



NEWS RELEASE

FIGS Releases Second Quarter 2025 Financial Results

2025-08-07

Exceeded Expectations on Both Top and Bottom Lines

Grew Net Revenues 5.8%

Achieved Net Income Margin of 4.7% and Adjusted EBITDA Margin of 12.9%

Increasing Full Year 2025 Outlook

SANTA MONICA, Calif.--(BUSINESS WIRE)-- FIGS, Inc. (NYSE: FIGS) (the "Company"), the global leading healthcare apparel brand dedicated to improving the lives of healthcare professionals, today released its second quarter 2025 financial results and published a financial highlights presentation on its investor relations website at ir.wearfigs.com/financials/quarterly-results/.

Second Quarter 2025 Financial Highlights

- Net revenues were \$152.6 million, an increase of 5.8% year over year, primarily due to an increase in orders from new and existing customers and higher average order value ("AOV"). ⁽¹⁾
 - Scrubwear net revenues were \$127.4 million, an increase of 7.7% year over year.
 - Non-scrubwear net revenues were \$25.2 million, a decrease of 2.5% year over year.
 - U.S. net revenues were \$129.9 million, an increase of 3.7% year over year.
 - International net revenues were \$22.7 million, an increase of 19.8% year over year.
- Gross margin was 67.0%, a decrease of 40 basis points year over year, primarily due to higher inventory reserves and tariffs, partially offset by higher duty drawback and a lower return rate.

- Operating expenses were \$92.3 million, a decrease of 3.5% year over year. As a percentage of net revenues, operating expenses decreased to 60.5% from 66.4% in the same period last year, primarily due to lower fulfillment expenses and stock-based compensation expense.
- Net income was \$7.1 million, or \$0.04 in diluted earnings per share, compared to net income of \$1.1 million, or \$0.01 in diluted earnings per share, in the same period last year.
- Net income margin⁽²⁾ was 4.7%, as compared to 0.8% in the same period last year.
- Adjusted EBITDA⁽³⁾ was \$19.7 million, an increase of \$6.8 million year over year.
- Adjusted EBITDA margin⁽²⁾⁽³⁾ was 12.9%, as compared to 9.0% in the same period last year.

Key Operating Metrics

- Active customers⁽¹⁾ as of June 30, 2025 increased 4.1% year over year to 2.74 million.
- Net revenues per active customer⁽¹⁾ were \$208, a decrease of 1.0% year over year.
- AOV⁽¹⁾ was \$117, an increase of 3.5% year over year, primarily driven by higher average unit retail and lower return rates.

“We were encouraged to see our momentum continue in Q2, where strong execution drove our largest revenue quarter in our history and powered overall results ahead of expectations,” said Trina Spear, Chief Executive Officer and Co-Founder. “We delivered product merchandising actions that our community loves and impactful marketing that make our Awesome Humans feel truly seen. Adding to this strategic focus, we also believe we are continuing to move further past the COVID overhang toward a more normalized purchasing and replenishment backdrop. The result is top-line growth that when combined with our profitability, demonstrated the true power of our model in the quarter.”

Full Year 2025 Financial Outlook

Net Revenues growth vs. 2024 Adjusted EBITDA Margin ⁽²⁾⁽⁴⁾	up low-single-digits 8.5% to 9.0%
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Sarah Oughtred, Chief Financial Officer, commented, “Our growing confidence is supported by our heightened focus on reinvigorating our customer funnel and accelerating growth in our core business. Thoughtful action has positioned us to drive strong year-to-date demand, while also supporting decisive strategic actions as we continue to manage the business in this dynamic trade environment. This overall revenue strength and early cost mitigation success give us confidence in raising our full year 2025 top- and bottom-line outlooks.”

(1) "Active customers," "net revenues per active customer" and "average order value" are key operational and business metrics that are important to understanding the Company's performance. Please see the sections titled "Non-GAAP Financial Measures and Key Operating Metrics" and "Key Operating Metrics" below for information regarding how the Company calculates its key operational and business metrics and for comparisons of active customers, net revenues per active customer and average order value to the prior year period.

(2) "Net income margin" and "adjusted EBITDA margin" are calculated by dividing net income and adjusted EBITDA by net revenues, respectively.

(3) Adjusted EBITDA, "adjusted EBITDA margin" and "free cash flow" are non-GAAP financial measures. Please see the sections titled "Non-GAAP Financial Measures and Key Operating Metrics" and "Reconciliations of GAAP to Non-GAAP Measures" below for more information regarding the Company's use of non-GAAP financial measures and reconciliations to the most directly comparable GAAP measures.

(4) The Company has not provided a quantitative reconciliation of its adjusted EBITDA margin outlook to a GAAP net income margin outlook because it is unable, without making unreasonable efforts, to project certain reconciling items. These items include, but are not limited to, future stock-based compensation expense, income taxes, expenses related to non-ordinary course disputes, and transaction costs. These items are inherently variable and uncertain and depend on various factors, some of which are outside of the Company's control or ability to predict. For more information regarding the Company's use of non-GAAP financial measures, please see the section titled "Non-GAAP Financial Measures and Key Operating Metrics."

Conference Call Details

FIGS management will host a conference call and webcast today at 2:00 p.m. PT / 5:00 p.m. ET to discuss the Company's financial and business results and outlook. To participate, please dial 1-833-470-1428 (US) or 1-404-975-4839 (International) and the conference ID 420966. The call is also accessible via webcast at ir.wearfigs.com. A recording will be available shortly after the conclusion of the call until 11:59 p.m. ET on August 14, 2025. To access the replay, please dial 1-866-813-9403 (US) or 1-929-458-6194 (International) and the conference ID 818213. An archive of the webcast will be available on FIGS' investor relations website at ir.wearfigs.com.

Non-GAAP Financial Measures and Key Operating Metrics

In addition to the GAAP financial measures set forth in this press release, the Company has included non-GAAP financial measures within the meaning of Regulation G and Item 10(e) of Regulation S-K. The Company uses "adjusted EBITDA" and "adjusted EBITDA margin" to provide useful supplemental measures that assist in evaluating its ability to generate earnings, provide consistency and comparability with its past financial performance and facilitate period-to-period comparisons of its core operating results as well as the results of its peer companies. The Company uses "free cash flow" as a useful supplemental measure of liquidity and as an additional basis for assessing its ability to generate cash. The Company calculates "adjusted EBITDA" as net income adjusted to exclude: other income, net; gain/loss on disposal of assets; provision for income taxes; depreciation and amortization expense; stock-based compensation and related expense; transaction costs; and expenses related to non-ordinary course disputes. The Company calculates "adjusted EBITDA margin" by dividing adjusted EBITDA by net revenues. The Company calculates "free cash flow" as net cash (used in) provided by operating activities reduced by capital expenditures, including purchases of property and equipment and capitalized software development costs.

Reconciliations of non-GAAP financial measures to the most directly comparable GAAP measures are included below under the heading "Reconciliations of GAAP to Non-GAAP Measures."

The Company has also included herein "active customers," "net revenues per active customer" and "average order value," which are key operational and business metrics that are important to understanding Company performance. The Company believes the number of active customers is an important indicator of growth as it

reflects the reach of the Company's digital platform, brand awareness and overall value proposition. The Company defines an active customer as a unique customer account that has made at least one purchase in the preceding 12-month period. In any particular period, the Company determines the number of active customers by counting the total number of customers who have made at least one purchase in the preceding 12-month period, measured from the last date of such period. The Company believes measuring net revenues per active customer is important to understanding engagement and retention of customers, and as such, the value proposition for its customer base. The Company defines net revenues per active customer as the sum of total net revenues in the preceding 12-month period divided by the current period active customers. The Company defines average order value as the sum of the total net revenues in a given period divided by the total orders placed in that period. Total orders are the summation of all completed individual purchase transactions in a given period. The Company believes its relatively high average order value demonstrates the premium nature of its products. As the Company expands into and increases its presence in additional product categories, price points and international markets, average order value may fluctuate.

Active customers as of June 30, 2025 and 2024, respectively, net revenues per active customer as of June 30, 2025 and 2024, respectively, and average order value for the three and six months ended June 30, 2025 and 2024, respectively, are presented below under the heading "Key Operating Metrics."

About FIGS

FIGS is a founder-led, direct-to-consumer healthcare apparel and lifestyle brand that seeks to celebrate, empower, and serve current and future generations of healthcare professionals. We create technically advanced apparel and products that feature an unmatched combination of comfort, durability, function, and style. We share stories about healthcare professionals' experiences in ways that inspire them. We build meaningful connections within the healthcare community that we created. Above all, we seek to make an impact for our community, including by advocating for them and always having their backs.

We serve healthcare professionals in numerous countries in North America, Europe, the Asia Pacific region and the Middle East. We also serve healthcare institutions through our TEAMS platform.

Forward Looking Statements

This press release contains various forward-looking statements about the Company within the meaning of the Private Securities Litigation Reform Act of 1995, as amended, that are based on current management expectations, and which involve substantial risks and uncertainties that could cause actual results to differ materially from the results expressed in, or implied by, such forward-looking statements. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking. These forward-looking

statements generally are identified by the words “anticipate”, “believe”, “contemplate”, “continue”, “could”, “estimate”, “expect”, “forecast”, “future”, “intend”, “may”, “might”, “opportunity”, “outlook”, “plan”, “possible”, “potential”, “predict”, “project,” “should”, “strategy”, “strive”, “target”, “will” or “would”, the negative of these words or other similar terms or expressions. The absence of these words does not mean that a statement is not forward-looking. These forward-looking statements address various matters, including the Company’s belief that it is moving further past the COVID overhang towards a more normalized purchasing and replenishment backdrop; the Company’s growing confidence, supported by heightened focus on reinvigorating its customer funnel and accelerating growth in its core business; the Company’s approach to the dynamic trade environment; and the information under the section titled “Full Year 2025 Financial Outlook,” such as the Company’s outlook as to net revenues growth and adjusted EBITDA margin for the full year ending December 31, 2025; all of which reflect the Company’s expectations based upon currently available information and data. Because such statements are based on expectations as to future financial and operating results and are not statements of fact, the Company’s actual results, performance or achievements may differ materially from those expressed or implied by the forward-looking statements, and you are cautioned not to place undue reliance on these forward-looking statements. The following important factors and uncertainties, among others, could cause actual results, performance or achievements to differ materially from those described in these forward-looking statements: the Company’s ability to maintain its historical growth; the Company’s ability to maintain profitability; the Company’s ability to maintain the value and reputation of its brand; the Company’s ability to attract new customers, retain existing customers, and to maintain or increase sales to those customers; the success of the Company’s marketing efforts; the Company’s ability to maintain a strong community of engaged customers and Ambassadors; negative publicity related to the Company’s marketing efforts or use of social media; the Company’s ability to successfully develop and introduce new, innovative and updated products; the competitiveness of the market for healthcare apparel; the Company’s ability to maintain its key employees; the Company’s ability to attract and retain highly skilled team members; risks associated with expansion into, and conducting business in, international markets; changes in, or disruptions to, the Company’s shipping arrangements; the successful operation of the Company’s fulfillment operations; the Company’s ability to accurately forecast customer demand, manage its inventory, and plan for future expenses; the impact of changes in consumer confidence, shopping behavior and consumer spending on demand for the Company’s products; the impact of macroeconomic trends on the Company’s operations; the Company’s reliance on a limited number of third-party suppliers; the impact of global trade policy on the Company’s ability to source and distribute its products; the fluctuating costs of raw materials; the Company’s ability to execute on its B2B growth strategy; Company’s ability to execute on its retail growth strategy; the Company’s failure to protect proprietary, confidential or sensitive information or personal customer data, or risks of cyberattacks; the Company’s failure to protect its intellectual property rights; the fact that the operations of many of the Company’s suppliers and vendors are subject to additional risks that are beyond its control; and other risks, uncertainties and factors discussed in the “Risk Factors” section of the Company’s Quarterly Report on Form 10-Q for the quarter ended June 30, 2025 to be filed with the Securities and Exchange Commission (“SEC”), the Company’s

Annual Report on Form 10-K for the year ended December 31, 2024 filed with the SEC on February 27, 2025, and the Company's other periodic filings with the SEC. The forward-looking statements in this press release speak only as of the time made and the Company does not undertake to update or revise them to reflect future events or circumstances.

FIGS, INC.
CONSOLIDATED BALANCE SHEETS
(In thousands, except share and per share data)

	As of	
	June 30, 2025	December 31, 2024
	(Unaudited)	
Assets		
Current assets		
Cash and cash equivalents	\$ 50,849	\$ 85,645
Short-term investments	187,991	159,469
Accounts receivable	9,125	8,625
Inventory, net	135,528	115,759
Prepaid expenses and other current assets	10,119	13,268
Total current assets	393,612	382,766
Non-current assets		
Property and equipment, net	33,109	35,274
Operating lease right-of-use assets	49,297	50,497
Deferred tax assets	11,541	11,643
Investment in equity securities	27,735	27,534
Other assets	1,830	2,073
Total non-current assets	123,512	127,021
Total assets	\$ 517,124	\$ 509,787
Liabilities and stockholders' equity		
Current liabilities		
Accounts payable	\$ 19,023	\$ 9,401
Operating lease liabilities	9,548	10,596
Accrued expenses	22,236	42,316
Accrued compensation and benefits	7,379	5,689
Sales tax payable	3,502	3,705
Gift card liability	10,023	9,604
Deferred revenue	2,996	4,612
Returns reserve	3,002	3,873
Income tax payable	654	346
Total current liabilities	78,363	90,142
Non-current liabilities		
Operating lease liabilities, non-current	42,147	42,430
Other non-current liabilities	83	83
Total liabilities	120,593	132,655
Commitments and contingencies		
Stockholders' equity		
Class A common stock — par value \$0.0001 per share, 1,000,000,000 shares authorized as of June 30, 2025 and December 31, 2024; 154,836,829 and 154,003,352 shares issued and outstanding as of June 30, 2025 and December 31, 2024, respectively	15	15
Class B common stock — par value \$0.0001 per share, 150,000,000 shares authorized as of June 30, 2025 and December 31, 2024; 8,283,641 shares issued and outstanding as of June 30, 2025 and December 31, 2024	—	—
Preferred stock — par value \$0.0001 per share, 100,000,000 shares authorized as of June 30, 2025 and December 31, 2024; zero shares issued and outstanding as of June 30, 2025 and December 31, 2024	—	—
Additional paid-in capital	324,975	312,622
Accumulated other comprehensive income	70	21
Retained earnings	71,471	64,474
Total stockholders' equity	396,531	377,132
Total liabilities and stockholders' equity	\$ 517,124	\$ 509,787

FIGS, INC.
CONSOLIDATED STATEMENTS OF OPERATIONS
(In thousands, except share and per share data)
(Unaudited)

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Net revenues	\$ 152,640	\$ 144,225	\$ 277,541	\$ 263,518
Cost of goods sold	50,394	46,961	90,836	84,118
Gross profit	102,246	97,264	186,705	179,400
Operating expenses				
Selling	34,433	36,934	67,111	65,393
Marketing	23,151	23,003	41,307	40,248
General and administrative	34,747	35,774	68,583	71,763
Total operating expenses	92,331	95,711	177,001	177,404
Net income from operations	9,915	1,553	9,704	1,996
Other income, net				
Interest income	2,119	2,830	4,195	5,677
Other expense	(3)	—	(4)	(10)
Total other income, net	2,116	2,830	4,191	5,667
Net income before provision for income taxes	12,031	4,383	13,895	7,663
Provision for income taxes	4,932	3,283	6,898	5,128
Net income	\$ 7,099	\$ 1,100	\$ 6,997	\$ 2,535
Earnings attributable to Class A and Class B common stockholders				
Basic earnings per share	\$ 0.04	\$ 0.01	\$ 0.04	\$ 0.01
Diluted earnings per share	\$ 0.04	\$ 0.01	\$ 0.04	\$ 0.01
Weighted-average shares outstanding—basic	162,683,329	170,393,480	162,575,259	170,158,479
Weighted-average shares outstanding—diluted	172,929,960	179,688,524	173,517,269	180,195,183

FIGS, INC.
CONSOLIDATED STATEMENTS OF CASH FLOWS
(In thousands)
(Unaudited)

	Six months ended June 30,	
	2025	2024
Cash flows from operating activities:		
Net income	\$ 6,997	\$ 2,535
Adjustments to reconcile net income to net cash (used in) provided by operating activities:		
Depreciation and amortization expense	4,152	1,963
Deferred income taxes	102	1,991
Non-cash operating lease cost	4,805	3,977
Stock-based compensation	14,856	22,108
Accretion of discount and accrued interest on available-for-sale securities	(2,089)	(2,954)
Changes in operating assets and liabilities:		
Accounts receivable	(386)	(5,250)
Inventory	(19,769)	(254)
Prepaid expenses and other current assets	3,149	(5,973)
Other assets	243	(878)
Accounts payable	9,536	4,679
Accrued expenses	(19,582)	11,310
Accrued compensation and benefits	1,690	(3,208)
Sales tax payable	(203)	68
Gift card liability	419	(206)
Deferred revenue	(1,616)	665
Returns reserve	(871)	525
Income tax payable	308	(917)
Operating lease liabilities	(4,936)	(2,023)
Net cash (used in) provided by operating activities	(3,195)	28,158
Cash flows from investing activities:		
Purchases of property and equipment	(2,399)	(9,489)
Purchases of available-for-sale securities	(136,598)	(137,850)

Maturities of available-for-sale securities	110,100	106,555
Other investing activities	(201)	—
Net cash used in investing activities	(29,098)	(40,784)
Cash flows from financing activities:		
Repurchases of Class A Common Stock	(2,688)	—
Proceeds from stock option exercises and employee stock purchases	185	264
Net cash (used in) provided by financing activities	(2,503)	264
Net change in cash and cash equivalents	(34,796)	(12,362)
Cash and cash equivalents beginning of period	\$ 85,645	\$ 144,173
Cash and cash equivalents end of period	\$ 50,849	\$ 131,811

FIGS, INC.

RECONCILIATIONS OF GAAP TO NON-GAAP MEASURES (Unaudited)

The following table presents a reconciliation of adjusted EBITDA to net income, which is the most directly comparable financial measure calculated in accordance with GAAP, and presents adjusted EBITDA margin with net income margin, which is the most directly comparable financial measure calculated in accordance with GAAP:

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
	(in thousands, except margin)			
Net income	\$ 7,099	\$ 1,100	\$ 6,997	\$ 2,535
Add (deduct):				
Other income, net	(2,116)	(2,830)	(4,191)	(5,667)
Provision for income taxes	4,932	3,283	6,898	5,128
Depreciation and amortization expense ⁽¹⁾	2,153	1,113	4,152	1,963
Stock-based compensation and related expense ⁽²⁾	7,659	10,266	15,046	21,963
Adjusted EBITDA ⁽³⁾	\$ 19,727	\$ 12,932	\$ 28,902	\$ 25,922
Net revenues	\$ 152,640	\$ 144,225	\$ 277,541	\$ 263,518
Net income margin ⁽⁴⁾	4.7%	0.8%	2.5%	1.0%
Adjusted EBITDA Margin	12.9%	9.0%	10.4%	9.8%

⁽¹⁾ Excludes amortization of debt issuance costs included in "Other income, net."

⁽²⁾ Includes stock-based compensation expense, payroll taxes, and costs related to equity award activity.

⁽³⁾ For the six months ended June 30, 2025, reflects \$171,000 of stock-based compensation expense and payroll taxes inadvertently not reflected in our previously disclosed Adjusted EBITDA results for the three months ended March 31, 2025.

⁽⁴⁾ Net income margin represents net income as a percentage of net revenues.

The following table presents a reconciliation of free cash flow to net cash provided by operating activities, which is the most directly comparable financial measure calculated in accordance with GAAP:

Six months ended
June 30,

	2025	2024
	(in thousands)	
Net cash (used in) provided by operating activities	\$ (3,195)	\$ 28,158
Less: capital expenditures	(2,399)	(9,489)
Free cash flow	\$ (5,594)	\$ 18,669

FIGS, INC.

KEY OPERATING METRICS (Unaudited)

Active customers as of June 30, 2025 and 2024, respectively, net revenues per active customer as of June 30, 2025 and 2024, respectively, and average order value for the three and six months ended June 30, 2025 and 2024, respectively, are presented in the following tables:

	As of June 30,	
	2025	2024
	(in thousands)	
Active customers	2,736	2,628

	As of June 30,	
	2025	2024
Net revenues per active customer	\$ 208	\$ 210

	Three months ended June 30,		Six months ended June 30,	
	2025	2024	2025	2024
Average order value	\$ 117	\$ 113	\$ 118	\$ 115

FIGS, INC.

DISAGGREGATED NET REVENUES (In thousands, except percentages) (Unaudited)

The following table presents the disaggregation of the Company's net revenues for the three and six months ended June 30, 2025 and June 30, 2024:

	Three months ended June 30,		Change	Six months ended June 30,		Change
	2025	2024	%	2025	2024	%
By geography:						
United States	\$ 129,948	\$ 125,291	3.7%	\$ 235,967	\$ 228,361	3.3%
Rest of the world	22,692	18,934	19.8%	41,574	35,157	18.3%
	\$ 152,640	\$ 144,225	5.8%	\$ 277,541	\$ 263,518	5.3%
By product:						
Scrubwear	\$ 127,415	\$ 118,345	7.7%	\$ 226,984	\$ 213,241	6.4%
Non-Scrubwear	25,225	25,880	(2.5)%	50,557	50,277	0.6%
	\$ 152,640	\$ 144,225	5.8%	\$ 277,541	\$ 263,518	5.3%

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Source: FIGS, Inc.