for our customers, Thinkific acts as a partner in supporting their ongoing growth. We do this with features and tools built around four core functions:

- **First, we make it easy for anyone to create and deliver their own customized Learning Products.** Our customers have a vision for the courses, communities and other Learning Products they want to create for their Students. We help them accomplish that vision. Our Platform is AI-enabled, and offers tools to quickly create courses, communities, memberships, downloads, events, and other interactive experiences and digital products that can be set up easily and customized to fit the brand and vision of the business.
- **Second, we help our customers market and sell with full commerce functionality. Thinkific provides the tools to help our customers succeed.** This includes customized websites and landing pages, checkout pages, mobile apps and flexible pricing models tailored for selling Learning Products. We offer our most robust selling tools on Thinkific Commerce, which provides a combination of selling and administrative tools. Powered by Thinkific Payments, our commerce tools enable customers to accept payments, charge recurring subscriptions, offer payment terms through Buy Now Pay Later partners, process refunds, and update banking and business information with ease and without the friction of integrating a third-party payment provider. Thinkific Commerce helps our customers sell more through specific sales tools including group orders, gifting, order bumps and more. Administrative tasks are made easy with our comprehensive sales tax solution that calculates, collects and remits sales tax for customers on Thinkific Commerce where available.
- **Third, we have a network of partners to expand and promote our offering.** Thinkific's ecosystem of partners add flexibility and extends the functionality of Our Platform for our customers. We offer a customizable experience through our Thinkific application programming interface, integrations, and customizable site themes which allows customers to integrate Our Platform with their existing technology stack. We enable app developers and partners to build on top of the Thinkific Platform, accelerating innovation, research and development to further enhance the success of our customers. Our partner agencies, influencers, and affiliates help to market our products and bring new customers to build their business using Thinkific's Platform. As our ecosystem grows, Our Platform becomes even more attractive to new customers, allowing for greater revenue opportunities for all participants, including Thinkific.
- **Fourth, the business management tools, alongside superior support and customization options available, means that our customers are able to grow their business to nearly any size on Our Platform.** As our customers find success, they can unlock additional functionality to meet their increasing needs. Our larger customers choose Thinkific Plus, which provides SCORM compliant courses, learning paths, and key integration options, including access to a feature set and comprehensive support designed for more complex needs. The business management area within Our Platform allows our customers to manage their Learning Products, engage with their students, track data and give them financial insights. Our reporting and advanced analytics provide insights on sales, registrations, sales tax collections, student activities and progress, community involvement and student engagement and characteristics.

Together, these core functions combine to make the Thinkific Platform a central business operating system for many of our customers, encompassing not just commerce, but also the entire back office and the end products themselves.

For our customers, these core functions combine to provide the following key benefits:

- **High margins and scalability.** Customers use Our Platform to monetize their expertise by selling multiple Learning Products and grow their business. Utilizing our Learning Products, they can create once and can sell many times over. This typically means they have high profit margins, as compared to many other business models, such as selling physical goods. This profit provides them with more resources to reinvest in their businesses, allowing them to scale and reach more Students. Learning Products can be delivered globally with low marginal costs and no need to manage the logistics of inventory, supply chains, and distribution networks.
- **Save time.** Ease of use is a core principle of our product design philosophy. Building a business is hard; we believe using software should not be. Customers are able to set up and launch online courses, communities, and other Learning Products quickly with no specialized technical skills required.
- **Earn revenue.** Our Platform empowers our customers to sell and generate revenue through the sale of Learning Products beyond courses such as downloads, communities, memberships, live events and other digital products. To facilitate our customers' sales, Thinkific provides a suite of selling features around sales funnels and websites, group orders, order bumps, alternative payment methods and checkouts within Thinkific Commerce. This helps our customers to increase conversion and upsells, expanding their revenue.
- **Make an impact.** Although revenue is a primary goal for many of our customers, they also value the impact they can deliver to their Students, through delivering beautiful, and engaging learning experiences. Our customers create Learning Products on Our Platform, and can reach a global audience to positively impact people and communities that access their content. Our customers are proud of the smooth, easy to use, world class user experience that they deliver to their Students.

HIGHLIGHTS FOR THE THREE MONTHS ENDED SEPTEMBER 30, 2025

We refer the reader to the section entitled “Key Performance Indicators” below for the definitions of some of the items discussed herein and, when applicable, to the section entitled “Non-IFRS Measures and Reconciliation of Non-IFRS Measures” for reconciliations of non-IFRS measures with the most directly comparable IFRS measure.

Highlights for the three months ended September 30, 2025

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

- Total revenue increased 8% to \$18.6 million, ahead of the guided range of \$18.1 - \$18.4 million, driven by strong Commerce performance that helped Average Revenue per User (ARPU) grow by 5%, to \$173:
 - Commerce revenue increased 23% to \$3.4 million, with GPV⁽²⁾ processed through Thinkific Commerce growing 34% to \$70 million. Thinkific Commerce penetration rate, measured as GPV⁽²⁾ as a percent of GMV⁽²⁾, increased to 61%, up from 47%. GMV⁽²⁾ saw an increase of 3% to \$115 million.
 - Subscription revenue increased 5% to \$15.1 million, with ARR⁽²⁾ also up 5% to \$60.9 million.
 - Thinkific Plus Subscription and Commerce revenue grew 17% to \$4.9 million. Self Serve Subscription and Commerce revenue increased by 5% to \$13.7 million.
- Gross margin was 73% compared to 76% in the third quarter of 2024, reflecting a shift in our revenue mix as we continue to see strong growth in Commerce revenue.
- Net income was \$0.2 million, a decrease of \$0.4 million.
- Adjusted EBITDA⁽¹⁾ was \$1.1 million or 6% of revenue, an improvement of \$0.1 million, or 14%.
- Cash and cash equivalents were \$51.7 million as of September 30, 2025. During the third quarter of 2025, the Company generated \$0.6 million of cash from operating activities, compared to \$2.5 million in the same quarter a year ago.

KEY PERFORMANCE INDICATORS

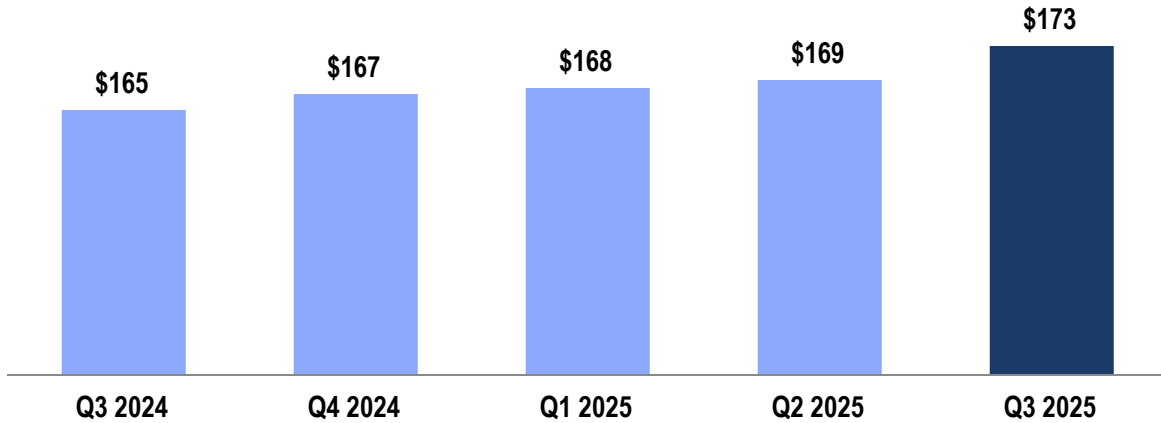
We use the following key performance indicators to help us evaluate our business, measure our performance, identify trends affecting our business, formulate business plans, and make strategic decisions. Our key performance indicators are not measures calculated in accordance with IFRS and may be calculated in a manner different than similar key performance indicators used by other companies.

Average Revenue Per User

“Average Revenue Per User” or “ARPU” is the average monthly revenue per paying customer (unique subscribers on paid plans, excluding those on trials or free plans) in the quarter. ARPU is calculated by taking the average revenue for each month in the quarter (calculated in accordance with IFRS) and dividing this by the average number of paying customers for the same quarter. ARPU growth primarily results from an increasing mix of (i) new paying customers choosing to subscribe to Thinkific Plus, (ii) growth in commerce revenue from customers adopting and monetizing with Thinkific Payments, (iii) existing paying customers moving upwards in our plan tiers in order to access enhanced features and functionalities, and (iv) any changes that are made to existing pricing plans or structures.

⁽¹⁾ Non-IFRS measure. See “Non-IFRS Measures” and the reconciliation to the most directly comparable IFRS measure

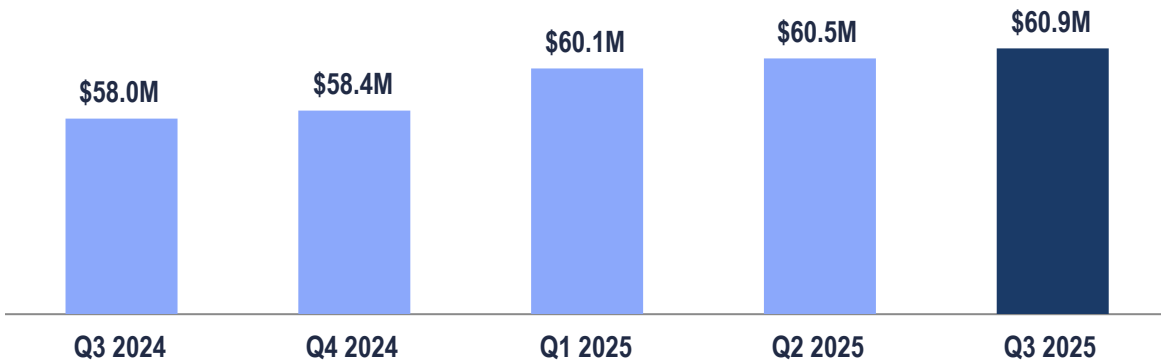
⁽²⁾ Key Performance Indicators. See definition in “Key Performance Indicators”



For the three months ended September 30, 2025 and 2024, ARPU was \$173 per month and \$165 per month, respectively, representing an increase of 5%.

Annual Recurring Revenue

“Annual Recurring Revenue” or “ARR” is twelve times the monthly value of all current paying customer subscriptions at the end of the period, with the number of paying customers multiplied by the average monthly subscription plan fee in effect on the last day of that period. Annual or other subscription durations are included as a prorated amount. ARR is used by management of the Company as a directional indicator of subscription revenue going forward, assuming paying customers maintain their subscription plan the following month. ARR allows management to have a consolidated measure that accounts for our different subscription plan levels and term lengths. We further analyze the factors that make up ARR and track trends in customer behaviour with regard to the number of customers (defined as customers on any plan, including free or trial) on each plan level, along with any movement of customers between plan levels.

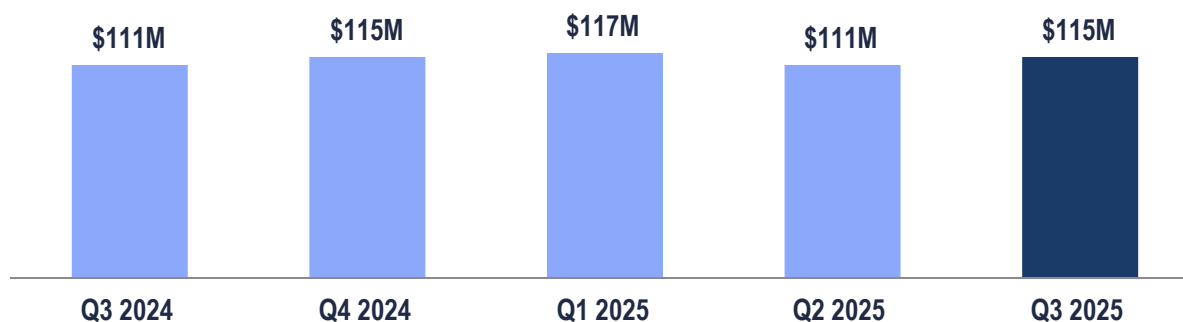


As at September 30, 2025 and 2024, ARR was \$60.9 million and \$58.0 million, respectively, representing an increase of 5%.

Gross Merchandise Volume

“Gross Merchandise Volume” or “GMV” is the total dollar value of all transactions of Learning Products made by our customers, facilitated through Our Platform, including Thinkific Payments, during the period, net of refunds and inclusive of sales tax where applicable. GMV does not include transactions for course sales, membership subscriptions, or other products or services processed by application programming interfaces or certain apps where we do not record the transaction value. Accordingly, we estimate the total dollar value of all transactions to be greater than the sum of transactions facilitated exclusively through Our Platform and recognized as GMV. We believe GMV is an indicator of the success of our customers in monetizing their Learning

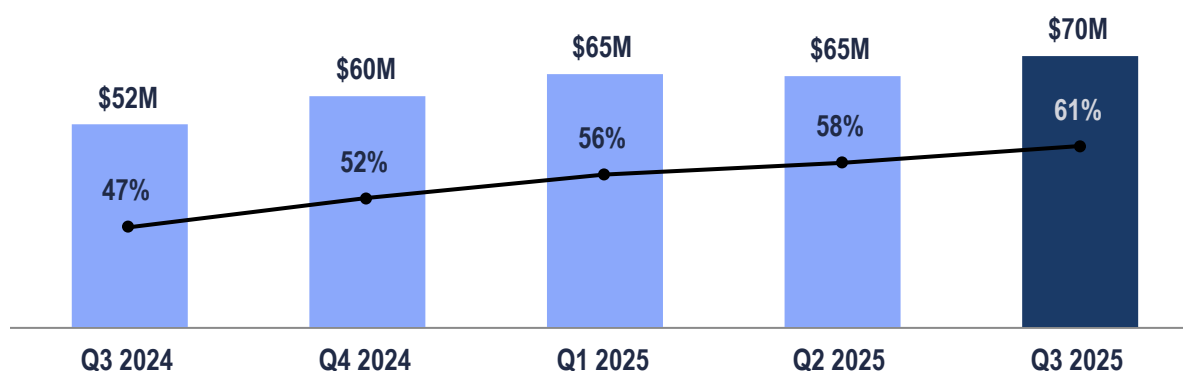
Products and the strengths of Our Platform. GMV may fluctuate quarter-to-quarter as a result of consumer behaviour and seasonal programs. GMV does not represent revenue earned by us.



For the three months ended September 30, 2025 and 2024, GMV was \$115 million and \$111 million, respectively, representing an increase of 3%.

Gross Payments Volume⁽¹⁾

“Gross Payments Volume” or “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. 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.



⁽¹⁾ GPV penetration rate is shown on the Y-axis of the above tables. Penetration rate is the percentage of GMV processed through Thinkific Payments, it is calculated by dividing GPV by GMV for the respective period.

For the three months ended September 30, 2025 and 2024, GPV was \$70 million and \$52 million, respectively, representing an increase of 34%. The growth in GPV was driven by growth in the penetration rate, which was 61% for the three months ended September 30, 2025, compared to 47% for the three months ended September 30, 2024.

NON-IFRS MEASURES AND RECONCILIATION OF NON-IFRS MEASURES

The information presented within this MD&A includes “Adjusted EBITDA” and “Working Capital” which are not recognized measures under IFRS and do not have a standardized meaning prescribed by IFRS, and are unlikely to be comparable to similar measures presented by other companies. Rather, these measures are provided as additional information to complement those IFRS measures by providing further understanding of our results of operations from management’s perspective. Accordingly, they should not be considered in isolation, nor as a substitute for analysis of our financial information reported under IFRS.

Adjusted EBITDA

Management believes that Adjusted EBITDA is a useful measure of operating performance and our ability to generate cash-based earnings, as it provides a more relevant picture of operating results by excluding the effects of financing and investing activities, which removes the effects of interest, and depreciation and amortization expense as non-cash items, and other expenses that are not reflective of our underlying business.

The Company defines Adjusted EBITDA as Net income 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.

The following table reconciles Adjusted EBITDA to Net income for the periods indicated:

| (in thousands of U.S. dollars) | Three months ended September 30 | | Nine months ended September 30 | |
|--|---------------------------------|---------------|--------------------------------|-----------------|
| | 2025 | 2024 | 2025 | 2024 |
| Net income | \$ 170 | \$ 579 | \$ 943 | \$ 440 |
| Stock-based compensation | 962 | 973 | 2,981 | 3,033 |
| Depreciation and amortization | 323 | 356 | 1,010 | 1,027 |
| Foreign exchange loss (gain) | 142 | (81) | (353) | 451 |
| Finance income | (541) | (897) | (1,854) | (2,907) |
| Non-recurring equity transaction costs | — | — | 302 | — |
| Adjusted EBITDA | \$ 1,056 | \$ 930 | \$ 3,029 | \$ 2,044 |

OUTLOOK

For the fourth quarter of 2025, the Company expects revenue of \$18.4 - \$18.7 million while maintaining positive Adjusted EBITDA.

SUMMARY OF FACTORS AFFECTING OUR PERFORMANCE

We believe that the growth and future success of our business depends on many factors, including those described below. While each of these factors presents significant opportunities for our business, they also pose important challenges, some of which are discussed below and in the “Risk Factors” section of our 2024 AIF, filed on March 5, 2025, which can be found on SEDAR+ at www.sedarplus.ca.

Changes in the market and evolving customer needs

Our success has been based on our ability to identify and anticipate the needs of our customers and design and maintain Our Platform such that it provides them with the tools they need to operate their businesses. Our ability to attract new customers, retain revenue from existing customers, and increase revenue from both new and existing customers will depend in large part on our ability to continue to improve and enhance the functionality, performance, reliability, design, security, and scalability of Our Platform. Our continued success will depend on our commitment to innovation and scalability as we execute on our strategic shift upmarket, ensuring our platform evolves to meet the more complex requirements of larger customers. Our continued success will also depend on our ability to keep pace with technological advancements (including artificial intelligence (“AI”)), and to introduce, on a timely and cost-effective basis, new and enhanced services that satisfy changing customer requirements and achieve market acceptance.

Economic conditions and resulting consumer spending trends

A majority of customers that use Our Platform are small and medium sized businesses (“SMBs”), and many of our customers are in the growth stage of their development. Our performance is subject to worldwide economic conditions, including fiscal policy changes and their impact on levels of spending by SMBs and their students.

Expansion and growth of customer base

We generate revenues through the sale of subscriptions to Our Platform and from our Thinkific Commerce solutions. Our future success depends, in part, on our ability to increase the adoption and retention of Our Platform by our existing customers and future customers. Our ability to grow our business also depends, in part, on our ability to persuade customers to expand their use of Our Platform and adopt Thinkific Commerce.

Margin structure of commerce solutions

Our growth strategy involves the roll out and adoption of our Thinkific Commerce solutions to our customers. As adoption of our overall commerce solutions increases, commerce revenue may grow significantly, however our gross margin percentage will decrease over time due to the lower gross margin profile of our payment processing revenue included in commerce revenue, relative to the higher gross margin percentage profile of our subscription revenue.

Thinkific Commerce is available in over 30 countries and may present risks and challenges that we have not yet experienced.

Seasonality

We expect variability in our quarterly results due to seasonal and macro economical factors affecting consumer demand patterns, Subscription revenue is generally more stable and predictable due to its recurring nature, though volume of new customers can fluctuate based on cyclical customer demand. Commerce revenue has the potential to be impacted by the seasonality and the variability of large customers sales patterns. Consequently, historical patterns in our business may not be a reliable indicator of future performance.

Security breaches

Notwithstanding that we have attained Services Organization Control Type 2 (SOC Type II) level of assurance, we operate in an industry that is prone to cyber attacks and other malicious assaults on our systems. Failure to prevent or mitigate security breaches could result in total service disruption and improper access to or disclosure of our data, our customers’ data, or their students’ data, could result in the loss or misuse of such data, all of which could detrimentally harm our business and reputation. In addition, techniques used to sabotage or to obtain unauthorized access to networks in which data is stored or through which data is transmitted change frequently. As a result, we may be unable to anticipate these techniques or implement adequate preventative measures to prevent an electronic intrusion into our networks.

Management of growth

The scalability and flexibility of Our Platform depends on the functionality of our technology and network infrastructure and its ability to handle increased traffic and demand. The growth in the number of customers using Our Platform and the number of orders processed through Our Platform has increased the amount of data and requests that we process. As our business grows, we will need to devote additional resources to improving our operational infrastructure and continue to enhance its scalability in order to maintain the performance of Our Platform to the satisfaction of our customers.

Strategic relationships with third parties

We anticipate that the growth of our business will continue to depend on third-party relationships, including relationships with our cloud infrastructure and video providers, app developers, theme designers, referral sources, resellers, payment and tax solution providers and other partners. Maintaining strong relationships with our third-party providers is integral to avoiding material adverse effects on our business and our customers. In addition to growing our third-party partner ecosystem, we intend to pursue additional relationships with other third-parties, such as technology and content providers and implementation consultants.

Strategic transactions

We continue to execute against our strategic initiatives that we believe will result in the long-term, sustainable growth and value to our stockholders. In the normal course of our operations, we continue to evaluate potential strategic transactions that we believe complement our existing infrastructure and capabilities or provide us with the opportunity to enter new product categories as well as expand our existing capabilities. Material acquisitions, dispositions and other strategic transactions involve a number of risks and our ability to identify and consummate any potential transactions on terms that are favorable to us may be limited by the number of attractive partners and targets, internal demands on our resources and, to the extent necessary, our ability to obtain financing on satisfactory terms, if at all.

New and developing markets

We operate in new and developing markets that may not develop as we expect and are prone to greater market uncertainty. We have encountered, and will continue to encounter, risks and difficulties frequently experienced by growing companies in rapidly changing industries, including unique or unfamiliar tax regimes, and increasing and unforeseen expenses as we continue to grow our business. Our future success will depend in part upon our ability to continue to expand into new geographic regions, and we will face risks entering markets in which we have limited or no experience, which have additional complexity, and in which we do not have any brand recognition.

Foreign exchange

Our presentation and functional currency is the U.S. dollar. We derive the largest portion of our revenue in U.S. dollars, currently resulting in minimal foreign exchange exposure risk on total revenue. As we continue to roll out local currency billing options, a decrease in the value of other currencies relative to the U.S. dollar could adversely impact our revenue. We believe that it is more important to remove friction for non-U.S. customers by charging in their local currency.

We incur operating expenses in U.S. dollars, however, our head office and the majority of our employees are located in Canada, and as such, a significant amount of our expenses are incurred in Canadian dollars. To minimize the exposure to foreign exchange risk, the Company enters into foreign exchange forward contracts to hedge 80% of its forecasted Canadian dollar denominated payroll expenditure up to a 12-month period. Our results of operations may be adversely impacted by a decrease in the value of the U.S. dollar relative to the Canadian dollar.

Macroeconomic and geopolitical uncertainty

Our performance is influenced by global economic conditions, particularly in the United States, where a significant portion of our revenue is generated. Factors such as inflation, rising interest rates, and shifts in consumer or enterprise spending can impact demand for our services. Additionally, political and economic uncertainty, including changes in trade policy, may affect customer purchasing behavior, delay investment decisions, or increase our costs. Thinkific serves a wide range of businesses who offer digital learning products, many of whom are responsive to changes in consumer sentiment, discretionary income, and economic stability.

While our technology business is generally not subject to tariffs or direct trade barriers currently, the imposition of future tariffs directly or indirectly affecting software products or services, escalating geopolitical tensions, or trade disputes could affect us. Restrictions on cross-border data flows, export controls on certain technologies, or broader shifts in U.S. regulatory policy could disrupt our operations or limit market access. Indirect impacts, such as slower customer growth or reduced capital spending in affected regions, could also influence our financial performance.

REVIEW OF OPERATIONS

FOR THE THREE AND NINE MONTHS ENDED SEPTEMBER 30, 2025

The following table outlines our Condensed Interim Consolidated Statements of Income and Comprehensive (Loss) Income (unaudited) for the periods indicated:

| | Three months ended September 30 | | Nine months ended September 30 | |
|--|---------------------------------|---------------|--------------------------------|-----------------|
| (in thousands of U.S. dollars, except share and per share amounts) | 2025 | 2024 | 2025 | 2024 |
| Subscription | \$ 15,133 | \$ 14,410 | \$ 44,581 | \$ 42,257 |
| Commerce | 3,441 | 2,789 | 9,935 | 7,117 |
| Revenue | 18,574 | 17,199 | 54,516 | 49,374 |
| Cost of revenue | 5,027 | 4,145 | 14,519 | 12,239 |
| Gross profit | 13,547 | 13,054 | 39,997 | 37,135 |
| Operating expenses | | | | |
| Sales and marketing | 5,135 | 5,334 | 15,594 | 15,212 |
| Research and development | 5,542 | 4,987 | 15,786 | 13,966 |
| General and administrative | 3,099 | 3,132 | 9,881 | 9,973 |
| Total operating expenses | 13,776 | 13,453 | 41,261 | 39,151 |
| Operating loss | (229) | (399) | (1,264) | (2,016) |
| Other income | 399 | 978 | 2,207 | 2,456 |
| Net income | \$ 170 | \$ 579 | \$ 943 | \$ 440 |
| Other comprehensive (loss) income | | | | |
| Unrealized (loss) gain on derivatives | (308) | 39 | 431 | (564) |
| Total comprehensive (loss) income | \$ (138) | \$ 618 | \$ 1,374 | \$ (124) |
| Earnings per share - basic | \$ — | \$ 0.01 | \$ 0.01 | \$ 0.01 |
| Earnings per share - diluted | \$ — | \$ 0.01 | \$ 0.01 | \$ 0.01 |
| Weighted average number of common shares outstanding - basic | 68,048,607 | 68,217,786 | 68,110,132 | 76,271,595 |
| Weighted average number of common shares outstanding - diluted | 68,698,731 | 69,340,033 | 68,941,424 | 77,805,225 |

Revenue

Subscription revenue

The Company generates subscription-based revenue from the sale of software subscriptions to its learning commerce platform. We offer subscription plans to meet the needs of our customers as they scale and grow from making their first sale on our Platform, to businesses sharing learning products on Thinkific Plus, our subscription service designed for larger customers and businesses.

Subscription agreements are monthly, annual, or multi-year, with the latter now representing a larger portion of our overall Thinkific Plus contracts. While monthly agreements still account for the majority of all agreements, specifically for Self Serve customers, our multi-year deals typically include built-in expansion levers. Paying customer agreements are generally automatically renewed until cancelled.

Subscription revenue is recognized rateably over the life of a contract, commencing on the in-service date and terminating on the end date of the agreement. Where customers elect to pay their full contract upfront, we record deferred revenue on our consolidated statement of financial position and recognize revenue rateably over the term of the contract.

Commerce revenue

The Company offers commerce tools designed to enable and increase sales on Our Platform, such as Thinkific Commerce, a payment processing solution that facilitates payment for the sale of our customers' Learning Products to their students. Additionally, the Company provides an automated sales tax solution that calculates, charges, and remits sales tax across Canada and the United States. The Company earns revenue through processing fees and revenue share agreements with our integrated commerce partners, including third party payment processors and other commerce providers.

| (in thousands of U.S. dollars, except percentages) | Three months ended September 30 | | | | Nine months ended September 30 | | | |
|---|---------------------------------|------------------|-----------------|-------------|--------------------------------|------------------|-----------------|-------------|
| | 2025 | 2024 | Change \$ | Change % | 2025 | 2024 | Change \$ | Change % |
| Subscription | \$ 15,133 | \$ 14,410 | \$ 723 | 5% | \$ 44,581 | \$ 42,257 | \$ 2,324 | 5% |
| Commerce | 3,441 | 2,789 | 652 | 23% | 9,935 | 7,117 | 2,818 | 40% |
| Total revenue | \$ 18,574 | \$ 17,199 | \$ 1,375 | 8% | \$ 54,516 | \$ 49,374 | \$ 5,142 | 10% |

Subscription revenue

Subscription revenue increased \$723 thousand or 5%, for the three months ended September 30, 2025, and \$2.32 million or 5% for the nine months ended September 30, 2025, compared to the same periods in the prior year. The increase was primarily driven by Thinkific Plus which saw growth in both new contracts and expansion.

Commerce revenue

Commerce revenue increased \$0.65 million or 23%, for the three months ended September 30, 2025, and \$2.82 million or 40% for the nine months ended September 30, 2025, compared to the same periods in the prior year. The increase was a result of increased payment processing revenue driven by growth in penetration rate, as more customers continue to adopt Thinkific Payments. For the three months ended September 30, 2025, the penetration rate was 61% resulting in \$70 million in GPV, compared to a penetration rate of 47% resulting in \$52 million in GPV for the same period in the prior year.

Cost of revenue

Cost of revenue consists primarily of support services, payment processing fees, third-party infrastructure and hosting costs, and software costs.

| (in thousands of U.S. dollars, except percentages) | Three months ended September 30 | | | | Nine months ended September 30 | | | |
|---|---------------------------------|-----------------|---------------|-------------|--------------------------------|------------------|-----------------|-------------|
| | 2025 | 2024 | Change \$ | Change % | 2025 | 2024 | Change \$ | Change % |
| Subscription | \$ 2,863 | \$ 2,501 | \$ 362 | 14% | \$ 8,236 | \$ 7,813 | \$ 423 | 5% |
| Commerce | 2,164 | 1,644 | 520 | 32% | 6,283 | 4,426 | 1,857 | 42% |
| Total cost of revenue | \$ 5,027 | \$ 4,145 | \$ 882 | 21% | \$ 14,519 | \$ 12,239 | \$ 2,280 | 19% |

Cost as a percentage of revenue

| | | | | | | |
|--------------|------------|------------|-----------|------------|------------|-----------|
| Subscription | 19% | 17% | 2% | 18% | 18% | —% |
| Commerce | 63% | 59% | 4% | 63% | 62% | 1% |
| Total | 27% | 24% | 3% | 27% | 25% | 2% |

Subscription cost of revenue

Subscription cost of revenue increased by \$362 thousand or 14% for the three months ended September 30, 2025 and \$423 thousand or 5% for the nine months ended September 30, 2025. The increase compared to the same periods in the prior year is due to investments in customer service teams, which are focused on both delivering best-in-class support and enabling our upmarket strategy.

Commerce cost of revenue

Commerce cost of revenue increased by \$520 thousand or 32%, for the three months ended September 30, 2025 and \$1.86 million or 42% for the nine months ended September 30, 2025, compared to the same periods in the prior year. The increase was driven by higher payment processing and support related costs, directly correlating with the significant increase in payments processed on our platform.

Gross profit

| (in thousands of U.S. dollars, except percentages) | Three months ended September 30 | | | | Nine months ended September 30 | | | |
|--|---------------------------------|------------------|---------------|-----------|--------------------------------|------------------|-----------------|-----------|
| | 2025 | 2024 | Change \$ | Change % | 2025 | 2024 | Change \$ | Change % |
| Subscription | \$ 12,270 | \$ 11,909 | \$ 361 | 3% | \$ 36,345 | \$ 34,444 | \$ 1,901 | 6% |
| Commerce | 1,277 | 1,145 | 132 | 12% | 3,652 | 2,691 | 961 | 36% |
| Total gross profit | \$ 13,547 | \$ 13,054 | \$ 493 | 4% | \$ 39,997 | \$ 37,135 | \$ 2,862 | 8% |

Gross profit as a percentage of revenue

| | | | | | | |
|--------------|------------|------------|-------------|------------|------------|-------------|
| Subscription | 81% | 83% | (2%) | 82% | 82% | —% |
| Commerce | 37% | 41% | (4%) | 37% | 38% | (1%) |
| Total | 73% | 76% | (3%) | 73% | 75% | (2%) |

Subscription gross profit

Subscription gross profit increased \$361 thousand or 3%, for the three months ended September 30, 2025 and \$1.90 million or 6% for the nine months ended September 30, 2025, compared to the same periods in the prior year. The increase in gross profit earned on subscriptions was driven by overall growth in ARR, offset by an increase in salaries and benefits as we continue to scale our global support.

As a percentage of revenue, subscription gross profit had a slight decrease from 83% in the three months ended, September 30, 2024, to 81% in the three months ended, September 30, 2025 due to investments in customer service teams, which are focused on both delivering best-in-class support and enabling our upmarket strategy, and remained consistent in the nine months ended September 30, 2025 as compared to the same period in the prior year.

Commerce gross profit

Commerce gross profit increased \$132 thousand or 12%, for the three months ended September 30, 2025 and \$961 thousand or 36% for the nine months ended September 30, 2025, compared to the same periods in the prior year. For the three months ended September 30, 2025 the increase in Commerce gross profit was driven by increased penetration rate, partially offset by the increase in payment processing costs. For the nine months ended September 30, 2025 the increase in Commerce growth profit was driven by an increased penetration rate and additional revenue from transaction fees processed through third party payment processors, which has no direct cost of revenue associated with it, partially offset by an increase in payment processing costs.

As a percentage of revenue, Commerce gross profit decreased from 41% in the three months ended September 30, 2024 to 37% in the three months ended September 30, 2025. The decrease was due to higher support-related costs associated with

increased Thinkific Payments-related customer tickets. Commerce gross profit had a slight decrease from 38% in the nine months ended September 30, 2024 to 37% in the nine months ended September 30, 2025.

Operating expenses

Sales and marketing

Sales and marketing expenses consist primarily of employee-related expenses, including stock-based compensation, as well as expenses for performance marketing and lead generation, brand marketing, software subscriptions, and corporate overhead allocations.

| (in thousands of U.S. dollars, except percentages) | Three months ended September 30 | | | | Nine months ended September 30 | | | |
|---|---------------------------------|----------|--------------|-------------|--------------------------------|-----------|--------------|-------------|
| | 2025 | 2024 | Change \$ | Change % | 2025 | 2024 | Change \$ | Change % |
| Sales and marketing | \$ 5,135 | \$ 5,334 | \$ (199) | (4)% | \$ 15,594 | \$ 15,212 | \$ 382 | 3% |
| Percentage of revenue | 28% | 31% | | (3)% | 29% | 31% | | (2)% |

Sales and marketing expenses decreased \$199 thousand or 4% for the three months ended September 30, 2025, and increased \$382 thousand or 3% for the nine months ended September 30, 2025, compared to the same periods in the prior year. The decrease was primarily due to finding efficiencies in our go-to-market motion and lower software spend. The increase in the nine month period was a result of strategic investments in personnel and more targeted expenditure related to our focused upmarket strategy and re-brand.

Research and development

Research and development expenses consist primarily of employee-related expenses, including stock-based compensation, as well as expenses for product management, development and design, contractor fees, software subscriptions, and corporate overhead allocations. We plan to continue to execute our product-led growth strategy by launching additional products and features to support the success of our customers.

| (in thousands of U.S. dollars, except percentages) | Three months ended September 30 | | | | Nine months ended September 30 | | | |
|---|---------------------------------|----------|--------------|-------------|--------------------------------|-----------|--------------|-------------|
| | 2025 | 2024 | Change \$ | Change % | 2025 | 2024 | Change \$ | Change % |
| Research and development | \$ 5,542 | \$ 4,987 | \$ 555 | 11% | \$ 15,786 | \$ 13,966 | \$ 1,820 | 13 % |
| Percentage of revenue | 30% | 29% | | 1% | 29% | 28% | | 1% |

Research and development expenses increased \$555 thousand or 11% for the three months ended September 30, 2025, and \$1.82 million or 13% for the nine months ended September 30, 2025, compared to the same periods in the prior year. The increases were driven by investments in personnel to deliver on our upmarket strategy, including AI-powered advancements in community-driven learning, learner engagement and retention, and commerce tools.

General and administrative

General and administrative expenses consist of employee-related expenses for our finance, legal, people, security, and operations teams. These expenses also include professional services costs, software subscriptions, public company fees, certain tax and insurance-related expenses, as well as corporate overhead allocations.

| (in thousands of U.S. dollars, except percentages) | Three months ended September 30 | | | | Nine months ended September 30 | | | |
|---|---------------------------------|----------|--------------|-------------|--------------------------------|----------|--------------|-------------|
| | 2025 | 2024 | Change \$ | Change % | 2025 | 2024 | Change \$ | Change % |
| General and administrative | \$ 3,099 | \$ 3,132 | \$ (33) | (1%) | \$ 9,881 | \$ 9,973 | \$ (92) | (1%) |
| Percentage of revenue | 17% | 18% | | (1%) | 18% | 20% | | (2%) |

General and administrative expenses decreased \$33 thousand or 1% for the three months ended September 30, 2025, compared to the same period in the prior year, driven by lower headcount related costs.

General and administrative expenses decreased \$92 thousand or 1% for the nine months ended September 30, 2025, compared to the same period in the prior year. The decrease was driven by lower recruiting fees, largely offset by costs associated with the secondary offering.

Other income

Other income primarily consists of foreign exchange gains and losses which occur on foreign-denominated currency transactions and on the translation of monetary assets and liabilities denominated in foreign currencies into U.S. dollars, as well as finance income and expenses.

| (in thousands of U.S. dollars, except percentages) | Three months ended September 30 | | | | Nine months ended September 30 | | | |
|---|---------------------------------|--------|--------------|-------------|--------------------------------|----------|--------------|-------------|
| | 2025 | 2024 | Change \$ | Change % | 2025 | 2024 | Change \$ | Change % |
| Other income | \$ 399 | \$ 978 | \$ (579) | (59%) | \$ 2,207 | \$ 2,456 | \$ (249) | (10%) |
| Percentage of revenue | 2% | 6% | | (4%) | 4% | 5% | | (1%) |

Other income for the three months ended September 30, 2025, decreased \$579 thousand or 59% compared to the same period in the prior year. The decrease was primarily attributed to three factors: a \$222 thousand foreign exchange gain resulting from the Canadian dollar strengthening against the U.S. dollar; a \$266 thousand decrease from a change in fair value of cash-settled equity incentive arrangements, the liability for which is remeasured at each reporting period based on the Company's share price at each period-end; and a \$100 thousand reduction in finance income caused by decreased interest income.

Other income for the nine months ended September 30, 2025, decreased \$249 thousand or 10% compared to the same period in the prior year. This decrease was driven by a \$1.05 million decrease in finance income due to lower cash balances. The decline was largely offset by two factors: a \$804 thousand foreign exchange loss resulting from the Canadian dollar strengthening against the U.S. dollar; and a \$161 thousand increase in the fair value of cash-settled equity incentive arrangements.

KEY BALANCE SHEET INFORMATION

| (in thousands of U.S. dollars, except percentages) | As at September 30 | | As at December 31 | | Change \$ | Change % |
|--|--------------------|-----------|-------------------|----------|--------------|-------------|
| | 2025 | 2024 | 2025 | 2024 | | |
| Cash and cash equivalents | \$ 51,742 | \$ 49,492 | \$ 49,492 | \$ 2,250 | \$ 2,250 | 5% |
| Total assets | \$ 62,440 | \$ 61,368 | \$ 61,368 | \$ 1,072 | \$ 1,072 | 2% |
| Total liabilities | \$ 19,661 | \$ 19,774 | \$ 19,774 | \$ (113) | \$ (113) | (1%) |

Total assets

Total assets increased \$1.07 million, or 2%, during the nine months ended September 30, 2025, primarily due to a \$2.25 million increase in cash and cash equivalents, driven by higher cash deposits and the timing of outgoing payments, partially offset by a \$0.08 million decrease in prepaid expenses and other assets driven by amortization in the period.

Total liabilities

Total liabilities decreased \$113 thousand, or 1%, during the nine months ended September 30, 2025, primarily due to an increase of \$1.19 million in deferred revenue driven by a larger mix of annually billed customers, rather than monthly, and an increase in Thinkific Plus revenue, largely offset by a \$431 thousand decrease in the derivative liability as the average forward rate is higher than the contract rate, resulting in a reduction of the liability, and a \$643 thousand decrease in accounts payable and accrued liabilities driven by timing of payments.

SELECTED QUARTERLY INFORMATION

The following table sets forth selected unaudited quarterly statements of operations for the Company for the preceding eight quarters. The information for each of these quarters has been prepared on the same basis as the annual financial statements. This data should be read in conjunction with our annual financial statements. These quarterly operating results are not necessarily indicative of our operating results for a full year or any future period.

| (in thousands of U.S. dollars, except share and per share information) | Three months ended | | | | | | | |
|--|--------------------|---------------|---------------|-----------------|---------------|---------------|-------------------|----------------|
| | Sep 30, 2025 | Jun 30, 2025 | Mar 31, 2025 | Dec 31, 2024 | Sep 30, 2024 | Jun 30, 2024 | Mar 31, 2024 | Dec 31, 2023 |
| Revenue | \$ 18,574 | \$ 18,098 | \$ 17,844 | \$ 17,568 | \$ 17,199 | \$ 16,211 | \$ 15,964 | \$ 15,574 |
| Cost of revenue | 5,027 | 4,820 | 4,672 | 4,391 | 4,145 | 4,006 | 4,088 | 3,906 |
| Gross profit | 13,547 | 13,278 | 13,172 | 13,177 | 13,054 | 12,205 | 11,876 | 11,668 |
| Operating expenses | | | | | | | | |
| Sales and marketing | 5,135 | 5,433 | 5,026 | 5,419 | 5,334 | 4,890 | 4,988 | 4,847 |
| Research and development | 5,542 | 5,346 | 4,898 | 5,083 | 4,987 | 4,335 | 4,644 | 4,803 |
| General and administrative | 3,099 | 3,341 | 3,441 | 3,103 | 3,132 | 3,060 | 3,781 | 3,188 |
| Restructuring | — | — | — | — | — | — | — | (61) |
| Total operating expenses | 13,776 | 14,120 | 13,365 | 13,605 | 13,453 | 12,285 | 13,413 | 12,777 |
| Operating loss | (229) | (842) | (193) | (428) | (399) | (80) | (1,537) | (1,109) |
| Other income (expenses) | 399 | 1,214 | 594 | (249) | 978 | 1,010 | 468 | 1,410 |
| Net income (loss) | \$ 170 | \$ 372 | \$ 401 | \$ (677) | \$ 579 | \$ 930 | \$ (1,069) | \$ 301 |
| Earnings (loss) per share - basic | \$ — | \$ 0.01 | \$ 0.01 | \$ (0.01) | \$ 0.01 | \$ 0.01 | \$ (0.01) | \$ — |
| Earnings (loss) per share - diluted | \$ — | \$ 0.01 | \$ 0.01 | \$ (0.01) | \$ 0.01 | \$ 0.01 | \$ (0.01) | \$ — |
| Weighted average number of common shares outstanding - basic | 68,048,607 | 68,104,374 | 68,178,844 | 68,271,538 | 68,217,786 | 79,618,425 | 81,067,077 | 81,366,415 |
| Weighted average number of common shares outstanding - diluted | 68,698,731 | 68,950,072 | 69,176,300 | 68,271,538 | 69,340,033 | 81,149,250 | 81,067,077 | 84,644,590 |

Revenue

Quarterly revenue increased sequentially for all periods presented, primarily due to increased Commerce revenue driven by growth in penetration rate, as more customers continue to adopt Thinkific Payments, and increased Subscription revenue primarily in Thinkific Plus which saw growth in ARR while Self Serve remained largely consistent for the quarters presented.

Cost of revenue

Quarterly cost of revenue includes support, hosting, software and payment processing costs. These costs have fluctuated over the periods presented as support costs and hosting costs have generally declined, while payment processing costs have increased with the adoption of Thinkific Commerce which has a higher overall cost structure than our core subscription business.

Gross profit

Quarterly gross profit increased sequentially for all periods presented (with the exception of the three months ended March 31, 2025 which saw a slight decrease), primarily due to ARPU growth related to subscription revenue and increased adoption of Thinkific Commerce related to commerce revenue.

Operating expenses

Operating expenses as a percentage of revenue declined across the periods presented, demonstrating the Company's improved operational leverage as realized through greater efficiencies. Across this period, the Company continued to invest in new feature releases, and other strategic investments to support future growth plans. Some of the notable changes quarter-over-quarter were a result of the following: increased operating expenses resulting from continued investments in growth drivers such as market research, costs associated with simplifying the company's capital structure, and investments in research and development to drive innovation and financial growth.

LIQUIDITY, CAPITAL RESOURCES, AND FINANCING

Overview

The general objectives of the Company's capital management strategy reside with the preservation of its capacity to continue operating, in providing benefits to its stakeholders, and in providing a return on investment to its shareholders by selling its services at a price commensurate with the operating risk it assumes.

The Company determines the total amount of capital required consistent with risk levels. This capital structure is adjusted on a timely basis depending on changes in the economic environment and in the risks of the underlying assets. The Company is not subject to any externally imposed capital requirements.

Capital structure

On April 25, 2025, the Company completed the elimination of its dual-class share structure by converting all 44,401,619 multiple voting shares into subordinate voting shares on a one-for-one basis. Immediately following the conversion, the subordinate voting shares were renamed as "Common Shares" and the multiple voting shares were eliminated as an authorized class.

For the purposes of this document, "**Common Shares**" means the single class of voting shares in the capital of the Company. As of April 25, 2025, all references to "Common Shares" refer to the renamed subordinate voting shares. References to "Common Shares" for periods prior to April 25, 2025, refer to the subordinate voting shares and multiple voting shares then outstanding.

Base shelf prospectus

On October 27, 2023, the Company filed a short form base shelf prospectus with securities regulatory authorities in each of the provinces and territories of Canada to allow the Company and its security holders to offer for sale, during the 25-month period that the base shelf prospectus is effective, up to CAD \$300.0 million of Common Shares, preferred shares, debt securities, warrants, subscription receipts, units, or any combination thereof.

Normal Course Issuer Bid

On November 7, 2024, the Company renewed its normal course issuer bid (“**NCIB**”), as originally approved by the Company’s Board of Directors on November 7, 2023, to purchase for cancellation a maximum of 2,355,820 Common Shares, representing approximately 10% of the public float of the Common Shares as at October 31, 2024, over the 12-month period commencing November 12, 2024 and ending no later than November 11, 2025.

On November 12, 2025, the Company’s Board of Directors approved the renewal of the previous NCIB to purchase for cancellation a maximum of 3,395,023 Common Shares, representing approximately 5% of the issued and outstanding Common Shares (as defined in the rules and policies of the TSX) as at November 5, 2025, over the 12-month period from November 19, 2025 to November 18, 2026 in accordance with the requirements of the TSX and applicable securities laws.

Repurchase activity for the nine months ended September 30, 2025

- 970,946 total shares repurchased for cancellation
- Average price per share of \$1.78 (CAD \$2.52)
- Total cash consideration of \$1.73 million, including \$9 thousand recorded as a reduction to share capital (excess of purchase price over the carrying value of Common Shares repurchased)
- \$41 thousand of transaction costs incurred in connection with the NCIB, including \$35 thousand related to the tax impact of the Common Shares repurchased, which was recorded as a reduction of share capital.

Repurchase activity for the nine months ended September 30, 2024

- 1,320,576 total shares repurchased for cancellation
- Average price per share of \$2.56 (CAD \$3.47)
- Total cash consideration of \$3.38 million, including \$849 thousand recorded as a reduction to share capital (excess of purchase price over the carrying value of Common Shares repurchased)
- \$79 thousand of transaction costs incurred in connection with the NCIB, including \$67 thousand related to the tax impact of the Common Shares repurchased, which was recorded as a reduction of share capital.

A copy of the NCIB notice to the TSX may be obtained, free of charge, by contacting Thinkific’s Corporate Secretary at legal@thinkific.com.

Substantial Issuer Bid

On June 21, 2024, the Company completed a Substantial Issuer Bid (“**SIB**”) under which it repurchased and cancelled 12,857,795 Common Shares at a price of \$2.72 (CAD \$3.72) per share, for total consideration of \$34.95 million.

The Company remitted \$819 thousand in taxes during the nine months ended September 30, 2025 related to share repurchases under the NCIB and SIB from prior periods, of which \$775 thousand was recorded as an accrued liability at December 31, 2024.

Working capital

Our primary sources of cash flows are revenue from operations and equity capital raised. Our approach to managing working capital is to ensure, to the extent possible, that we always have sufficient liquidity to meet our liabilities as they become due. We do so by monitoring cash flow and performing budget-to-actual analyses on a regular basis.

Working capital is defined as current assets less current liabilities. The data presented is intended to provide additional information about items on the statement of financial position and assist readers in evaluating the Company’s liquidity and should not be considered in isolation or as a substitute for measures prepared in accordance with IFRS. See “Non-IFRS Measures and Reconciliation of Non-IFRS Measures” in this MD&A for more detail.

The following table represents the Company's working capital position:

| | As at September 30 | | As at December 31 | |
|---|--------------------|---------------|-------------------|---------------|
| (in thousands of U.S. dollars) | 2025 | | 2024 | |
| Current assets | \$ | 59,289 | \$ | 58,005 |
| less: Current liabilities | | 18,451 | | 18,373 |
| Working capital ⁽¹⁾ | | 40,838 | | 39,632 |
| add: Deferred revenue | | 11,061 | | 9,869 |
| Working capital excluding deferred revenue | \$ | 51,899 | \$ | 49,501 |

⁽¹⁾ Working capital is not a recognized measure under IFRS. See "Non-IFRS Measures and Reconciliation of Non-IFRS Measures" in this MD&A for more detail.

Given our existing cash and cash equivalents balance as at September 30, 2025, we believe there is sufficient liquidity to meet our current and short-term financial obligations.

Cash flows

The following table presents the net cash flows from (used in) operating, investing, and financing activities for the nine months ended September 30, 2025 and 2024:

| (in thousands of U.S. dollars) | Nine months ended September 30 | | | | |
|--|--------------------------------|--------------------|------------------|---------------|--|
| | 2025 | 2024 | Change | Change | |
| | \$ | \$ | \$ | % | |
| Cash and cash equivalents | \$ 51,742 | \$ 50,348 | \$ 1,394 | 3 % | |
| Net cash from (used in): | | | | | |
| Operating activities | 6,082 | 5,740 | 342 | 6 % | |
| Investing activities | (159) | (156) | (3) | 2 % | |
| Financing activities | (3,874) | (41,428) | 37,554 | (91)% | |
| Effect of exchange rate fluctuations on cash and cash equivalents held | 201 | (419) | 620 | (148)% | |
| Increase (decrease) in cash and cash equivalents | \$ 2,250 | \$ (36,263) | \$ 38,513 | (106)% | |

Cash from operating activities

Cash from operating activities were \$6.08 million for the nine months ended September 30, 2025 compared to cash from operating activities of \$5.74 million in the same period in the prior year. The increase in cash from operating activities of \$342 thousand primarily relates to improvements in net income.

Cash used in investing activities

Cash used in investing activities were \$159 thousand for the nine months ended September 30, 2025 compared to cash used in investing activities of \$156 thousand for the same period in the prior year. The increase in cash outflows of \$3 thousand primarily related to investments in computer equipment and website changes, partially offset by proceeds on disposal of property and equipment in the same period of the prior year.

Cash used in financing activities

Cash used in financing activities were \$3.87 million for the nine months ended September 30, 2025 compared to cash used in financing activities of \$41.43 million for the same period in the prior year. The decrease in outflows of \$37.55 million primarily relates to shares repurchased for cancellation under the substantial issuer bid of \$34.95 million during the nine months ended September 30, 2024, fewer repurchases of the Company's Common Shares through the NCIB of \$1.65 million compared to the

same period of the prior year, and a \$1.52 million decrease in tax remitted on stock-based compensation, partially offset by an increase of \$819 thousand in tax remittances on share repurchases.

CONTRACTUAL OBLIGATIONS

The following are the remaining contractual maturities of financial liabilities as at September 30, 2025. The amounts are gross and undiscounted and include contractual interest payments:

| (in thousands of U.S. dollars) | < 1 year | 1-2 years | More than 2 years | Total |
|--|-----------------|---------------|-------------------|--------------|
| Accounts payable and accrued liabilities | \$ 6,955 | \$ — | \$ — | 6,955 |
| Lease liabilities | 377 | 380 | 897 | 1,654 |
| Total | \$ 7,332 | \$ 380 | \$ 897 | 8,609 |

The following are the remaining undiscounted contractual maturities of financial liabilities as at December 31, 2024. The amounts are gross and undiscounted and include contractual interest payments:

| (in thousands of U.S. dollars) | < 1 year | 1-2 years | More than 2 years | Total |
|--|-----------------|---------------|-------------------|--------------|
| Accounts payable and accrued liabilities | \$ 7,598 | \$ — | \$ — | 7,598 |
| Lease liabilities | 428 | 375 | 1,162 | 1,965 |
| Total | \$ 8,026 | \$ 375 | \$ 1,162 | 9,563 |

As at September 30, 2025, the Company had software commitments of \$5.94 million outstanding (December 31, 2024 - \$2.20 million). Given our existing cash we believe there is sufficient liquidity to meet our contractual obligations.

OFF-BALANCE SHEET ARRANGEMENTS

The Company has no off-balance sheet arrangements.

RELATED PARTY TRANSACTIONS

Related parties include key management personnel, their close family members and entities under their control or joint control. Key management personnel are those having authority and responsibility for the planning, directing and controlling the activities of the entity, directly or indirectly. The Company defines key management personnel as the Company's C-level executives and Board of Directors.

Key management personnel compensation was as follows:

| (in thousands of U.S. dollars) | Three months ended September 30 | | Nine months ended September 30 | |
|--------------------------------|---------------------------------|---------------|--------------------------------|--------------|
| | 2025 | 2024 | 2025 | 2024 |
| Salaries and benefits | \$ 497 | \$ 327 | \$ 1,346 | \$ 838 |
| Stock-based compensation | 592 | 342 | 1,593 | 962 |
| Total | \$ 1,089 | \$ 669 | \$ 2,939 | 1,800 |

Amounts due to related parties included in accounts payable and accrued liabilities as at September 30, 2025, were \$935 thousand (December 31, 2024 - \$816 thousand) and are primarily related to cash-settled equity incentive arrangements for the Company's Board of Directors.

FINANCIAL INSTRUMENTS

The Company is exposed to a variety of financial instrument-related risks in the normal course of operations. Investors are directed to carefully consider all of the information disclosed in the Company's regulatory filings prior to making an investment in the Company, including the risk factors discussed under the "Risk Factors" section in the 2024 AIF and a discussion with respect to the fair value of financial instruments in Note 13 of the annual financial statements, both of which are available on SEDAR+ at www.sedarplus.ca.

Credit risk

The Company's credit risk is primarily attributable to its cash and cash equivalents, trade and other receivables and derivative financial instruments.

Credit risk with respect to cash and cash equivalents is managed by holding cash and cash equivalents with high quality financial institutions.

There is no particular concentration of credit risk related to the Company's trade and other receivables, and no customer accounts comprise more than 5% of the trade and other receivables balance. The Company's trade and other receivables balance is managed and analyzed on an ongoing basis to ensure that an appropriate expected credit loss is established and maintained.

The Company is exposed to credit risk on derivative financial instruments arising from the potential for counterparties to default on their contractual obligations. The Company manages this risk by limiting counterparties to highly rated financial institutions and monitoring their credit worthiness.

Foreign currency exchange risk

The Company is exposed to unrealized foreign exchange risk attributable to Canadian dollar denominated cash and cash equivalents, trade and other receivables, and accounts payable.

The net carrying value of these Canadian dollar denominated balances were as follows:

| | As at September 30 | | As at December 31 | |
|--|--------------------|----------------|-------------------|--------------|
| (in thousands of U.S. dollars) | | 2025 | | 2024 |
| Cash and cash equivalents | \$ | 955 | \$ | 11,273 |
| Trade and other receivables | | 33 | | 1,257 |
| Accounts payable and accrued liabilities | | (2,304) | | (3,013) |
| Total | \$ | (1,316) | \$ | 9,517 |

Based on working capital held as at September 30, 2025, a 10% weakening in the Canadian dollar against the U.S. dollar, with all other variables held constant, would result in a decrease in foreign exchange loss of approximately \$131 thousand recorded against net income (December 31, 2024 - \$952 thousand). The sensitivity associated with a 10% strengthening of the Canadian dollar against the U.S. dollar would be equal and opposite.

The Company is exposed to realized foreign exchange risk attributable to Canadian dollar denominated operating expenses. The Company's functional currency is the U.S. dollar, and as a result, volatility in the Canadian dollar relative to the U.S. dollar could impact the Company's net income.

To minimize its exposure to foreign exchange risks, the Company enters into foreign exchange forward contracts to hedge 80% of its forecasted Canadian dollar denominated payroll expenditures up to a 12-month period. These contracts are designated as cash flow hedges. The maturity dates range from October 2025 to August 2026.

The fair value and notional amount of foreign exchange forward contracts outstanding are as follows:

| (in thousands of U.S. dollars) | As at September 30 | | As at December 31 | |
|--|--------------------|--------|-------------------|--------|
| | | 2025 | | 2024 |
| Fair value of derivatives designated as cash flow hedges | \$ | (107) | \$ | (538) |
| Notional amount | \$ | 10,953 | \$ | 13,126 |
| Notional amount (CAD) | \$ | 15,247 | \$ | 18,880 |

As at September 30, 2025, the Company estimates that 100% of net unrealized gains/losses on these forward contracts will be reclassified into net income within the next twelve months.

During the nine months ended September 30, 2025, \$102 thousand in hedging losses (September 30, 2024 - \$11 thousand in hedging gains) were recognized in operating expenses in the Condensed Interim Consolidated Statements of Income and Comprehensive (Loss) Income (unaudited).

OUTSTANDING SHARE INFORMATION

As at November 10, 2025, the Company had 67,900,467 Common Shares outstanding and no preferred shares issued and outstanding.

ADVISORIES

Material accounting policies and estimates

The preparation of financial statements in accordance with IFRS requires the Company to make significant judgments, estimates and assumptions that impact the Company's balance sheet and operating results. A summary of Thinkific's material accounting policy information, estimates and assumptions can be found in Note 3 of the annual financial statements which can be found under the Company's corporate profile on SEDAR+ at www.sedarplus.ca.

Revenue recognition

Determining if the Company is the principal or agent when another party is involved in providing services to customers is a matter of judgement that depends on the facts and circumstances of each arrangement. In these instances, determining whether the nature of the Company's promise is a performance obligation to provide the specified services itself (as principal) or arranging for those services to be provided by the other party (as agent) may require significant judgement.

Future accounting standards

New accounting pronouncements issued by the IASB or other standards-setting bodies are adopted as of the specified effective date. The Company does not expect that any other new or amended standards or interpretations that are effective for annual periods beginning on or after January 1, 2025 will have a significant impact on the Company's consolidated financial statements.

Controls and procedures

The Company is subject to the certification and disclosure requirements provided for under National Instrument 52-109 - *Certification of Disclosure in Issuers' Annual and Interim Filings*.

The Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO") have designed or caused to be designed under their supervision, disclosure controls and procedures which provide reasonable assurance that material information regarding the Company is accumulated and communicated to the Company's management, including its CEO and CFO, in a timely manner.

In addition, the CEO and CFO have designed or caused to be designed under their supervision internal controls over financial reporting ("**ICFR**") to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements, as well as an evaluation on whether or not there were changes to its ICFR during the nine months ended September 30, 2025 that have materially affected, or are reasonably likely to materially affect the Company's ICFR. The control framework used to design the Company's ICFR is recognized by the Committee of Sponsoring Organizations of the Treadway Commission.

A control system, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that its objectives are met. Due to inherent limitations in all such systems, no evaluations of controls can provide absolute assurance that all control issues, if any, within a company have been detected. Accordingly, our disclosure controls and procedures and our internal controls over financial reporting are effective in providing reasonable, not absolute, assurance that the objectives of our control systems have been met.