DAVIDsTEA Inc.

INTERIM CONSOLIDATED FINANCIAL STATEMENTS

For the three and nine-month periods ended November 1, 2025 and November 2, 2024

NOTICE

The accompanying unaudited condensed interim consolidated financial statements of DAVIDSsTEA Inc. (the "Company") have been prepared by and are the responsibility of the Company's management. The Company's independent auditor has not performed a review of these financial statements.

DAVIDsTEA Inc.

Interim Consolidated Balance Sheets

(Unaudited, and amounts in thousands of Canadian dollars)

	Note	As at November 1, 2025 $	As at February 1, 2025 $
ASSETS			
Current			
Cash		8,087	16,187
Accounts and other receivables		2,378	1,775
Inventories		18,182	12,736
Prepaid expenses and deposits		949	1,468
Total current assets		29,596	32,166
Property and equipment		2,791	2,738
Right-of-use assets		10,495	12,662
Total assets		42,882	47,566
LIABILITIES AND EQUITY			
Current			
Revenue linked advances	4	2,475	—
Trade and other payables		9,063	11,814
Deferred revenue		3,323	3,688
Current portion of lease liabilities		3,997	3,899
Total current liabilities		18,858	19,401
Non-current portion of lease liabilities		7,765	9,769
Total liabilities		26,623	29,170
EQUITY			
Share capital	5	115,246	115,015
Contributed surplus		1,570	1,641
Deficit		(103,801)	(101,491)
Accumulated other comprehensive income		3,244	3,231
Total equity		16,259	18,396
Total liabilities and equity		42,882	47,566

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

DAVIDsTEA Inc.

Interim Consolidated Statements of Loss and Comprehensive Loss

(Unaudited and amounts in thousands of Canadian dollars, except share and per share information)

		For the three-months ended		For the nine-months ended	
		November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
	Note	$	$	$	$
Sales	6,10	**12,613**	14,039	**37,488**	38,565
Cost of sales	7	**6,683**	6,815	**19,397**	20,270
Gross profit		**5,930**	7,224	**18,091**	18,295
Selling, general and administration expenses	8	**6,394**	8,700	**19,992**	23,860
Results from operating activities		**(464)**	(1,476)	**(1,901)**	(5,565)
Finance costs		**222**	185	**648**	450
Finance income		**(45)**	(86)	**(180)**	(306)
Net loss		**(641)**	(1,575)	**(2,369)**	(5,709)
Other comprehensive income (loss):					
Cumulative translation adjustment		**(9)**	(13)	**13**	(32)
Other comprehensive income (loss), net of tax		**(9)**	(13)	**13**	(32)
Total comprehensive loss		**(650)**	(1,588)	**(2,356)**	(5,741)
Net loss per share:					
Basic	9	**(0.02)**	(0.06)	**(0.09)**	(0.21)
Fully diluted	9	**(0.02)**	(0.06)	**(0.09)**	(0.21)
Weighted average number of shares outstanding:					
Basic	9	**27,118,830**	26,930,180	**27,043,089**	26,896,574
Fully diluted	9	**27,118,830**	26,930,180	**27,043,089**	26,896,574

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

DAVIDsTEA Inc.

Interim Consolidated Statements of Cash Flows

(Unaudited and amounts in thousands of Canadian dollars)

	For the three-months ended		For the nine-months ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
	$	$	$	$
OPERATING ACTIVITIES				
Net loss	**(641)**	(1,575)	**(2,369)**	(5,709)
Items not affecting cash and other reconciling items:				
Depreciation of property and equipment	**166**	28	**490**	28
Amortization of right-of-use assets	**984**	855	**2,996**	2,165
Impairment of property and equipment and intangible assets	**—**	(2,130)	**—**	(1,358)
Interest on lease liabilities	**204**	185	**630**	419
Amortization of financing fees	**—**	—	**—**	30
Stock-based compensation expense	**107**	16	**400**	142
Sub-total	**820**	(2,621)	**2,147**	(4,283)
Net change in non-cash working capital balances related to operations	**(1,431)**	5,463	**(8,814)**	3,568
Cash flows provided by (used in) operating activities	**(611)**	2,842	**(6,667)**	(715)
FINANCING ACTIVITIES				
Proceeds from revenue linked advances	**2,700**	—	**2,700**	—
Payment of revenue linked advances	**(225)**	—	**(225)**	—
Payment of lease liabilities	**(1,186)**	(1,002)	**(3,540)**	(2,562)
Cash flows provided by (used in) financing activities	**1,289**	(1,002)	**(1,065)**	(2,562)
INVESTING ACTIVITIES				
Proceeds from tenant inducements	**175**	—	**175**	—
Additions to property and equipment	**(412)**	(608)	**(543)**	(1,381)
Cash flows used in investing activities	**(237)**	(608)	**(368)**	(1,381)
Increase (decrease) in cash during the period	**441**	1,232	**(8,100)**	(4,658)
Cash, beginning of the period	**7,646**	6,710	**16,187**	12,600
Cash, end of the period	**8,087**	7,942	**8,087**	7,942
Supplemental Information				
Cash paid for:				
Interest (classified as financing activities)	**208**	185	**656**	448
Cash received for:				
Interest (classified as operating activities)	**45**	87	**180**	306

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

DAVIDsTEA Inc.

Interim Consolidated Statements of Equity (Deficiency)

(Unaudited and amounts in thousands of Canadian dollars)

	Share capital $	Contributed surplus $	Deficit $	Accumulated other comprehensive income $	Total equity $
Balance, February 1, 2025	**115,015**	**1,641**	**(101,491)**	**3,231**	**18,396**
Net loss for the nine months ended November 1, 2025	**—**	**—**	**(2,369)**	**—**	**(2,369)**
Other comprehensive loss	**—**	**—**	**—**	**13**	**13**
Total comprehensive loss	**—**	**—**	**(2,369)**	**13**	**(2,356)**
Common shares issued on vesting of restricted stock units	**231**	**(471)**	**59**	**—**	**(181)**
Stock-based compensation expense	**—**	**400**	**—**	**—**	**400**
Balance, November 1, 2025	**115,246**	**1,570**	**(103,801)**	**3,244**	**16,259**
Balance, February 3, 2024	114,786	1,936	(98,486)	3,272	21,508
Net loss for the nine months ended November 2, 2024	—	—	(5,709)	—	(5,709)
Other comprehensive loss	—	—	—	(32)	(32)
Total comprehensive loss	—	—	(5,709)	(32)	(5,741)
Common shares issued on vesting of restricted stock units	229	(469)	205	—	(35)
Stock-based compensation expense	—	142	—	—	142
Balance, November 2, 2024	115,015	1,609	(103,990)	3,240	15,874

The accompanying notes are an integral part of these unaudited interim consolidated financial statements.

1. CORPORATE INFORMATION

The unaudited interim consolidated financial statements of DAVIDsTEA Inc. and its subsidiary, DAVIDsTEA (USA) Inc., (collectively, the "Company") for the three and nine-month periods ended November 1, 2025 and November 2, 2024, were approved and authorized for issue in accordance with a resolution of the Board of Directors on December 16, 2025. The Company is incorporated and domiciled in Canada and its shares are publicly traded on the TSX Venture Exchange under the symbol "DTEA". The registered office is located at 5775, Ferrier Street, Town of Mount-Royal, Québec, Canada, H4P 1N3.

The Company offers a branded selection of high-quality proprietary loose-leaf teas, pre-packaged teas, tea sachets, tea-related accessories and gifts through its e-commerce platform at **www.davidstea.com** and the Amazon Marketplace, its wholesale customers which include over 4,000 grocery stores and pharmacies, over 1,500 convenience stores in Canada and over 1000 grocery stores in the United States, as well as 20 company-owned stores across Canada.

The Company offers proprietary tea blends that are exclusive to the Company, as well as traditional single-origin teas and herbs.

Our passion for and knowledge of tea permeates the Company's culture and is rooted in an excitement to explore the taste, health and lifestyle elements of tea. With a focus on innovative flavours, wellness-driven ingredients and organic tea, the Company launches seasonally driven "collections" with a mission of making tea fun and accessible to all.
Sales fluctuate from quarter to quarter. Sales are traditionally highest in the fourth fiscal quarter due to the year-end holiday season and tend to be lowest in the second and third fiscal quarters because of lower customer engagement during the summer months.

All monetary amounts shown, unless otherwise noted, are in thousands of Canadian dollars except share and per share information.

2. BASIS OF PREPARATION

These unaudited interim consolidated financial statements have been prepared in accordance with IAS 34, "Interim Financial Reporting" as issued by the International Accounting Standards Board ("IASB"). Accordingly, these financial statements do not include all the financial statement disclosures required for annual financial statements and should be read in conjunction with the Company's audited consolidated financial statements for the year ended February 1, 2025, which have been prepared in accordance with International Financial Reporting Standards ("IFRS") as issued by the IASB. In management's opinion, the unaudited interim consolidated financial statements reflect all the adjustments that are necessary for a fair presentation of the results for the interim period presented. These unaudited interim consolidated financial statements have been prepared using the accounting policies and methods of computation as outlined in Note 3 of the audited consolidated financial statements for the year ended February 1, 2025.

3. SIGNIFICANT ACCOUNTING JUDGEMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of condensed interim consolidated financial statements requires management to make estimates and assumptions using judgment that affect the application of accounting policies and the reported amounts of assets and liabilities, income and expense during the reporting period. Estimates and other judgments are continually evaluated and are based on management's experience and other factors, including expectations about future events that are believed to be reasonable under the circumstances. Actual results may differ from those estimates.

In preparing these unaudited condensed interim consolidated financial statements, critical judgments made by management in applying the Company's accounting policies and the key sources of estimation uncertainty were the same as those referred to in Note 4 of the audited consolidated financial statements for the year ended February 1, 2025.

4. REVENUE-LINKED ADVANCES

During the period, the Company entered into a revenue-linked financing agreement under which it received advance funding of $2.7 million. Under the terms of arrangement, the Company is required to remit 7% of revenues generated through its retail and e-commerce channels until a fixed repayment amount of $2.9 million has been satisfied. The fixed repayment amount represents the contractual funding of $2.7 million plus a fixed financing cost of 8.0%.

The financing arrangement does not convey any ownership interest or participation rights in the Company. Although periodic repayment amounts vary based on revenue performance in the Company's retail and e-commerce channels, the total repayment obligation is fixed, and as such the arrangement is accounted for as a financial liability under IFRS-9.

The liability was initially recognized at the amount of funding received and is subsequently measured at amortized cost using the effective interest rate method. Revenue-based remittances reduce the carrying amount of the liability, while the accretion of the financing cost is recognized in finance expense over the expected term of the arrangement. The timing of repayment is dependent on future revenue performance in the Company's retail and e-commerce channels.

As at November 1, 2025, the carrying amount of the revenue-linked financing liability was $2.5 million. During the period, the Company recognized $18 thousand in finance costs related to the accretion of the liability and made revenue-based repayments totaling $225 thousand.

The arrangement is secured by a general security interest/hypothec over substantially all of the Company's assets.

5. SHARE CAPITAL

Issued and Outstanding

	As at	
	November 1, 2025	**February 1, 2025**
Share Capital	**$ 115,246**	$ 115,015
Common Shares	**27,145,589**	26,948,465

During the three and nine-month period ended November 1, 2025, 42,251 and 197,124 common shares, respectively (November 2, 2024 – 29,386 and 99,728 common shares, respectively) were issued in relation to the vesting of restricted stock units ("RSU"), resulting in an increase in share capital of $39 and $231, net of tax respectively (November 2, 2024 – $27 and $229, net of tax respectively) and a reduction in contributed surplus of $79 and $471, respectively (November 2, 2024 – $56 and $469, respectively).

Stock-based compensation

As at November 1, 2025, 1,467,960 (November 2, 2024 – 1,044,697) common shares remain available for issuance under the 2015 Omnibus Plan.

No RSU were granted during the three-month periods ended November 1, 2025 and November 2, 2024.

A summary of the status of the Company's 2015 Omnibus plan and changes during the nine-month period are presented below.

	For the nine-months ended			
	November 1, 2025		November 2, 2024	
	Units outstanding #	Weighted average fair value per unit (1) $	Units outstanding #	Weighted average fair value per unit (1) $
Outstanding, beginning of period	**747,707**	**1.74**	935,872	1.93
Granted	**883,375**	**0.78**	50,000	0.16
Forfeitures	**(37,684)**	**(1.80)**	(30,836)	1.38
Vested	**(197,124)**	**(1.17)**	(99,728)	2.30
Vested, withheld for tax	**(205,204)**	**(1.17)**	(103,851)	2.30
Outstanding, end of period	**1,191,070**	**1.23**	751,457	1.74

(1) Weighted average fair value per unit as at date of grant.

6. REVENUE

	For the three-months ended		For the nine-months ended	
	November 1, 2025 $	November 2, 2024 $	November 1, 2025 $	November 2, 2024 $
Online	**5,287**	6,359	**16,822**	18,584
Retail	**4,862**	4,726	**14,698**	13,442
Wholesale	**2,464**	2,954	**5,968**	6,539
	12,613	14,039	**37,488**	38,565

7. COST OF SALES

Included in cost of sales are the following expenses:

	For the three-months ended		For the nine-months ended	
	November 1, 2025 $	November 2, 2024 $	November 1, 2025 $	November 2, 2024 $
Cost of goods sold	**3,833**	3,923	**10,850**	11,289
Retail occupancy costs (1)	**848**	794	**2,625**	2,309
Delivery costs	**760**	914	**2,375**	2,842
Warehouse salaries, handling and other costs	**1,242**	1,184	**3,547**	3,830
	6,683	6,815	**19,397**	20,270

(1) During the three and nine-month periods ended November 1, 2025, cost of sales includes variable rent of $303 and $938 respectively (November 2, 2024 - $282 and $802 respectively) and amortization of right-of-use assets of $531 and $1,665, respectively (November 2, 2024 – $509 and $1496, respectively).

8. SELLING, GENERAL AND ADMINISTRATION EXPENSES

Included in selling, general and administration expenses are the following expenses:

	For the three-months ended		For the nine-months ended	
	November 1, 2025	November 2, 2024	November 1, 2025	November 2, 2024
	$	$	$	$
Wages, salaries and employee benefits	**3,212**	2,769	**9,415**	8,552
IT expenses (1)	**903**	2,440	**2,471**	6,100
Marketing expenses	**844**	1,356	**3,269**	2,922
Director & officer and other insurance	**136**	191	**477**	666
Professional and consulting fees	**124**	168	**536**	508
Credit card fees	**260**	217	**778**	608
Selling supplies	**109**	114	**321**	362
Stock-based compensation	**107**	16	**400**	142
Depreciation of property and equipment	**166**	28	**490**	28
Amortization right-of-use asset	**30**	20	**89**	20
Amounts due under onerous contracts	—	3,112	—	3,112
Impairment of property and equipment and intangible assets	—	(2,130)	—	(1,358)
Professional fees incurred to secure financing	—	(137)	—	536
Other ongoing selling, general and administration	**503**	536	**1,746**	1,662
	6,394	8,700	**19,992**	23,860

(1) During the three and nine-month periods ended November 1, 2025, the Company reviewed certain previously recognized expenses and determined that $nil and $244 respectively (November 2, 2024 - $nil and $nil respectively) no longer represented obligations and were reversed.

9. LOSS PER SHARE

The following reflects the loss and share data used in the basic and diluted EPS computations:

	For the three-months ended		For the nine-months ended	
	November 1, 2025	**November 2, 2024**	**November 1, 2025**	**November 2, 2024**
	$	**$**	**$**	**$**
Net loss for basic EPS	**(641)**	(1,575)	**(2,369)**	(5,709)
Weighted average number of shares outstanding:				
Basic	**27,118,830**	26,930,180	**27,043,089**	26,896,574
Fully diluted	**27,118,830**	26,930,180	**27,043,089**	26,896,574
Net loss per share:				
Basic	**(0.02)**	(0.06)	**(0.09)**	(0.21)
Fully diluted	**(0.02)**	(0.06)	**(0.09)**	(0.21)

For the quarters ended November 1, 2025, and November 2, 2024, because of the net loss recorded during the period, RSUs as disclosed in note 5 are anti-dilutive.

10. SEGMENT INFORMATION

The Company defines an operating segment on the same basis that it uses to evaluate performance internally and to allocate resources by the Chief Operating Decision Maker (the "CODM"). The Company has determined that the Chief Executive and Brand Officer is the CODM. In fiscal 2024, the Company has determined that it operates in one operating segment which includes all three sales channels; Online, Retail and Wholesale, based on how the CODM manages and evaluates the Company's performance for decision-making and to allocate resources.

All property and equipment and right-of use assets are located in Canada.

The following tables summaries revenue by geographic location of the Company's customers.

	For the three-months ended		For the nine-months ended	
	November 1, 2025	**November 2, 2024**	**November 1, 2025**	**November 2, 2024**
	$	**$**	**$**	**$**
Canada	**11,157**	12,007	**32,994**	33,366
USA	**1,456**	2,032	**4,494**	5,199
	12,613	14,039	**37,488**	38,565

11. SUBSEQUENT EVENT

On November 19, 2025, as part of a Private Placement, the Company issued 3,333,334 units at a price of $0.90 per unit, for proceeds of $3 million. Each unit consists of one common share and one-half of a common share purchase warrant. Each full warrant entitles its holder to purchase one additional common share of the Company at a price of $1.25 for one year from the closing date of the Private Placement and at a price of $1.50 for one year thereafter. In the event that at any time following the date that is four months and one day from the closing date of the Private Placement,

the closing price of the Company's common shares on the TSX Venture Exchange is at least $2.00 for a period of not less than 20 consecutive trading days, the warrants will expire, at the sole discretion of the Company, on the 30th day after the date on which the Company sends a notice in prescribed form to the holders of the warrants.

The Company did not pay any commissions or other fees in connection with the Private Placement.

The shares and warrants issued in the Private Placement are subject to restrictions on resale for a period of four months ending March 20, 2026.