DAVIDsTEA

annual meeting

JUNE 13, 2023

cautionary forward-looking statements

THIS PRESENTATION includes statements that express our opinions, expectations, beliefs, plans, objectives, assumptions or projections regarding future events or future results and there are, or may be deemed to be, "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995 (the "Act"). The following cautionary statements are being made pursuant to the provisions of the Act and with the intention of obtaining the benefits of the "safe harbor" provisions of the Act. These forward-looking statements generally can be identified by the use of forward-looking terminology, including the terms "believes," "expects," "may," "will," "should," "could," "seeks," "projects," "approximately," "intends," "plans," "estimates," or "anticipates," or, in each case, their negative or other variations or comparable terminology. These forward-looking statements include all matters that are not historical facts. They appear in a number of places throughout this presentation and include statements regarding our intentions, beliefs or current expectations concerning, among other things, the Company's prospects, management's turn-around strategy, plans for investment in marketing initiatives, changes to product offerings and assortment, and strategic plans.

While we believe these expectations and projections are based on reasonable assumptions, such forward-looking statements are inherently subject to risks, uncertainties and assumptions about us, including the risk factors set forth in the Company's Annual Information Form(AIF).

Actual results may differ materially from those in the forward-looking statements as a result of various factors, including but not limited to, the following: our ability to manage significant changes to our Board of Directors and leadership team; our efforts to expand beyond retail stores; our ability to maintain our brand image; significant competition within our industry; the effect of a decrease in customer traffic to the shopping malls and street locations where our stores are located; the results of our transfer pricing audit; our ability to attract and retain employees that embody our culture, including Tea Guides and store and district managers and regional directors; changes in consumer preferences and economic conditions affecting disposable income; our ability to source, develop and market new varieties of teas, tea accessories, food and beverages; our reliance upon the continued retention of key personnel; the impact from real or perceived quality or safety issues with our teas, tea accessories, food and beverages; our ability to obtain quality products from third-party manufacturers and suppliers on a timely basis or in sufficient quantities; the impact of weather conditions, natural disasters and manmade disasters on the supply and price of tea; actual or attempted breaches of data security; the costs of protecting and enforcing our intellectual property rights and defending against intellectual property claims brought by others; adverse publicity as a result of public disagreements with our shareholders; fluctuations in exchange rates; and the seasonality of our business and other risks set forth in the Company's AIF.

All forward-looking statements should be evaluated with the understanding of their inherent uncertainty. These statements are based upon information available to us as of the date of this presentation, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially-available relevant information. In light of these risks, uncertainties and assumptions, the forward-looking events discussed in this presentation might not occur, and investors are cautioned not to unduly rely upon these statements.

our vision

To become the world's most innovative tea company, inspiring greater wellness and sustainability

our mission

To make tea fun and accessible to all

FY 2022 results

$83.0M
Revenue

34.1%
Gross profit

$14.9M
Net loss

($5.0M)
Adjusted EBITDA[1]

[1]Adjusted EBITDA is a non-IFRS measure and excludes the impact of stock-based compensation expenses, Restructuring Plan activities, net, impairment of property and equipment and right-of-use assets, and software implementation costs, legal and regulatory settlement amounts, and executive and employee separation costs. See the Company's Annual Information Form for a full reconciliation with net loss.

operational highlights in FY 2022

- Launched retail refresh and innovative **Tea Bars**
- **Introduced individually wrapped, fully compostable sachet format** for wholesale market
- **Expanded wholesale channel** to 3,800 doors, including 300 store-in-store concepts
- **Increased brick-and-mortar sales** nearly 4% YoY
- Transitioned to the **TSX Venture Exchange** (after year-end)
- Recognized as a **Great Place to Work 2022**
- Continued **Sustainability leadership** and **Won Award** for Indigenous Tea Partnership

key value-creation & brand-building initiatives

focus on enhancing our omnichannel strategy

store focus: strengthening flagship model

expanding wholesale footprint

innovation: premium product offering

focused on digital first growth strategy

- Introducing enhanced online consumer experience
- Launching of mobile app
- Improving customer experience by internalizing fulfillment to consumers
- Increasing Amazon assortment, marketing and reach

expanding wholesale footprint

- Signed distribution agreement with large wholesale distributor of health and specialty foods in the U.S. supplying national and regional grocery chains
- Announced launch of six SKUs of flavourful sachet packs at more than 400 grocery stores in the northeastern U.S. for this fall
- Gradual, step-by-step approach to penetrate U.S. wholesale market

strengthening flagship model

- Opening new stores in Canada
- Launching enhanced beverage program in select stores
- Strengthening flagship stores in Canada
  - renovated Galeries de la Capitale store in QC
  - renovating Sherway Gardens
  - launching enhanced beverage program in select stores

premium product offering

premium product offering

Our Corporate Social Responsibility portfolio encompasses:

- Addressing risks at tea origins where we source our tea
- Staying actively involved in committees to advance frameworks for responsible tea businesses
- Prioritizing water stewardship and inclusive local & global partnerships
- Committed membership to Ethical Tea Partnership and Fair Trade Certified™

Aligned with the UN Sustainability Development Goals, our sustainability strategy focuses on 3 pillars:

- Ethical & Sustainable Tea Sourcing
- Compostable & Regenerative Packaging
- Caring for our Community

premium product offering

we don't settle for dust

Innovative tea sachet product line

Full leaves and ingredients for full flavour

Natural plants and fruits for a clean sip

DAVIDsTEA

Functional botanicals with proven benefits

In-house blending experts & tea sommeliers

premium product offering

can't stop
won't stop

Launching:

- Ready-to-drink and Tea Pops™
- Superfood Powders
- Matcha Lattes and Lemonades

cost-containment plan

Staff layoffs in February, with expected annual benefit of $2M

Cutting other expenses by $6 to $8M

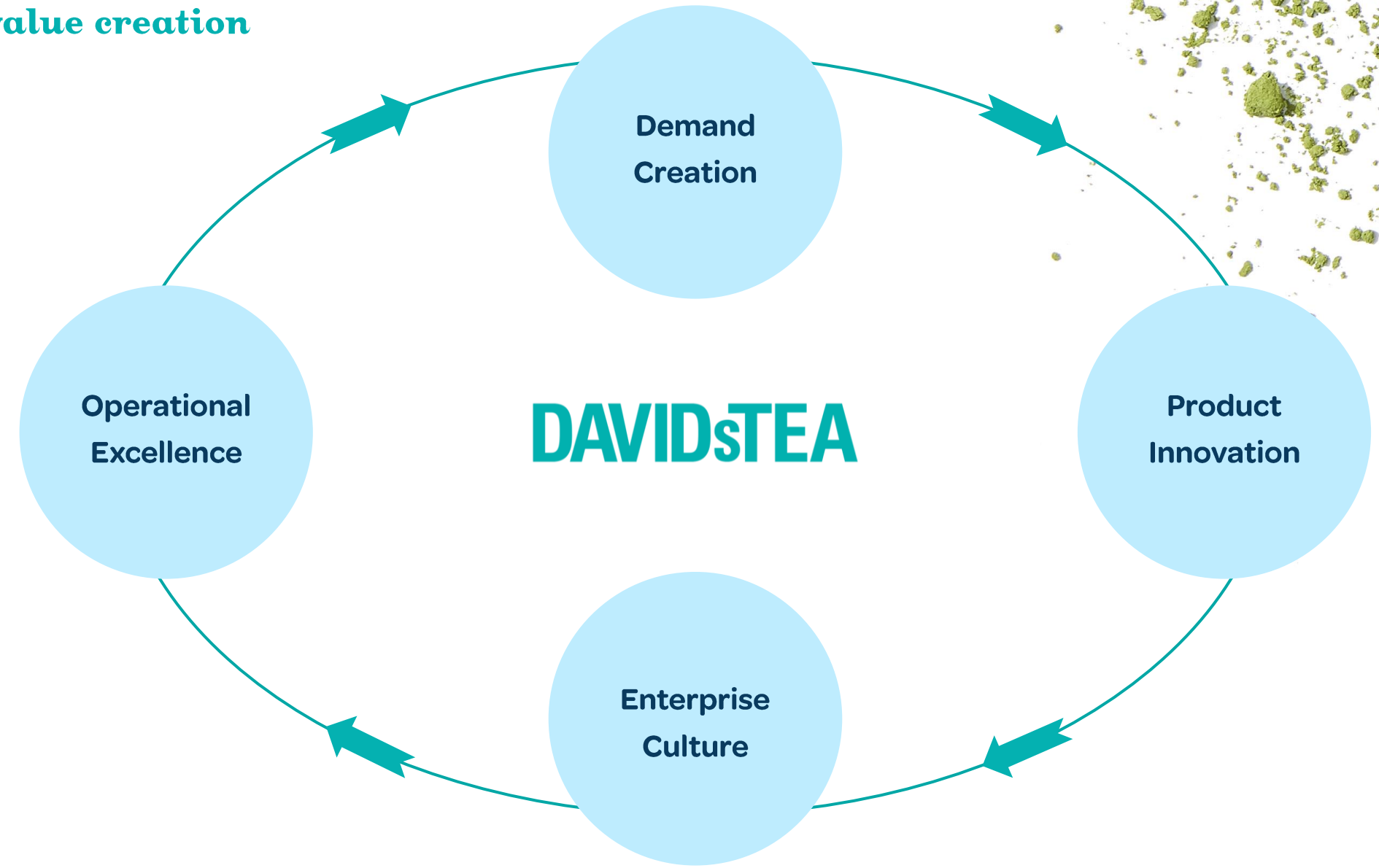
- IT investments and ERP in maintenance mode
- Tight management of cash and working capital

$8-$10M

in annual savings

12-18 month strategy to maximize profitability

path to value creation



Q1 2023 results

$14.3M	40.3%	($2.0M)	($0.9M)[1]
Revenue	Gross profit	IFRS net loss	Adjusted EBITDA*

Financial position	$19.6M and no debt

[1]Adjusted EBITDA is a non-IFRS measure and excludes the impact of stock-based compensation expenses, software implementation costs and costs incurred to delist from Nasdaq and list on the TSX Venture Exchange. See the Company's first quarter Fiscal 2023 Management 's Discussion and Analysis of Financial Condition and Results of Operations for a full reconciliation with net loss.

key takeaways

- FY 2022 results impacted by challenging economic environment
- Implemented cost-containment plan to reduce operating cost base
- Focused on profitable and measured omnichannel growth strategy
- Wholesale expansion in U.S. represents significant growth opportunity
- Disciplined management team committed to delivering profitable growth

to infinitea
and beyond