

Form 51 – 102F3

Material Change Report

1. **Name and Address of Company**

DAVIDsTEA Inc.
5430 Ferrier
Town of Mount Royal, Québec
H4P 1M2

2. **Date of Material Change**

March 27, 2023.

3. **News Release**

DAVIDsTEA Inc. (“**DAVIDsTEA**” or the “**Company**”) issued a news release with respect to the material change described herein via Globe Newswire on March 27, 2023.

4. **Summary of Material Change**

DAVIDsTEA announced that: the Company has been accepted for listing on the TSX Venture Exchange (“**TSXV**”), the Company’s common shares will commence trading on the TSXV on Monday, April 3, 2023 under the ticker symbol “**DTEA**”, and it intends to voluntarily delist its common shares from The Nasdaq Global Market (“**Nasdaq**”). The Company’s common shares are expected to cease trading on Nasdaq at the close of markets on Friday, April 14, 2023. During a two-week interim period from Monday, April 3 to Friday, April 14, 2023, DAVIDsTEA’s common shares will trade on both the TSXV and Nasdaq.

5. **Full Description of Material Change**

5.1 **Full Description of Material Change**

DAVIDsTEA announced that the Company has been accepted for listing on the TSXV and that the Company’s common shares will commence trading on the TSXV on Monday, April 3, 2023 under the ticker symbol “**DTEA**”. The shares will trade on the TSXV in Canadian dollars. Shareholders will not be required to exchange their share certificates or take any other action in connection with the TSXV listing as there will be no change in the trading symbol or CUSIP for the shares.

DAVIDsTEA also announced that as a result of its listing on the TSXV, it intends to voluntarily delist its common shares from Nasdaq and file a Form 25 with the U.S. Securities and Exchange Commission (“**SEC**”) on or about April 7, 2023. As a result, the Company’s common shares are expected to cease trading on Nasdaq at the close of markets on Friday, April 14, 2023. During a two-week interim period from Monday, April 3 to Friday, April 14, 2023, DAVIDsTEA’s common shares will trade on both the TSXV and Nasdaq.

Frank Zitella, President and Chief Operating and Financial Officer of DAVIDsTEA, stated as follows: “Listing on a Canadian stock exchange makes sense for DAVIDsTEA. We have significant brand awareness in Canada, all of our retail stores are in Canada and a majority of our revenues are generated in Canada. Additionally, a TSX Venture Exchange listing creates

opportunities to reduce administrative and compliance costs without compromising investor confidence. Our shareholders in the United States and other U.S. investors will be able to trade DAVIDsTEA through the facilities of the TSX Venture Exchange”.

DAVIDsTEA announced further that it intends to terminate the registration of its securities and its reporting obligations under the U.S. *Securities Exchange Act of 1934*, as amended. For this purpose, the Company intends to file a Form 15 with the SEC on or about April 17, 2023. Upon such filing, the Company’s reporting obligations with the SEC will be suspended immediately. The termination of the Company’s registration and reporting obligations is expected to become effective no later than 90 days after the Form 15 filing if there are no objections from the SEC. The Company remains subject to Canadian securities laws and will become subject to the policies of the TSXV.

As previously disclosed in the Company’s Current Report on Form 8-K filed with the SEC on November 1, 2022, the Company received a letter from Nasdaq Stock Market LLC (the “**Letter**”) notifying the Company that for the previous 30 consecutive business days, the closing bid price of its common shares was below the US \$1.00 minimum bid price requirement for continued listing on Nasdaq set out in Nasdaq Listing Rule 5550(a)(2). Following receipt of the Letter, the Company’s management reviewed options in order to regain compliance with Nasdaq’s listing rules but concluded that DAVIDsTEA would not be able to regain compliance by the deadline set out in the Letter. As a result, after careful consideration, the Board of Directors of DAVIDsTEA determined that it is in the best interests of the Company to delist the common shares from Nasdaq and to list on a stock exchange in Canada. The decision was based on several factors, including an analysis of the benefits of continued Nasdaq listing weighed against the significant costs, regulatory burden and management time commitment for compliance and reporting activities associated with a Nasdaq listing, and the Board’s assessment of the probability of the Company regaining compliance with Nasdaq’s continued listing requirements. The Company’s strategy, operations and ability to grow its business will not change as a result of the transfer of its stock exchange listing to the TSXV.

5.2 Disclosure for Restructuring Transactions

Not applicable.

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

Not applicable.

7. Omitted Information

Not applicable.

8. Executive Officer

The executive officer who can answer questions regarding this report is Mr. Frank Zitella, President, and Chief Financial and Operating Officer of DAVIDsTEA. Mr. Zitella can be reached at (514) 839-1580.

9. Date of Report

March 27, 2023.