

**FORM 51-102F3
MATERIAL CHANGE REPORT**

Item 1: Name and Address of Company

Thinkific Labs Inc. (“Thinkific”)
369 Terminal Ave, Suite 400
Vancouver, BC V6A 4C4

Item 2: Date of Material Change

January 10, 2023

Item 3: News Release

A news release announcing the material change referred to in this report was issued via Cision NewsWire on January 10, 2023 and filed under Thinkific’s profile on SEDAR.

Item 4: Summary of Material Change

On January 10, 2023, Thinkific reduced its workforce of approximately 75 people.

Item 5: Full Description of Material Changes

5.1 Full Description of Material Changes

See press release attached as Schedule “A”.

5.2 Disclosure of Restructuring Transactions

Not applicable.

Item 6: Reliance on subsection 7.1(2) or (3) of National Instrument 51-102

Not applicable.

Item 7: Omitted Information

Not applicable.

Item 8: Executive Officer

Ed Ma, Corporate Counsel and Corporate Secretary
1(888)832-2409.

Item 9: Date of Report

January 10, 2023

SCHEDULE "A"

Thinkific Continues to Focus and Refine its Organization to Accelerate Growth, Achieve Profitability, and Drive Customer Success

- **Thinkific announces reduction in workforce of approximately 75 people.**
- **The Company commits to reaching positive Adjusted EBITDA exiting 2023.**
- **Thinkific affirms Q4 2022 outlook of \$13.5 - \$13.7 million in revenue and Adjusted EBITDA loss in the range of \$5.1 million to \$5.7 million.**

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

Vancouver, BC, Jan. 10, 2023 - Thinkific Labs Inc. ("Thinkific" or the "Company") (TSX: THNC), a leading cloud-based software platform that enables entrepreneurs and established businesses of all sizes to create, market and sell digital learning products, today announced a reduction in workforce. This reduction aligns the Company's talent with key growth initiatives, and reduces its expense structure, resulting in Thinkific achieving positive Adjusted EBITDA exiting 2023.

"We closed the fourth quarter as expected, and with the initiatives we announced today, profitability is in sight," said Greg Smith, Co-Founder and CEO of Thinkific. "Having said that, any decision that affects people is not easy to make, and we understand the impact it has on both Thinkers to whom we are saying goodbye, as well as those who are staying.

"We are grateful to our team for creating our exceptional culture, industry-leading products, and working to ensure the success of our Creators. Creator success remains our north star, and we will continue to focus our efforts on building the most innovative products, features and tools that make it easy for our customers to build and scale amazing digital learning businesses," concluded Mr. Smith.

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

"My mandate as Thinkific's President is clear: to drive profitability and growth. We must concentrate our efforts on the projects that deliver the greatest impact for our customers and our business," said Steve Krenzer, President of Thinkific. "The steps we have taken today, while difficult, will sharpen our focus, and are critical to us executing on our long-term business strategy," said Mr. Krenzer.

Thinkific will be reporting its fourth quarter and year end financial and operational results for 2022 on February 22, 2023. At this time, it will communicate its outlook for the first quarter of 2023, and provide a general business update, including further details on this announcement.

About Thinkific

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

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

For further information:

Media Contact: Josh Stanbury, press@thinkific.com; IR Contact: Janet Craig, IR@thinkific.com

Non-IFRS Measures

The information presented within this news release includes "Adjusted EBITDA". "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. 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), net finance (income) expense, restructuring costs and transaction-related 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.

Forward looking Information

This news release includes forward-looking statements and forward-looking information within the meaning of applicable securities laws ("forward-looking statements"). Often, but not always, forward-looking information can be identified by the use of words such as "plans", "is expected", "expects", "scheduled", "intends", "contemplates", "anticipates", "believes", "proposes" or variations (including negative and grammatical variations) of such words and phrases, or state that certain actions, events or results "may", "could", "would", "might" or "will" be taken, occur or be achieved. Forward-looking statements in this news release include statements regarding the Company's product-led growth strategy; future financial outlook; the impact of the restructuring; objectives to reach positive Adjusted EBITDA, drive growth and long-term value creation; the potential for realizing efficiencies, lowering costs and decreasing operating expenses. Such statements and information are based on the current expectations of Thinkific's management, and are based on assumptions and subject to risks and uncertainties. Although Thinkific's management believes that the assumptions underlying these statements and information are reasonable, they may prove to be incorrect. Except as required by applicable securities laws, forward-looking statements and information speak only as of the date on which they are made and Thinkific undertakes no obligation to publicly update or revise any forward-looking statement or information, whether as a result of new information, future events or otherwise.