

# Q1 2025

 **FIGS** Earnings  
Presentation



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## FORWARD-LOOKING STATEMENTS

This presentation 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 presentation 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 brand differentiators; the Company's growth opportunities and strategies, including product innovation, building and deepening connections with its community, international, TEAMS and retail; the Company's plans to drive awareness and engagement; international expansion and the Company's plans to open new markets, including in Asia; the Company's plan to invest in an outbound sales function; the Company's TEAMS opportunity and strategy, including internationally; the Company's plans to operate with financial discipline and invest in the future; the Company's plans to continue to improve its infrastructure; the Company's advocacy efforts; the Company's future retail stores and retail strategy, including its plans to open additional locations in 2025; the Company's total addressable market and plans to grow its total addressable market and market share; the future growth and growth fundamentals of the healthcare and social assistance industry sector, including the expectation that secular growth of the healthcare industry will be driven by a significant shortage of healthcare workers, aging population and focus on health and wellness; growing demand from healthcare institutions to professionalize their staff; the Company's conviction that the industry is on the path to normalization and that its actions are resonating; the Company's belief that it has an opportunity to demonstrate its category leadership, build upon competitive advantages, and leverage its balance sheet; the Company's efforts to serve its community and its intent to accelerate investment to better support its opportunity; the Company's plan to boldly lead and define the industry; the projected impact of, and the Company's response to, tariffs and trade policies; and 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 our ability to source and distribute our products; the fluctuating costs of raw materials; 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 March 31, 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 presentation speak only as of the time made and the Company does not undertake to update or revise them to reflect future events or circumstances.

A dark, grayscale background image showing a group of healthcare professionals, including nurses and doctors, standing in a hallway. They are wearing scrubs and have stethoscopes around their necks. The image is slightly blurred, focusing attention on the text overlay.

OUR MISSION

To celebrate,  
empower, &  
serve those  
who serve others



## WHY FIGS?

- Large, replenishment-driven sector with strong long-term growth fundamentals
- Disrupting the healthcare apparel industry globally with best-in-class product and storytelling that centers around an underserved community
- Sustainable brand differentiators within marketing, product innovation, and merchandising strategy
- Numerous growth opportunities within the US, International, TEAMS (B2B), and Community Hubs (Retail)
- Strong balance sheet and cash flow provide flexibility to both invest in growth and return value to shareholders



RACHEL S., DVM



# Q1 at a Glance

- Delivered year-over-year net revenues growth of 5% in Q1 2025, exceeding our outlook
  - Customer Data: Average Order Value ("AOV")<sup>(1)</sup> increased 3% to \$119, a record high for the company; active customers<sup>(1)</sup> grew 4% to 2.7 million, supported by strong growth of customer reactivations
  - Categories: Scrubwear grew 5%; non-scrubwear grew 4%
  - Geographies: the U.S. grew 3%; international grew 16%
- Adjusted EBITDA margin<sup>(2)</sup> of 7.2% also outpaced expectations despite year-over-year pressure from product mix, higher fulfillment and shipping expenses, and investments in people
- Generated free cash flow<sup>(2)</sup> of \$7.9 million, supporting our strong end of period cash, cash equivalents and short-term investments position of \$251.2 million

<sup>(1)</sup> AOV and active customers are key operational and business metrics that is important to understanding our performance. See "Non-GAAP Financial Measures and Key Operating Metrics" in the Appendix for additional information on this metric.

<sup>(2)</sup> Adjusted EBITDA, adjusted EBITDA margin and free cash flow are non-GAAP financial measures. See "Non-GAAP Financial Measures and Key Operating Metrics" in the Appendix for additional information on non-GAAP financial measures and reconciliations to the most directly comparable GAAP measures.

NET REVENUES

**\$124.9M**

GROSS MARGIN

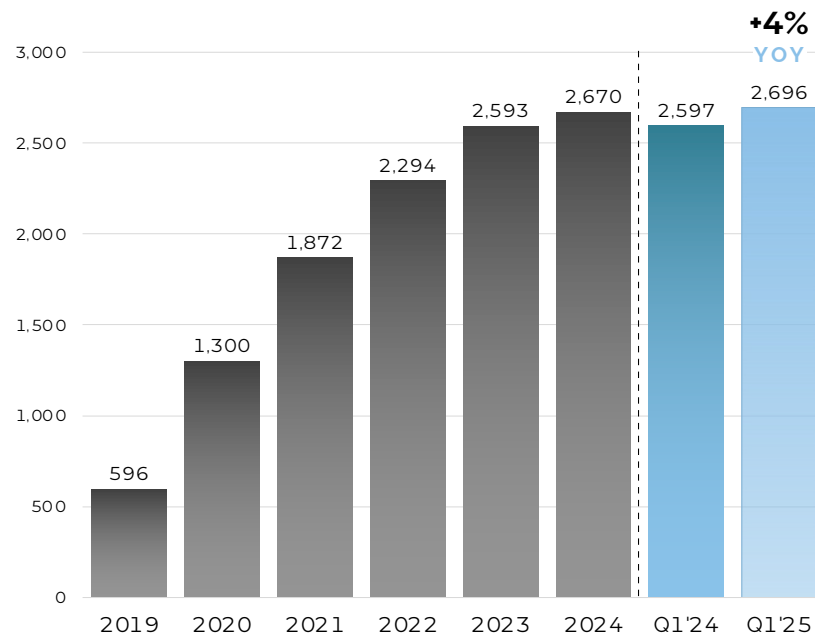
**67.6%**

ADJ. EBITDA MARGIN<sup>(1)</sup>

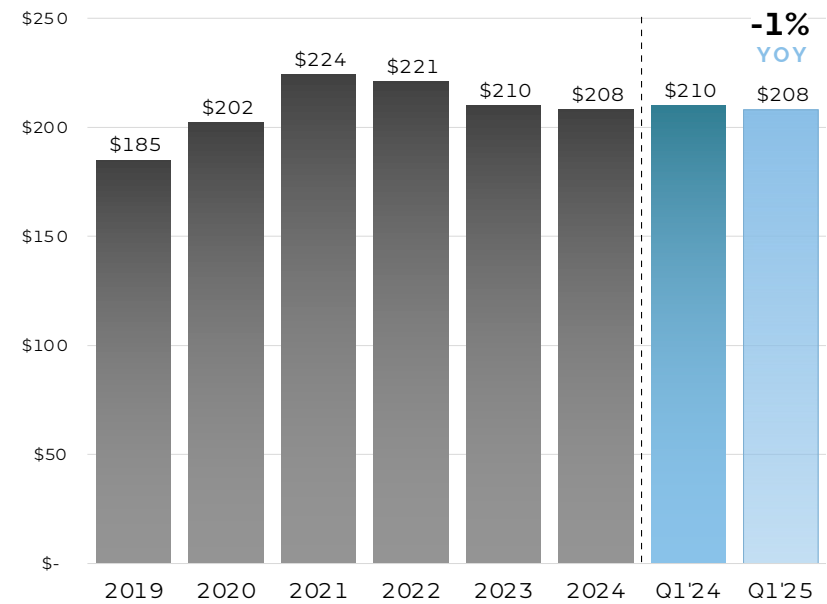
**7.2%**

## KEY OPERATING METRICS

**Active Customers<sup>(1)</sup>**  
(TRAILING TWELVE MONTHS, IN THOUSANDS)



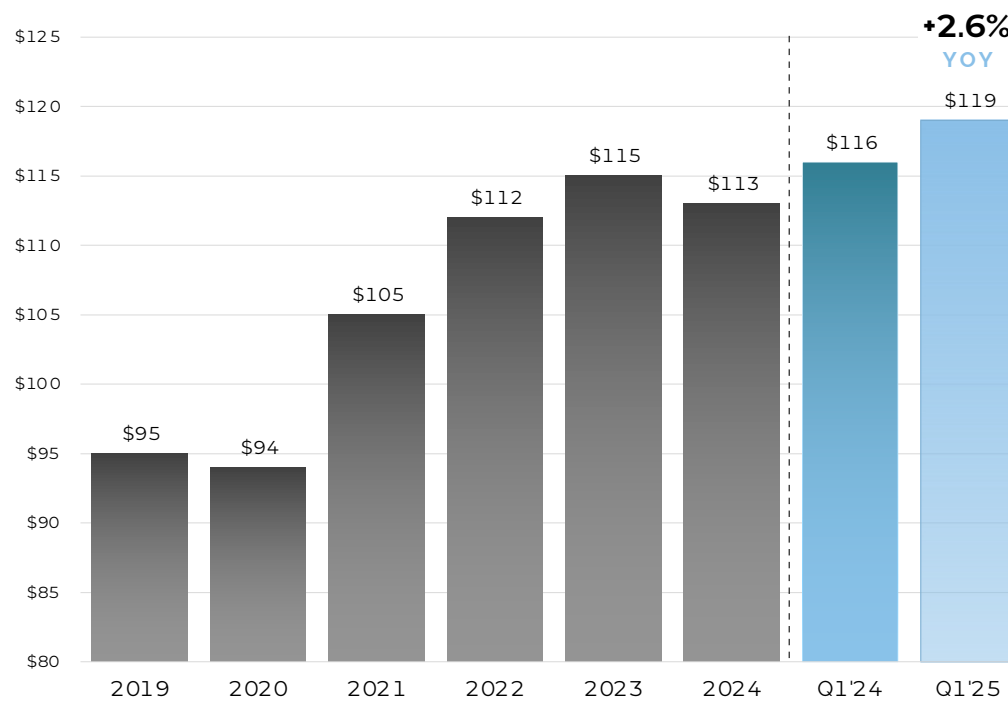
**Net Revenues Per Active Customer<sup>(1)</sup>**  
(TRAILING TWELVE MONTHS)



(1) Active customers and net revenues per active customer are key operational and business metrics that are important to understanding our performance. See "Non-GAAP Financial Measures and Key Operating Metrics" in the Appendix for additional information on these metrics.

## KEY OPERATING METRICS

### Average Order Value (AOV)<sup>(1)</sup>



(1) AOV is a key operational and business metrics that is important to understanding our performance. See "Non-GAAP Financial Measures and Key Operating Metrics" in the Appendix for additional information on this metric.



## DIVERSIFIED GROWTH STRATEGY

### **Product Innovation with Purpose**

Continued disruption and technical innovation across styles, categories, and fabrications to better serve our healthcare professionals.

### **Deep Connection with the Healthcare Community**

Drive awareness and engagement through powerful, purposeful storytelling, and unwavering commitment to advocacy.

### **Reach New and Existing Customers**

#### *International*

Continue to expand and penetrate the global healthcare community by reaching them where they are (32 current countries outside the U.S.).

#### *TEAMS*

Opportunity to serve institutions around the world who want to professionalize and standardize their teams.

#### *Retail*

Deepen connection to our community by engaging with them in new ways.

### **Operate with Financial Discipline and Invest in the Future**

Optimize infrastructure to support scale, increase reliability, flexibility, and speed to market



# Product Innovation

We introduced new products across the layering system designed for maximum comfort, versatility, and durability, including:

- **FORMx™**: Our revolutionary new fabric that delivers unparalleled flexibility with a premium touch. Our FORMx collection is the sleekest, stretchiest, and most comfortable — for days when our HCPs need to be in multiple places at once — aka every day.
- **FIGS | New Balance 3447 Zip**: Our proprietary FIGS model, designed for optimal support with a thick midsole, zip closure, easy wipeability, and a kickstand for hands free removal.
- **Lunar New Year Capsule**: We celebrated the Year of the Snake with our Pop Red scrubwear capsule, Lunar New Year graphic underscrubs, and Pop Red FIGS | New Balance 347s.



# Build and Deepen Connection with Community

## BLACK HISTORY MONTH

We celebrated Black History Month by spotlighting standout ambassadors in our first-ever "Must-Have" Shops and brought our community together through intimate events in LA and Chicago—creating space for connection, reflection, and celebration with over 60 students and healthcare professionals.

## MATCH DAY AT HOWARD UNIVERSITY

We celebrated over 100 Howard students by sponsoring the live stream of their White Coat Ceremony and providing each student with custom embroidered FIGS. We also hosted a commemorative post-ceremony celebration for over 1,000 students, friends, and loved ones.

## INTERNATIONAL WOMEN'S DAY

We hosted our 3rd annual International Women's Day event for 115 healthcare professionals in LA. The event spotlighted the inspiring women from our campaign film and featured immersive activations that celebrated and connected trailblazing women in healthcare.





# Impact

## LA FIRE RELIEF:

The fires in Los Angeles impacted hundreds of thousands in our hometown. Amid the devastation, Awesome Humans kept showing up — caring for their patients no matter what.

In the wake of this disaster, we rallied around our community — making sure they felt seen, supported, and cared for when they needed it most. We moved quickly to meet urgent needs, ease the everyday burdens, and remind them they weren't alone. Because standing with healthcare professionals is what we're here to do.

## OUR IMPACT:

- **8,600 FIGS** to Awesome Humans in need
- **\$34,000 in direct support** to healthcare professionals and causes supporting them
- **2,500+ meals** delivered to 8+ hospitals
- **4,400 N95 masks** delivered to hospitals across LA

To celebrate the spirit of our hometown and go further to provide relief, FIGS partnered with Project Hope – a trusted friend of FIGS deploying emergency response teams with essential supplies and services. We donated 100% of profits from our limited-edition I ❤️ LA Supersoft Longsleeve Underscrub™ to support their efforts.



## INTERNATIONAL

# Expanding Global Presence

Disrupting global healthcare apparel with product innovation, powerful top of funnel marketing campaigns and localized engagement with the community

- **Opportunity:** over 80% of global healthcare professionals are outside the U.S. yet represented only 15% of our net revenues in FY 2024 and Q1 2025.
- Experienced strong Q1 2025 net revenues growth of 16%.
- Operate in 32 total international markets today and remain on-track to debut in Japan in Q2 2025 and in South Korea in 2H 2025.
- Our 2025 focus also includes efforts to invest in localization, awareness and engagement, while also building out of TEAMS functionality.





## TEAMS

# Serving Healthcare Institutions

Serving hospitals, medical offices, and concierge clinics to professionalize and standardize their teams

- **Opportunity:** estimate 15% of the U.S. scrubs industry has historically been driven by institutions buying for their teams, while the commercialization of healthcare is increasingly driving premium experiences including scrubs.
- Hired a dedicated leader in January 2025 to drive our existing inbound efforts and build our outbound sales function.
- 2025 focus includes the formation of an outbound sales function and team, as well as solutions to simplify and expand the TEAMS experience.
- Continue to see an outsized international TEAMS opportunity given buying behavior in many of these markets.



## RETAIL

# Creating Community Presence

Executing a retail strategy that enables healthcare professionals to connect with FIGS and their peers

- **Opportunity:** over 60% of non-FIGS customers want to try and feel a product before a purchase.
- Continue to employ a thoughtful and disciplined "Test, Learn, Apply and Win" rollout strategy.
- Operate two existing Community Hubs with Century City opened in Q4 2023 and Philadelphia opened in Q3 2024.
- 2025 focus on opening new locations with three new Community Hubs planned in 2H 2025 (announced next location in Houston), as well as driving operational support to ensure an omni-channel mentality.



## WHY FIGS?

### Large Industry Sector with Strong Long Term Growth Fundamentals

- Largely non-discretionary, replenishment-driven industry with approximately 23 million workers in the U.S.<sup>(1)</sup>
- Creating TAM by expanding and evolving the FIGS layering system with both new innovation and new categories
- Expect secular growth to be driven by significant shortage of healthcare workers, aging population, and focus on health and wellness
- Healthcare and social assistance is projected to have the largest growth and be the fastest growing industry sector from 2023-2033<sup>(2)</sup>

### Numerous Growth Opportunities

- Long runway in U.S. with untapped brand awareness and high NPS
- Significant international potential with less than 1% market share globally
- TEAMS (B2B) capitalizing on growing demand from healthcare institutions to professionalize their staff
- Retail (Community Hubs) to drive brand awareness, deepen connection, and increase lifetime value of customers

### Sustainable Differentiators

- Authentic, category-defining brand with deeply passionate, loyal community
- Industry leading product innovation
- Highly efficient marketing engine due to strong word of mouth (about two-thirds of net revenues driven by repeat customers)
- Proven merchandising strategy with highly concentrated and productive core assortment
- Vast data set informs product innovation and drives personalization

### Strong Margin and Cash Flow Dynamics

- Structurally high gross margin with concentrated seasonless scrubs assortment
- Healthy, debt-free balance sheet
- Strong free cash flow<sup>(3)</sup> generation

(1) According to the U.S. Bureau of Labor Statistics for the number of healthcare and social assistance industry sector workers in the U.S. as of April 2025.

(2) See News Release, U.S. Bureau of Labor Statistics, Employment Projections – 2023-2033 (Aug. 29, 2024).

(3) Free cash flow is a non-GAAP metric. See "Non-GAAP Financial Measures and Key Operating Metrics" in the Appendix for additional information on non-GAAP financial measures and reconciliations to the most directly comparable GAAP measures.



A close-up photograph of dark, textured fabric, possibly a jacket or bag, with a prominent blue light flare in the upper left corner. The word "Financials" is centered in a large, white, sans-serif font.

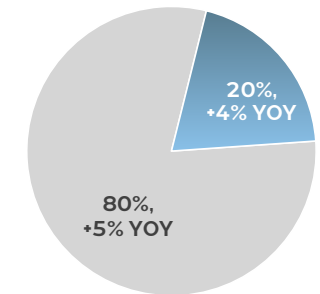
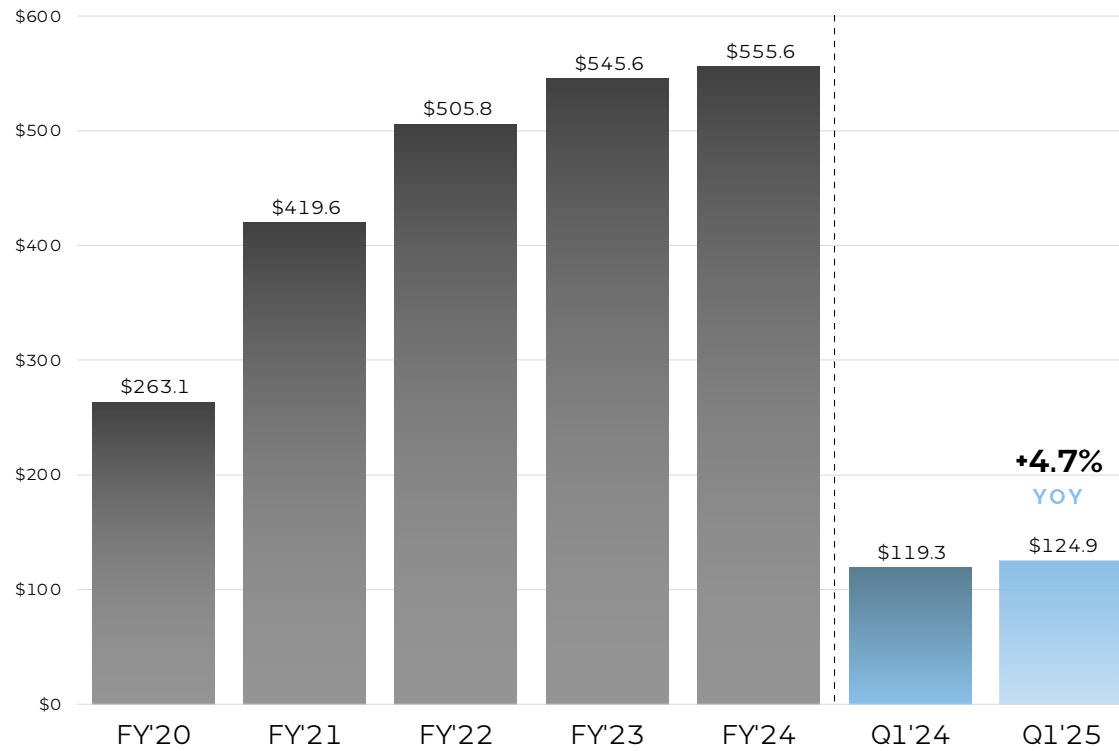
# Financials



## Q1 2025 NET REVENUES

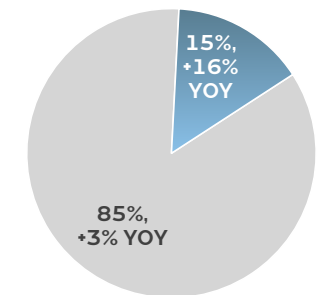
(IN MILLIONS)

### SCRUBWEAR / NON-SCRUBWEAR NET REVENUES MIX AND YOY GROWTH



■ Scrubwear ■ Non-Scrubwear

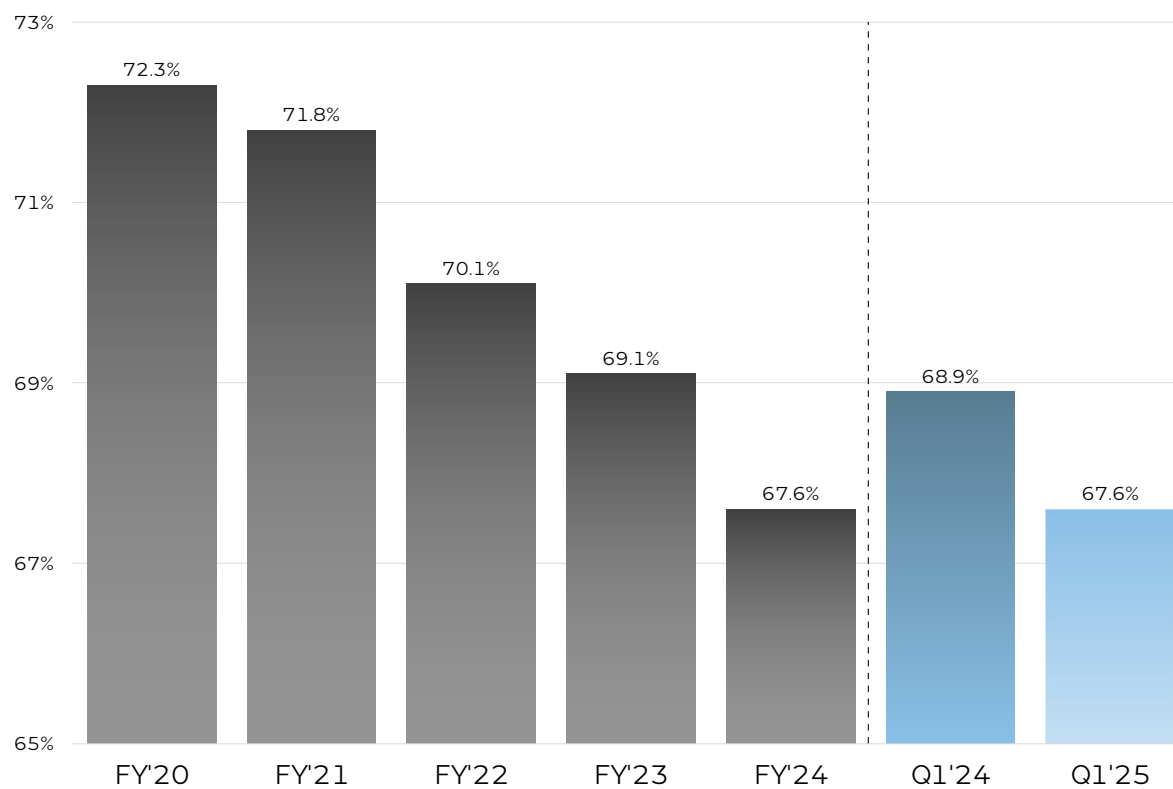
### US / INTERNATIONAL NET REVENUES MIX AND YOY GROWTH



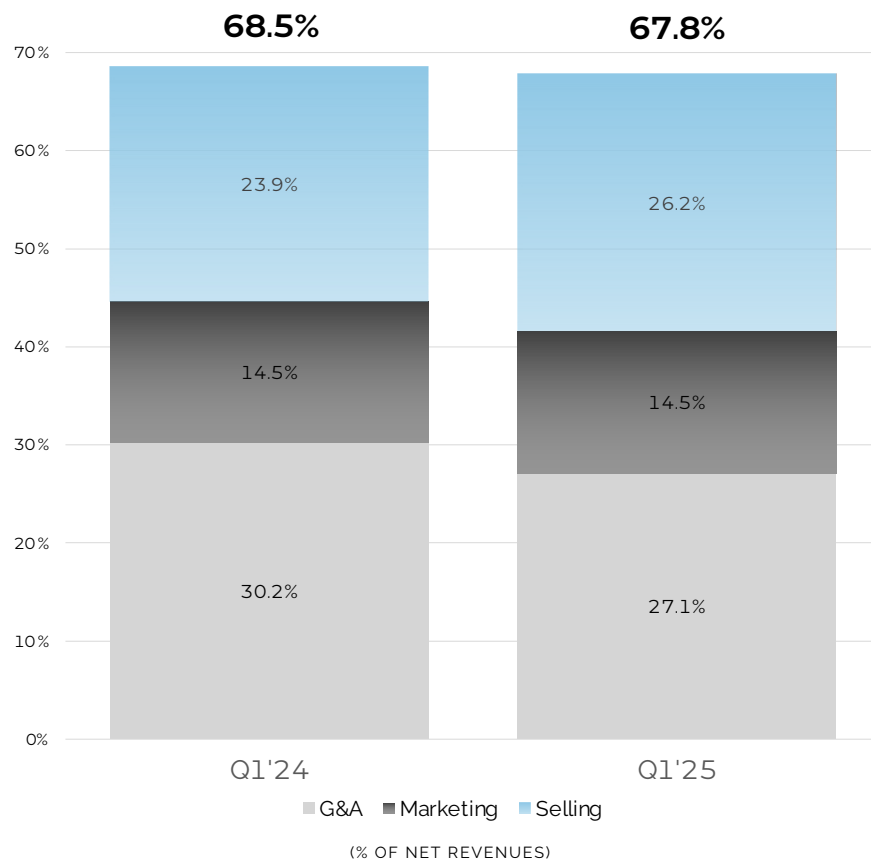
■ U.S. ■ International

## Q1 2025 GROSS MARGIN

The decline in gross margin compared to Q1 2024 primarily reflected mix headwinds within the scrubwear category, including the impact of limited-edition styles, as well as higher freight expense given our action to mitigate shipping issues in the Red Sea. This impact was partially offset by the benefit of fewer promotions during the period.



## Q1 2025 OPERATING EXPENSE



The increase in selling expense in Q1 2025 as a percentage of net revenues primarily reflects the impact of the higher cost structure of our new fulfillment center in Arizona, as well as elevated outbound shipping expenses given our investments to improve domestic shipping times and due to the higher international sales mix.

Marketing expenses in Q1 2025 were unchanged as a percentage of net revenues.

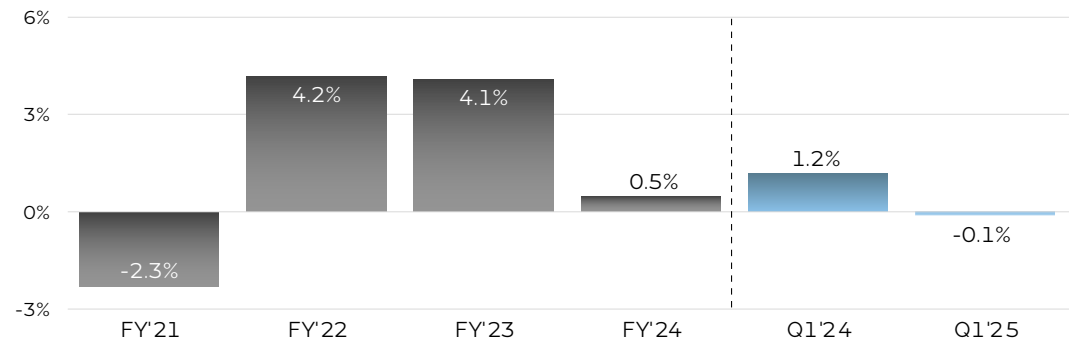
The decrease in G&A expenses in Q1 2025 as a percentage of net revenues was primarily related to meaningfully lower stock-based compensation expense, partially offset by higher depreciation related to asset purchases for the fulfillment center.



## Q1 2025 PROFITABILITY

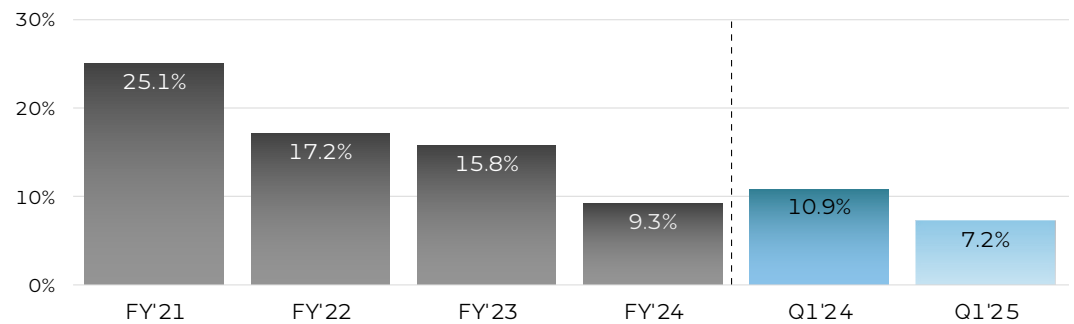
### Net Income (Loss) Margin

(% OF NET REVENUES)



### Adjusted EBITDA Margin<sup>(1)</sup>

(% OF NET REVENUES)

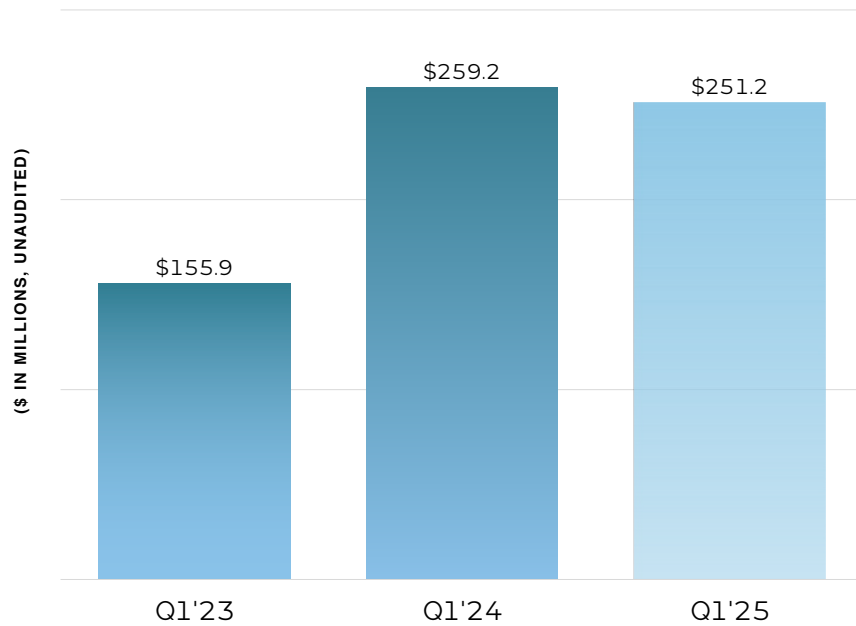


(1) Adjusted EBITDA margin is a non-GAAP financial measure. See "Non-GAAP Financial Measures and Key Operating Metrics" in the Appendix for additional information on non-GAAP financial measures and reconciliations to the most directly comparable GAAP measures.



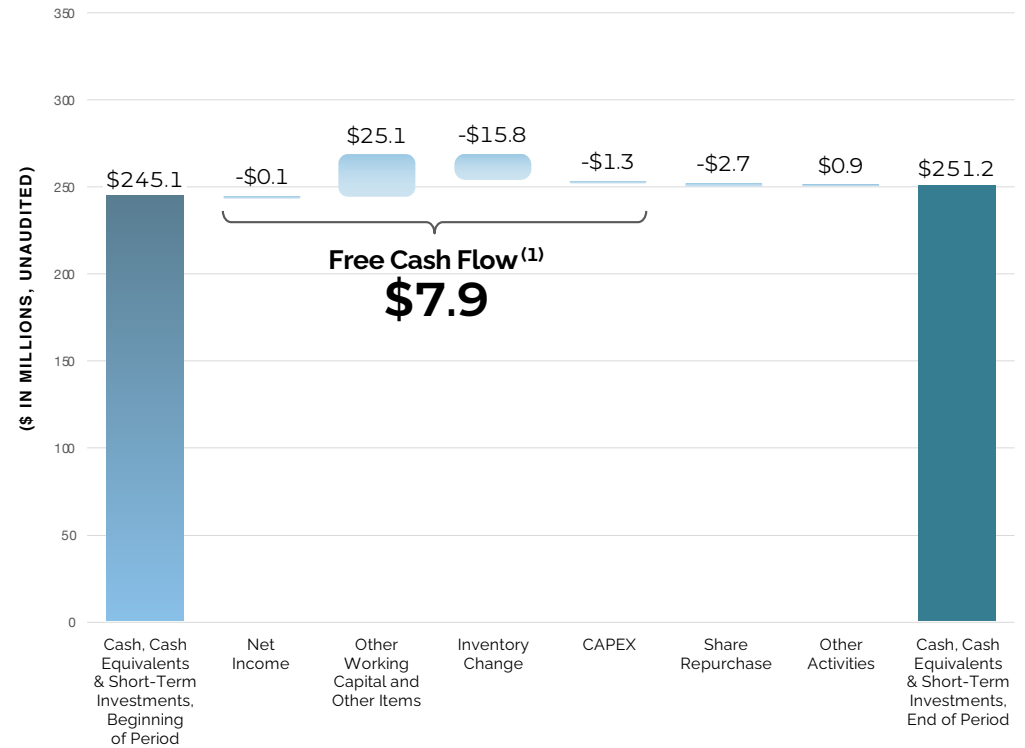
## Q1 2025 BALANCE SHEET AND CASH FLOW RESULTS

### Cash, Cash Equivalents & Short-Term Investments



### Cash Flow Changes

(FOR THE QUARTER ENDED MARCH 31, 2025)



(1) Free cash flow is a non-GAAP financial measure. See "Non-GAAP Financial Measures and Key Operating Metrics" in the Appendix for additional information on non-GAAP financial measures and reconciliations to the most directly comparable GAAP measures.

# Full Year 2025 Outlook

“ First quarter results were ahead of expectations, supported by customer growth, strong full-priced selling, record AOV, and ultimately, a return to growth in the U.S.,” said Trina Spear, Chief Executive Officer and Co-Founder. “These positive signs bolster our conviction that the industry is on the path to normalization and our actions are resonating. At the same time, we are also operating in a period of growing economic uncertainty, where we believe we have an opportunity to demonstrate our category leadership, build upon our competitive advantages, and leverage our incredibly strong balance sheet. We are maintaining the clear focus that we outlined at the beginning of the year – our unwavering efforts to serve our community and our intent to accelerate investment to better support our opportunity. We believe great brands uniquely harness adversity, and we will continue to boldly lead and define this industry going forward.”

- Trina Spear, Chief Executive Officer and Co-Founder

“ While 2025 started on a strong note, changes in U.S. trade policies have added greater variability to our planning, particularly in the second half of the year. As we continue to evaluate a range of scenarios, our updated 2025 outlook reflects the projected impact of the current tariff structure, excluding the currently-paused reciprocal tariffs. We are determined to remain diligent and nimble in navigating this challenging environment, prudently planning our business while continuing our steadfast focus of serving those who serve others.”

- Sarah Oughtred, Chief Financial Officer

NET REVENUES GROWTH VS. 2024

**Down  
low-single-digits**

ADJUSTED EBITDA MARGIN<sup>(1)(2)</sup>:

**7.5% to 8.5%**

(1) “adjusted EBITDA” and “adjusted EBITDA margin” 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.

(2) We have not provided a quantitative reconciliation of our adjusted EBITDA margin outlook to a GAAP net income margin outlook because we are 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 our control or ability to predict. For more information on our use of non-GAAP metrics, see “Non-GAAP Financial Measures and Key Operating Metrics” in the Appendix.



# Appendix



## NON-GAAP FINANCIAL MEASURES AND KEY OPERATING METRICS

Included in this presentation are certain financial measures that are not calculated in accordance with U.S. generally accepted accounting principles ("GAAP") and which are designed to supplement, and not as a substitute for, the Company's financial information presented in accordance with GAAP. The non-GAAP financial measures as defined by the Company may not be comparable to similar non-GAAP financial measures presented by other companies. The presentation of such measures, which may include adjustments to exclude unusual or non-recurring items, should not be construed as an inference that the Company's future results will be unaffected by other unusual or nonrecurring items.

The Company uses "net income (loss), as adjusted," "diluted earnings per share, as adjusted," "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 "net income, as adjusted" as net income adjusted to exclude transaction costs, expenses related to non-ordinary course disputes, other than temporary impairment of held-to-maturity investments, stock-based compensation, including expense related to award modifications, accelerated performance awards and associated payroll taxes and costs, ambassador grants in connection with its initial public offering, and expense resulting from the retirement of a former CFO of the Company, and the income tax impact of these adjustments. The Company calculates "diluted earnings per share, as adjusted" as net income, as adjusted divided by diluted shares outstanding. The Company calculates "adjusted EBITDA" as net income (loss) 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.

## NON-GAAP FINANCIAL MEASURES AND KEY OPERATING METRICS (CONT.)

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

	Three Months Ended	
	March 31,	
	2025	2024
<i>(in thousands, except margin)</i>		
Net income (loss)	\$ (102)	\$ 1,435
Add (deduct):		
Other income, net	(2,075)	(2,837)
Provision for income taxes	1,966	1,845
Depreciation and amortization expense <sup>(1)</sup>	1,999	850
Stock-based compensation and related expense <sup>(2)</sup>	7,216	11,697
Adjusted EBITDA	\$ 9,004	\$ 12,990
Net revenues	\$ 124,901	\$ 119,293
Net income (loss) margin <sup>(3)</sup>	(0.1%)	1.2%
Adjusted EBITDA margin	7.2%	10.9%

Footnote explanations:

(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) Net income (loss) margin represents net income (loss) 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:

	Three Months Ended	
	March 31,	
	2025	2024
<i>(in thousands)</i>		
Net cash provided by operating activities	\$ 9,235	\$ 11,619
Less: capital expenditures	(1,310)	(496)
Free cash flow	\$ 7,925	\$ 11,123

## NON-GAAP FINANCIAL MEASURES AND KEY OPERATING METRICS (CONT.)

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.