



DECIBEL  
CANNABIS  
COMPANY

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# INVESTOR PRESENTATION

FALL 2024

TSXV: DB | OTCQB: DBCCF

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## MARKET, INDEPENDENT THIRD PARTY AND INDUSTRY DATA

Certain information contained herein includes market and industry data that has been obtained from or is based upon estimates derived from third party sources, including industry publications, reports and websites. Third party sources generally state that the information contained therein has been obtained from sources believed to be reliable, but there is no assurance or guarantee as to the accuracy or completeness of included data. Although the data is believed to be reliable, neither the Corporation nor their agents have independently verified the accuracy, currency or completeness of any of the information from third party sources referred to in this Presentation or ascertained from the underlying economic assumptions relied upon by such sources.

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## CAUTIONARY NOTE REGARDING FORWARD LOOKING INFORMATION

This Presentation contains "forward-looking information" and "forward-looking statements" (collectively, "forward-looking statements") within the meaning of the applicable Canadian securities legislation. All statements, other than statements of historical fact, are forward-looking statements and are based on expectations, estimates and projections as at the date of this news release. Any statement that involves discussions with respect to predictions, expectations, beliefs, plans, projections, objectives, assumptions, future events or performance (often but not always using phrases such as "expects", or "does not expect", "is expected", "anticipates" or "does not anticipate", "plans", "budget", "scheduled", "forecasts", "estimates", "believes" or "intends" or variations of such words and phrases or stating that certain actions, events or results "may" or "could", "would", "might" or "will" be taken to occur or be achieved) are not statements of historical fact and may be forward-looking statements.

In this Presentation, forward-looking statements relate to, among other things, Decibel's value creation plan, the purchase of AgMedica Bioscience Inc. ("**AgMedica**") accelerating Decibel's international footprint; the anticipated additional flower production volume and total exportable flower production volume; the Corporation growing in extract products; the ability to use Thunderchild to supply international markets; the ability to improve AgMedica's production yields following the acquisition; ability to optimize production and automation to grow profit post acquisition; anticipated 2024 year to date results of AgMedica; the ability of the Corporation to extend its products and brand to the rest of the world; AgMedica's ability to contribute free cash flow generation to the Corporation; and the anticipated accretive aspects of the acquisition of AgMedica. There can be no assurance that such statements will prove to be accurate, as actual results and future events could differ materially from those anticipated in such statements. Accordingly, readers should not place undue reliance on the forward-looking statements and information contained in this news release. Except as required by law, the Corporation assumes no obligation to update the forward-looking statements of beliefs, opinions, projections, or other factors, should they change.

Forward-looking statements and FOFI (as defined herein) are necessarily based upon a number of estimates and assumptions that, while considered reasonable, are subject to known and unknown risks, uncertainties, and other factors which may cause the actual results and future events to differ materially from those expressed or implied by such forward-looking statements and FOFI. Such factors include, but are not limited to: risks relating to the final required approvals in relation to the purchase of AgMedica, including those of the TSXV and shareholders of the Corporation, if applicable; risks related to the anticipated benefits of the acquisition of AgMedica and the ability of the Corporation to realize such anticipated benefits; risks relating to delays, regulatory changes and impacts, capital requirements, construction impacts, supply chain disruptions, the occurrence of plant pestilence, the ability to obtain and maintain licences to retail cannabis products; review of the Corporation's production facilities by Health Canada and maintenance of licences (including any amendments thereto) from Health Canada in respect thereof; future legislative and regulatory developments involving cannabis; inability to access sufficient capital from internal and external sources, and/or inability to access sufficient capital on favourable terms; the labour market generally and the ability to access, hire and retain employees; general business, economic, competitive, political and social uncertainties; the satisfaction of conditions precedent under the Corporation's credit facilities; timing and completion of construction and expansion of the Corporation's production facilities and retail locations; and the delay or failure to receive board, regulatory or other approvals, including any approvals of the TSXV, as applicable, for any matters in relation to the Corporation's ongoing operations. Many of these risks and uncertainties and additional risk factors are described in the Corporation's management's discussion and analysis for the three and six months ended June 30, 2024 and 2023, which are available under the Corporation's profile at [www.sedarplus.ca](http://www.sedarplus.ca).

With respect to forward-looking statements and FOFI contained in this news release, Decibel has made assumptions regarding, but not limited to: the anticipated benefits of the acquisition of AgMedica; the anticipated synergies upon closing the purchase of AgMedica; growth of the brand and recognition in Canada will lead to growth internationally; demand for Decibel's products; streamlining of operations and a transition towards automation will improve Decibel's balance sheet; Decibel's ability to enter new markets and industry verticals; Decibel's ability to attract, develop and retain key personnel; Decibel's ability to raise additional capital and to execute on its expansion plans; the timelines for new product launches; Decibel's ability to continue investing in infrastructure and implement scalable controls, systems and processes to support its growth; the impact of competition; the changes and trends in Decibel's industry or the global economy; the Corporation's ability to generate sufficient cash flow from operations and obtain financing, if needed, on acceptable terms or at all; the general economic, financial market, regulatory and political conditions in which the Corporation operates; the ability of the Corporation to ship its products and maintain supply chain stability; consumer interest in the Corporation's products; anticipated and unanticipated costs; government regulation of the Corporation's activities and products; the timely receipt of any required regulatory approvals; the Corporation's ability to conduct operations in a safe, efficient and effective manner; the Corporation's construction plans and timeframe for completion of such plans; and the changes in laws, rules, regulations, and global standards.

Any financial outlook or future oriented financial information (in each case "FOFI") contained in this news release regarding the Corporation's prospective financial position, including, but not limited to the 2025 Pro Form Full Year Expectations, net revenue and EBITDA projections relating to AgMedica's operations, and the information provided under the Capital Strategy heading of this Presentation, is based on reasonable assumptions about future events, including those described above, based on an assessment by management of Corporation of the relevant information that is currently available. The actual results will likely vary from the amounts set forth herein and such variations may be material.

Readers are cautioned that the foregoing list of assumptions and risk factors is not exhaustive. The forward-looking statements and FOFI contained herein are expressly qualified in their entirety by this cautionary statement. The forward-looking statements and FOFI included in this news release are made as of the date hereof and Decibel does not undertake any obligation to publicly update such forward-looking statements and/or FOFI to reflect new information, subsequent events, developments or otherwise unless so required by applicable securities laws.

#### PRELIMINARY FINANCIAL INFORMATION

The Corporation's expectations for its 2025 Proforma net revenue, adjusted EBITDA and deployable cash flow results (see "Cautionary Statement Regarding Certain Non-GAAP Measures" below) are based on, among other things, the Corporation's anticipated financial results for the three and nine month periods ended September 30, 2024. The Corporation's anticipated financial results are unaudited and preliminary estimates that: (i) represent the most current information available to management as of the date of this news release; (ii) are subject to completion of interim review procedures that could result in significant changes to the estimated amounts; and (iii) do not present all information necessary for an understanding of the Corporation's financial condition as of, and the Corporation's results of operations for, such periods. The anticipated financial results are subject to the same limitations and risks as discussed under "Forward-Looking Statements" above. Accordingly, the Corporation's anticipated financial results for such periods may change upon the completion and approval of the financial statements for such periods and the changes could be material.

#### PRODUCTION ESTIMATES

Thunderchild production capacity estimates are based on Phase I and Phase II total flower bench of 42,000 square feet total (21,000 square feet per phase), 72 grams of flower per yield per square foot per harvest, and 5.2 harvests per annum. Phase I consists of facility floor plate of approximately 80,000 total square feet (total square footage of Phase I & II of ~130,000 sq. ft.). Creston production capacity estimates are based on Phase 1 and Phase 1B total flower bench of 22,900 square feet total (7,560 square feet phase 1), 54 grams of flower per yield per square foot per harvest, and 5.2 harvests per annum. AgMedica production capacity estimates are based on Phase 1 total flower bench of 26,260 square feet total, 37 grams of flower per yield per square foot per harvest, and 5.2 harvests per annum.

#### CAUTIONARY STATEMENT REGARDING CERTAIN NON-GAAP MEASURES

This presentation contains certain financial performance measures, namely adjusted EBITDA, adjusted net income and deployable cash flow, that are not recognized or defined under IFRS (termed "Non-GAAP Measures"). As a result, this data may not be comparable to data presented by other licenced producers and cannabis companies. For an explanation of these measures to related comparable financial information presented in the Consolidated Financial Statements prepared in accordance with IFRS, refer to the discussion below. The Corporation believes that these Non-GAAP Measures are useful indicators of operating performance and are specifically used by management to assess the financial and operational performance of the Corporation. Accordingly, these Non-GAAP Measures are intended to provide additional information and should not be considered in isolation or as a substitute for measures of performance prepared in accordance with IFRS.

A Non-GAAP Measure: (a) depicts the historical or expected future financial performance, financial position or cash of the Corporation; (b) with respect to its composition, excludes an amount that is included in, or includes an amount that is excluded from, the composition of the most comparable financial measure presented in the primary consolidated financial statements; (c) is not presented in the primary financial statements of the Corporation; and (d) is not a ratio.

"Adjusted EBITDA" is used in this presentation which is a Non-GAAP financial measure that is intended to provide a proxy for the Corporation's operating cash flow and is widely used by industry analysts to compare Decibel to its competitors and derive expectations of future financial performance of the Corporation. The Corporation calculates Adjusted EBITDA as net loss and comprehensive loss excluding unrealized gain on changes in fair value of biological assets, change in fair value of biological assets realized through inventory sold, depreciation and amortization expense, share-based compensation, other income, finance costs, foreign exchange loss, non-cash production costs and severance payments. Non-cash production costs relate to amortization expense allocations included in production costs. A quantitative reconciliation of Adjusted EBITDA can be found in Exhibit A to this Presentation.

"Adjusted net income" is used in this presentation which is a Non-GAAP financial measure that is intended to provide a proxy for the Corporation's net income and comprehensive income and is used to compare Decibel to its competitors and derive expectations of future financial performance of the Corporation. This measure increases comparability between comparative companies by eliminating variability resulting from differences in management assumptions related to the impact of fair value adjustments on biological assets, which may be volatile on a period to period basis. These measures are not a recognized, defined, or standardized measure under IFRS. The Corporation calculates adjusted net income as net loss and comprehensive loss excluding unrealized gain on changes in fair value of biological assets and change in fair value of biological assets realized through inventory sold. A quantitative reconciliation of Adjusted Net Income can be found in Exhibit A to this Presentation.

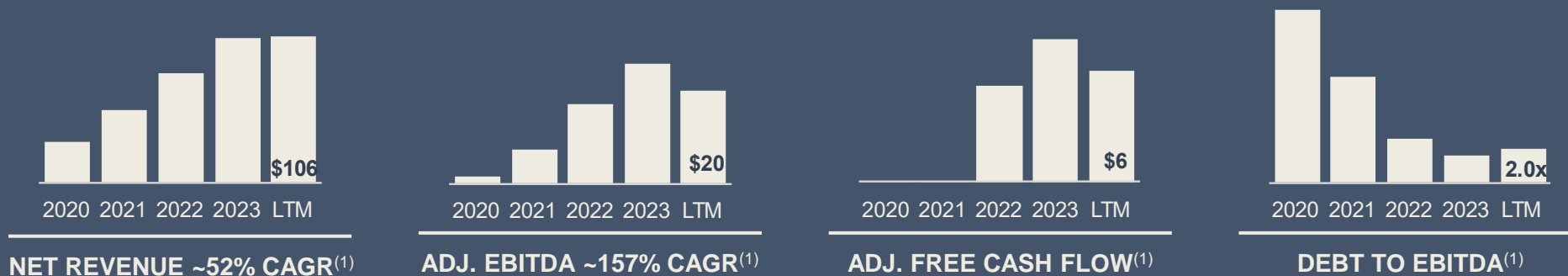
"Adjusted Free Cash Flow" is used in this presentation which is a Non-GAAP financial measure that is intended to provide a proxy for the Corporation's available cash flow prior to investments in working capital and capital expenditures. This measure increases visibility on the available funds to which the Corporation will utilize to improve its balance sheet. These measures are not a recognized, defined, or standardized measure under IFRS. The Corporation calculates adjusted free cash flow as cash flow from operations excluding changes in non-cash working capital, less principal and interest repayments. A quantitative reconciliation of Adjusted Free Cash Flow can be found in Exhibit A to this Presentation.

"Debt to EBITDA" is used in this presentation which is a Non-GAAP ratio that is intended to provide information related to the Company's debt leverage and ability to service debt. This ratio is not a recognized, defined, or standardized measure under IFRS. The Corporation calculates debt to equity as total debt divided by Adjusted EBITDA.

# DECIBEL AT A GLANCE...



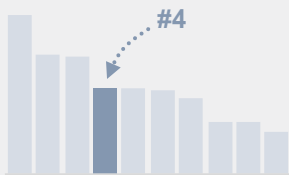
(C\$MM)



## Domestic Segment

~85%  
of Net Revenue

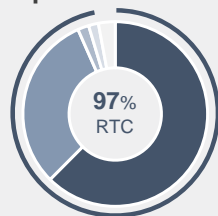
### Market share rank



### Leading brands



### Sales product mix



### Distribution

>2,600

Stores stocking Decibel brands across BC, AB, SK, MB, ON, and NB

### Manufacturing facility Calgary, AB



### Category rankings

#1 PRE-ROLLS #3 VAPES  
2<sup>ND</sup> NATIONAL BRAND (GENERAL ADMISSION)



## International Segment

~15%  
of Net Revenue

### Sales presence in

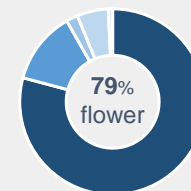
7 Legal countries

### EU GMP certification

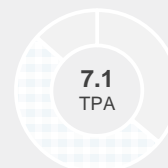
26,260

sq. ft. of active grow space, with expansion potential for an additional 24,655

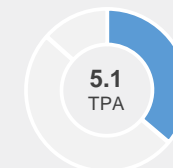
### Sales product mix



### GACP flower capacity<sup>(1)</sup> Battleford, SK



### EU GMP flower capacity<sup>(1)</sup> Chatham, ON



### Activities

- Branded Sales
- Contract Manufacturing
- Tolling



Sources: HiFyre (Q3 2024), Trellis Insights. Current as of October 24, 2024.

1. Adjusted EBITDA, Adjusted Free Cash Flow, and Debt to EBITDA are non-GAAP financial measures. Refer to "Cautionary Statement Regarding Certain Non-GAAP Measures" and "Exhibit A - Non-GAAP Financial Measures - Quantitative Reconciliations" for further details. Debt to EBITDA is a non-GAAP financial ratio. Refer to "Cautionary Note Regarding Forward Looking Information" and "Production Estimates" in the disclaimer for further details. LTM Adjusted EBITDA and Net Revenue include AgMedica Net Revenue and Adjusted EBITDA based on historical information and Decibel's expected financial impacts resulting from the restructuring. 2023 net revenue excludes retail sales as a result of reclassification of retail operations to discontinued operations resulting from the sale of Prairie Records.

# AGMEDICA ACQUISITION SUMMARY

## Accretive transaction expands Decibel's international reach and vape market access

### Transaction Summary

- \$6.3MM interest free convertible note to purchase business, converting to equity on shareholder approval (21.9% PF ownership)<sup>(1)</sup>
- Shed non-desirable assets and all liabilities via CCAA process to position for a lean and profitable business

### Strategic Rationale

- Materially accelerates Decibel's international segment with the addition of 4 countries to Decibel's existing base of 3
- Able to offer Decibel's proven RTC and extracts products globally through proven distribution channels with scarce EU GMP oil license
- Adds 5.1 metric tons per annum ("TPA") of exportable flower volumes (total of 12.2 TPA EU GMP or GACP certified)
- Platform to develop partnerships to export third party brands to new markets
- Provides distribution for Decibel branded products to begin to build a global cannabis brand

### Financial Highlights

- Transaction multiple of ~1.6x EBITDA
- Anticipating over \$30MM of revenue and ~\$4MM of Adj. EBITDA contribution in 2025 with opportunity to layer on additional contracts
- Expecting Free Cash Flow contribution in 2025 with limited near term working capital requirements

1. Note: Adjusted EBITDA and Free Cash Flow are non-GAAP financial measures. Refer to "Cautionary Statement Regarding Certain Non-GAAP Measures" and "Exhibit A - Non-GAAP Financial Measures – Quantitative Reconciliations" for further details. See also "Cautionary Statement Regarding Forward Looking Information" and "Preliminary Financial Information".

2. If the conversion is not approved by shareholders, the note will accrue interest at a rate of 15% after the shareholder meeting, until maturity (6 months from issuance).

# 2025 PRO FORMA FULL YEAR EXPECTATIONS

1

**Net Revenue of \$130MM** driven by continued international growth

2

**Adjusted EBITDA of \$25MM** with a continued cost focus and implementation of automation

3

**Adjusted Free Cash Flow of \$20MM** to continue strengthening of our balance sheet and investing in growth

4

**Debt to EBITDA <1.4x** demonstrating continued progress in deleveraging

5

**Increase exports to 9 markets** from Decibel standalone's 3 in 2024



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TRANSACTION HIGHLIGHTS



# AGMEDICA OVERVIEW

AgMedica is an EU GMP cultivator and processor providing high potential international opportunities

**\$30MM<sup>(1)</sup>**

2025E Revenue Contribution

**\$4MM<sup>(3)</sup>**

2025E Adjusted EBITDA Contribution

## International Platform

Proven track record with sales to Australia, Germany, United Kingdom, Israel, Spain, Denmark and Norway

**5.1 TPA<sup>(2)</sup>**

Flower production with EU GMP certification for international export with 4.7 TPA of additional expansion opportunities.

## Multiple Formats

Including flower, vapes and oils successfully exported with EU GMP certification

## Format Expansion

Opportunity to export additional formats including bubble hash and edibles



Growing demand for existing products in markets with high regulatory barriers to entry



Existing supply agreements across multiple partners and countries



Platform for launching third-party brands internationally through tolling contracts



Scalable EU GMP production capabilities for non-combustible cannabis products



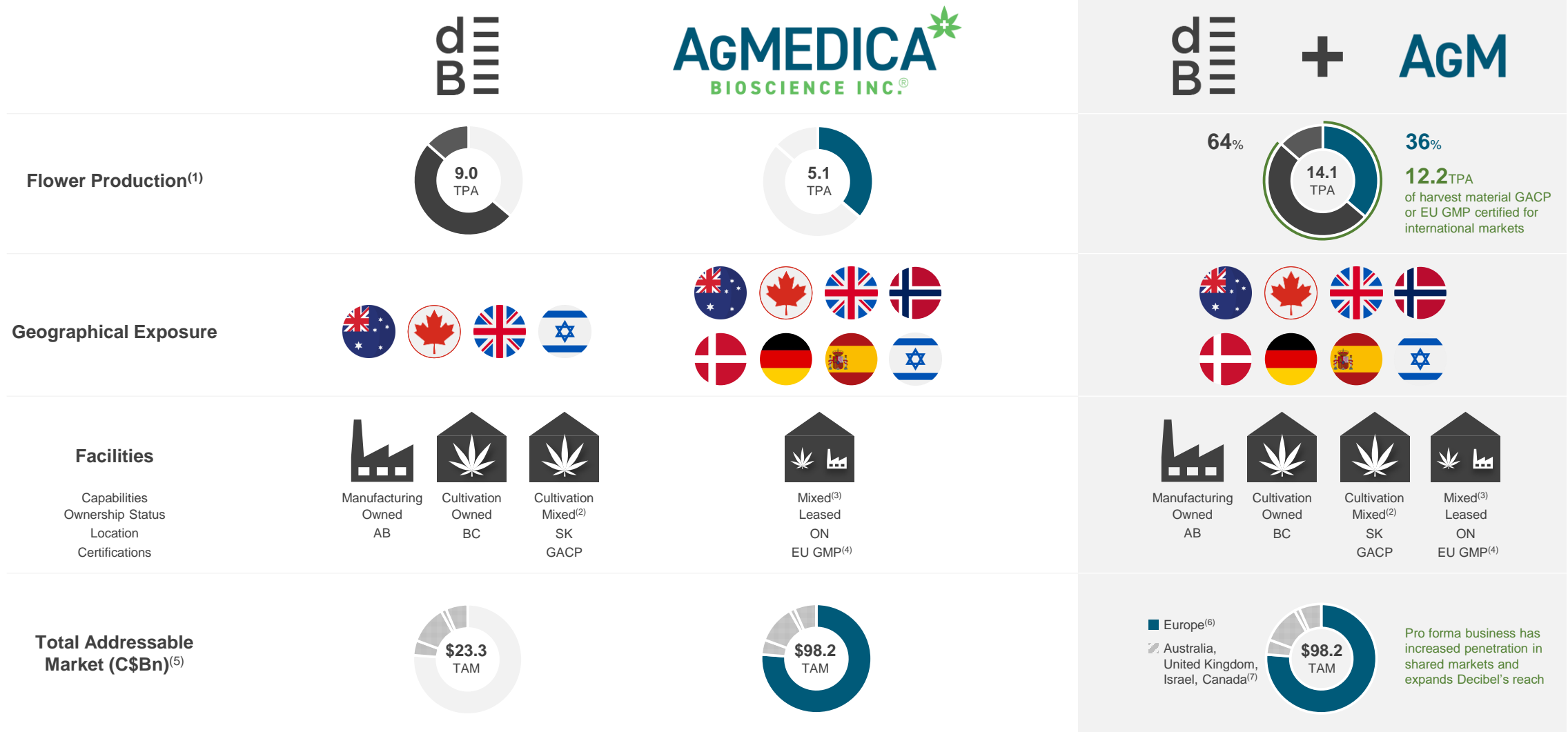
Opportunities for capital expenditures to meet growing demand for EU GMP flower

1. Forward-looking estimates and FOFI that includes management's projections relating to estimated revenue and Adjusted EBITDA Contribution; See "Cautionary Statement Regarding Forward Looking Information" and "Preliminary Financial Information".  
2. Forward-looking estimate that includes all flower harvested from plants with potential for use in cannabis products; see "Cautionary Statement Regarding Forward Looking Information" in the Disclaimer to this presentation.  
3. Adjusted EBITDA is a non-GAAP financial measure. Refer to "Cautionary Statement Regarding Certain Non-GAAP Measures" and "Exhibit A - Non-GAAP Financial Measures – Quantitative Reconciliations" for further details.



# PRO FORMA BUSINESS OVERVIEW

AgMedica materially accelerates Decibel's international presence and positions for further growth



1. Non-GAAP performance measure. Refer to "Non-GAAP Measures" for further details. Also see "Cautionary Statement Regarding Forward Looking Information" in the Disclaimer to this presentation.  
 2. Long-term land lease; cultivation facility is owned by Decibel.  
 3. Largely cultivation operations with select manufacturing capabilities.  
 4. EU GMP certified for production and packaging of cannabis flower and extracts

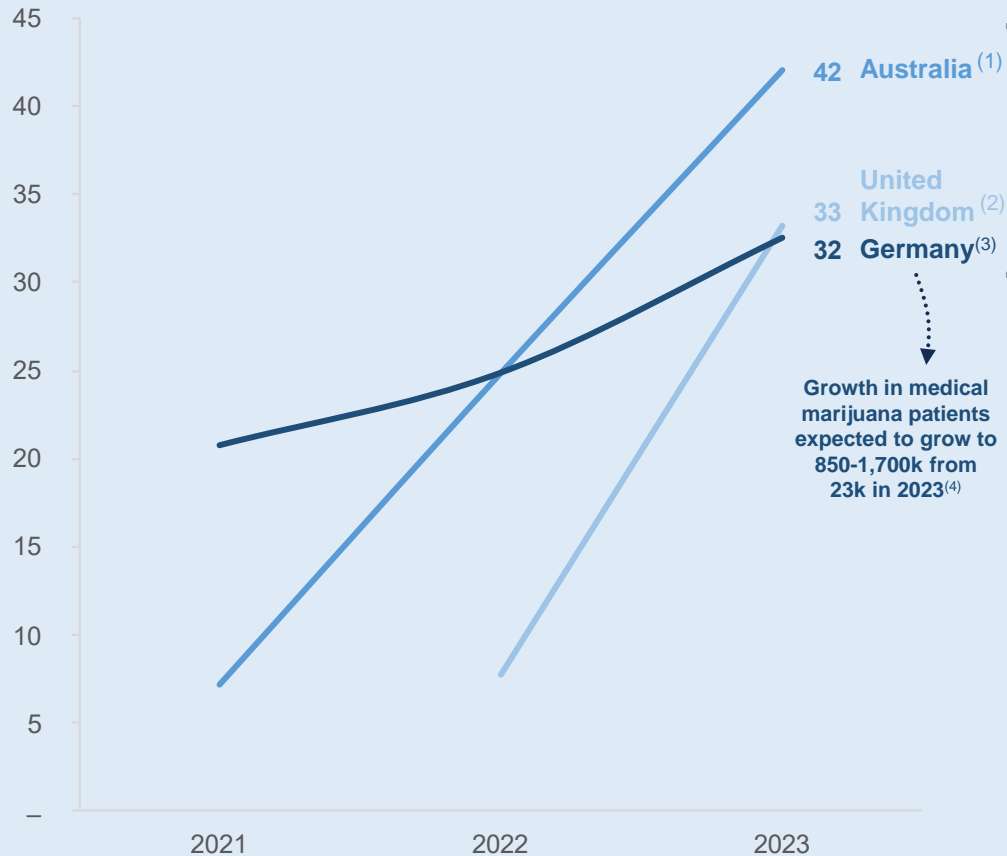
5. Illustrative potential market size applying per capita Canadian sales to foreign populations based on market size of \$6.4Bn, which represents ~13% growth over Decibel's most recent estimates of current addressable market based on data from HiFyre and MJBiz. Population data sourced from Worldometers.info  
 6. Europe includes EU-member countries plus Switzerland and Norway.  
 7. Shared markets.

# GLOBAL DEMAND FOR CANNABIS IMPORTS HAS GROWN SUBSTANTIALLY

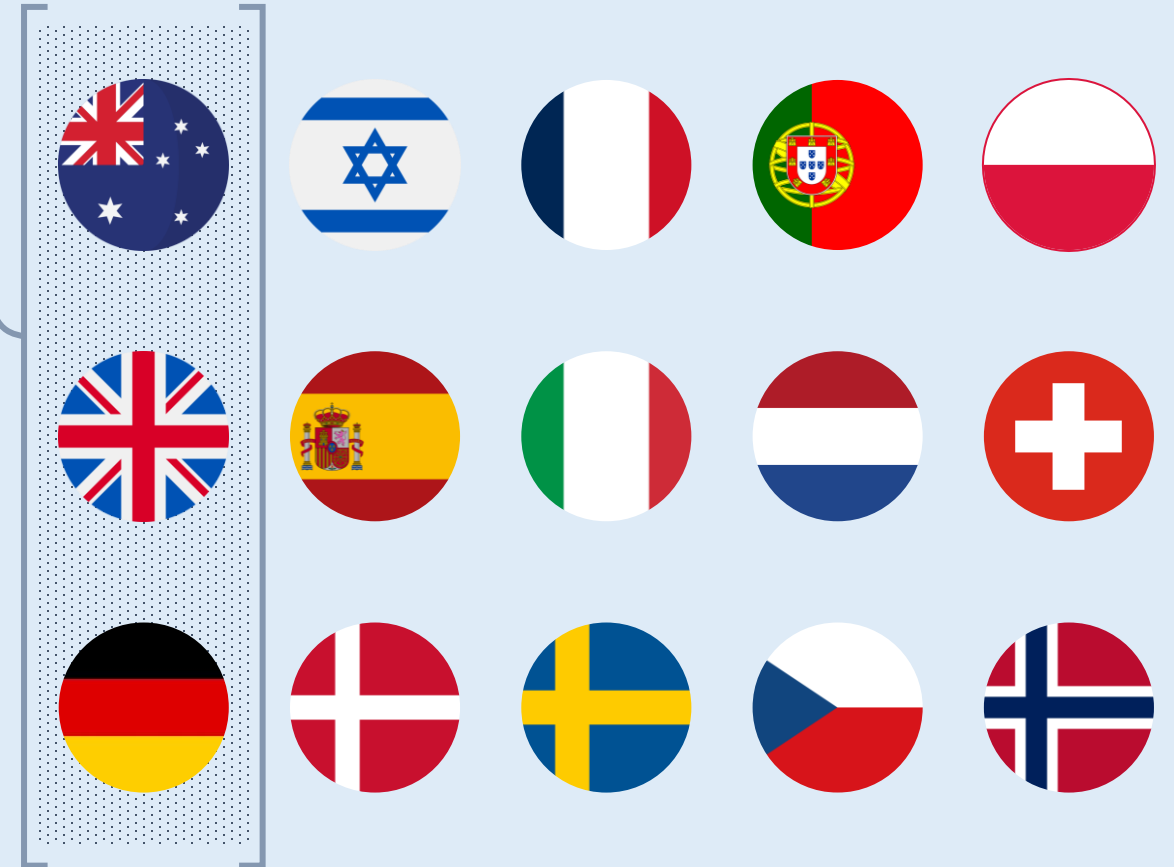
Growth as seen in Australia, United Kingdom, and Germany is expected in other nascent markets

## Cannabis Imports by Select Countries

Metric tons per annum (TPA)



## Nascent Legal Cannabis Markets

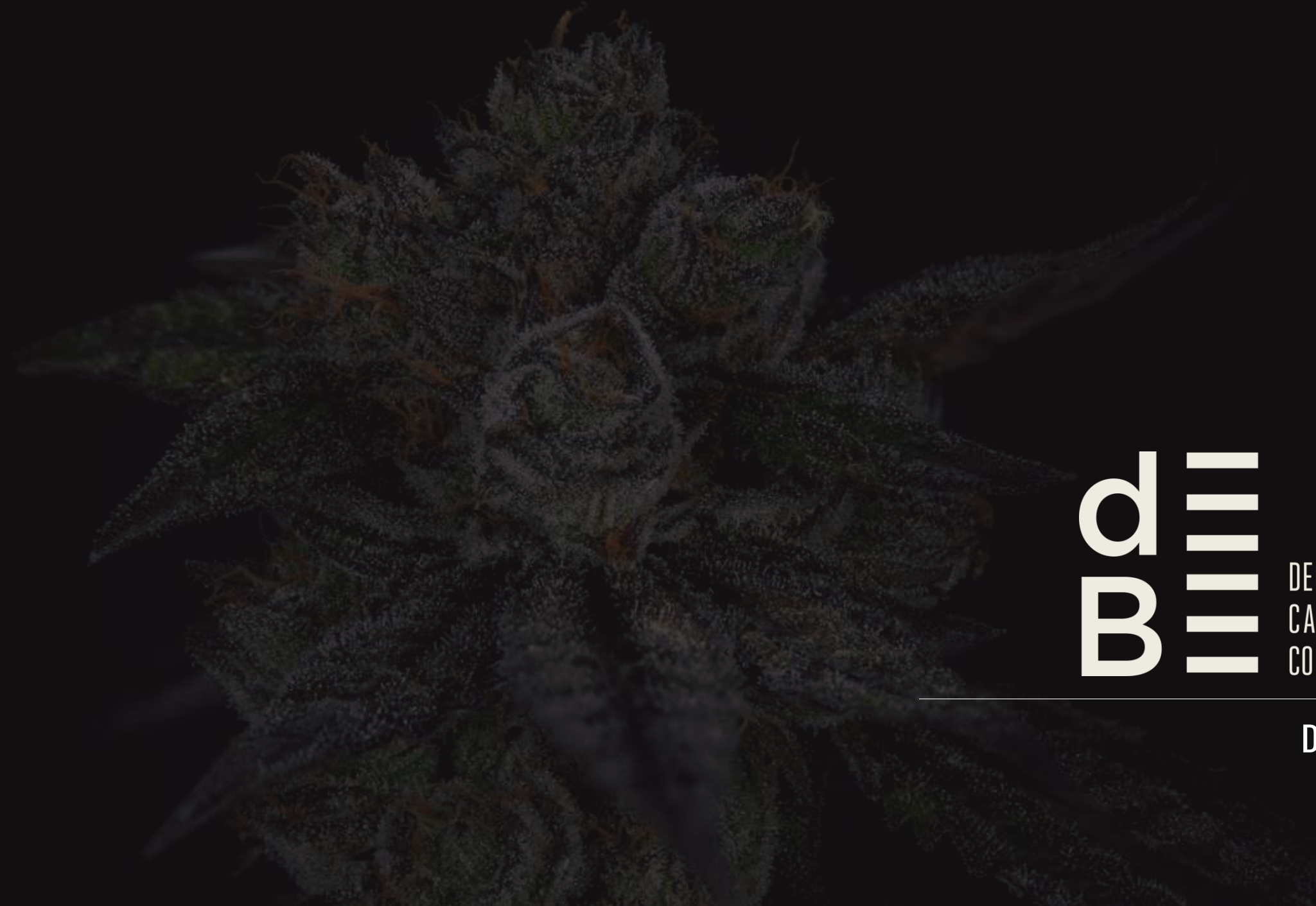


1. Source: Australian Office of Drug Control. Cannabis defined as “the flowering or fruiting tops of the cannabis plant (excluding the seeds and leaves when not accompanied by the tops) from which resin has not been extracted, by whatever name they may be designated”.

2. Source: UK Home Office. Cannabis Based Products for Medicinal use in Humans (CBPMs), in the form of flos (flower) are included in this volume. Present 2023 imports is an extrapolated value based on import of 23,890 kilograms through September 19, 2023. Amounts not provided for 2021

3. Source: Bundesinstitut für Arzneimittel und Medizinprodukte. Mass includes dried cannabis and the dried cannabis equivalent of extracts products.

4. ‘Germany: Fact and Fiction’ report by Zuanic & Associates Equity Research



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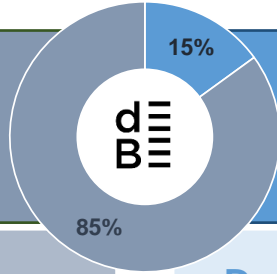
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**DECIBEL**

# GEOGRAPHIC SNAPSHOT

Stable domestic free cash flowing segment coupled with high growth international



## Domestic Segment

- Historical 50% Net Revenue CAGR over 4-year period
- 16 consecutive periods with positive EBITDA
- Strong operational efficiency with 23% ROCE



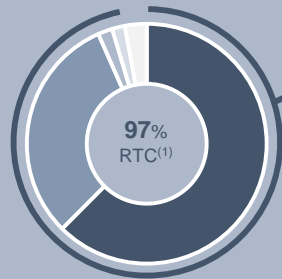
## International Segment

- Emerging fast growing segment
- Favourable price environment
- Leverage Decibel's proven efficiency to enhance profitability

Single-digit sales growth in maturing market

Double-digit sales growth in nascent fast-growing markets

### Portfolio Mix



- IPR (62%)
- Vapes (31%)
- SPR (2%)
- Edibles (2%)
- Flower (3%)

### Growing Brands



QWEST

VOX<sup>®</sup>

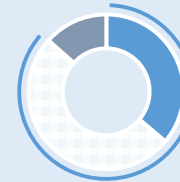
### Key Markets



### Future Markets



13%



87%

12.2TPA<sup>(2)</sup>  
of harvest material GACP or EU GMP certified for international markets



Branded Sales



Contract Manufacturing



Tolling

- ✓ Shift in sentiment from alcohol to cannabis in younger generations
- ✓ Population and consumption growth
- ✓ Relaxation of marketing restrictions and other regulatory burdens

- ✓ Legalization of medical or recreational cannabis markets
- ✓ Deregulation of existing medical cannabis markets
- ✓ Sentiment shift from alcohol to cannabis
- ✓ Overall population and consumption growth

1. Gross dollar value of Canadian deliveries in Q3 2024.

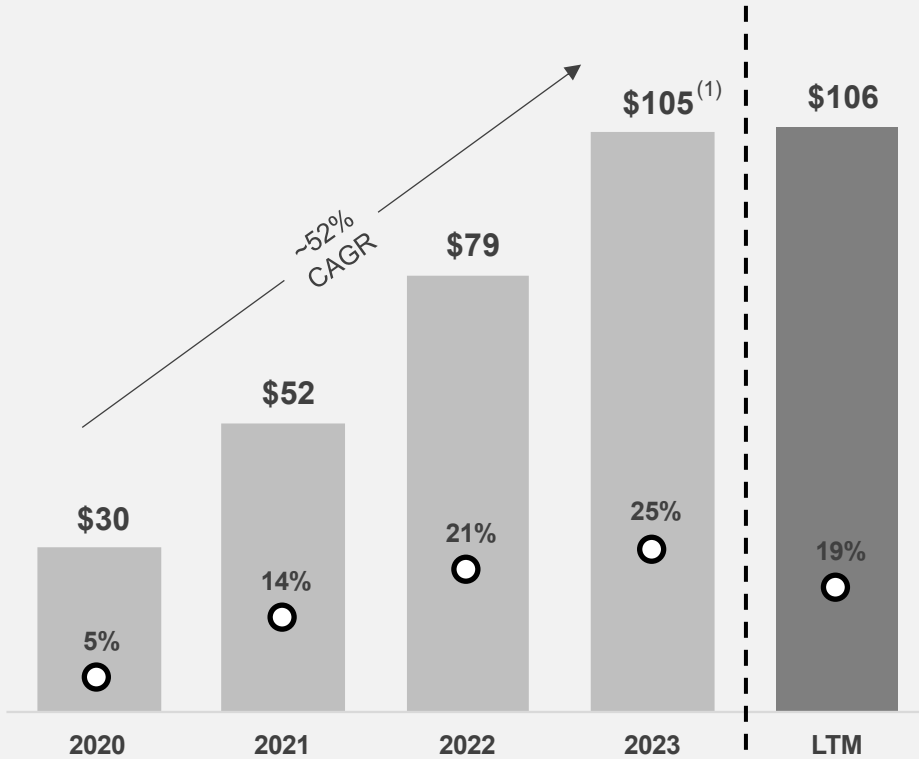
2. Forward-looking estimate that includes all flower harvested from plants with potential for use in cannabis products; see "Cautionary Statement Regarding Forward Looking Information" in the Disclaimer to this presentation.

# STRONG FINANCIAL PERFORMANCE

Demonstrating continued growth coupled with industry leading margins

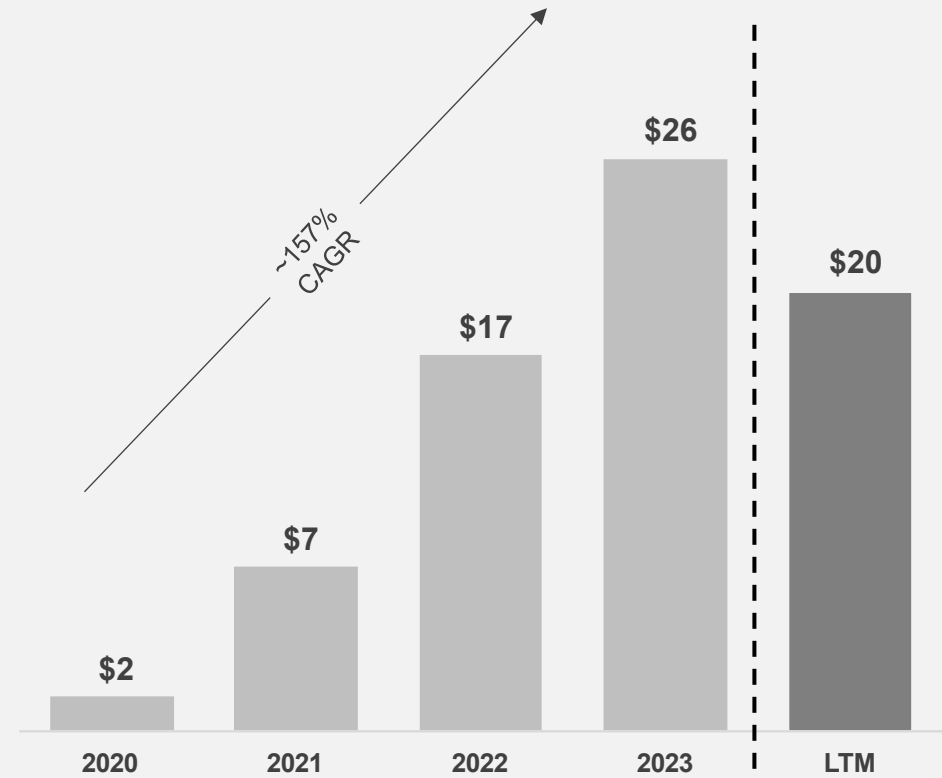
## Net Revenue and Adj. EBITDA Margin

(C\$MM | %)



## Adjusted EBITDA

(C\$MM)



Note: Adjusted EBITDA is a non-GAAP financial measure. Refer to "Cautionary Statement Regarding Certain Non-GAAP Measures" and "Exhibit A - Non-GAAP Financial Measures – Quantitative Reconciliations" for further details. LTM figures include AgMedica Net Revenue and Adjusted EBITDA based on historical information and Decibel's expected financial impacts resulting from the restructuring.

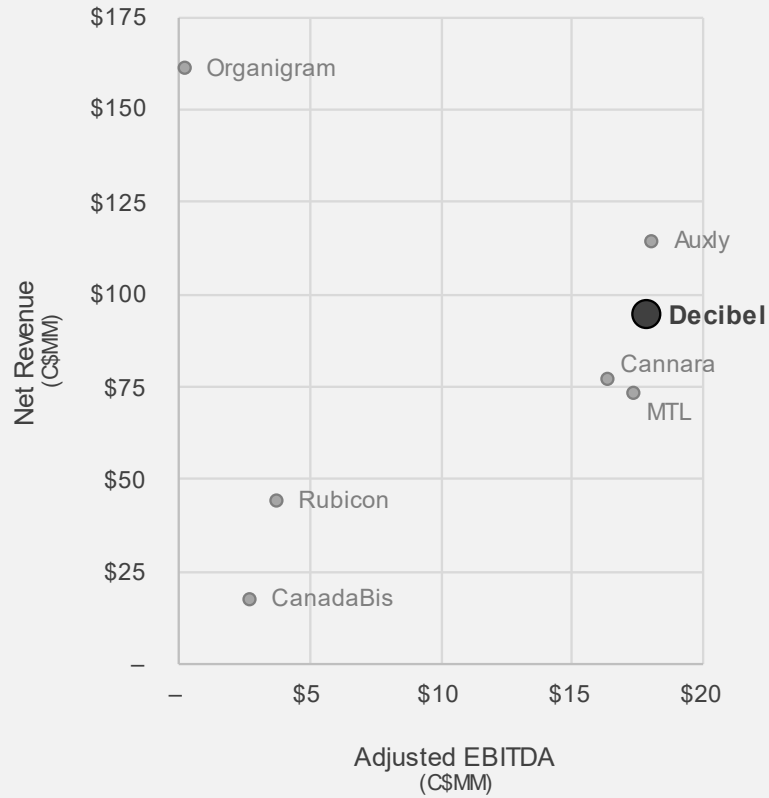
1. Reflects historical net revenue excluding retail sales as a result of reclassification of retail operations to discontinued operations resulting from the sale of Prairie Records.

# LEADING PERFORMANCE ON KEY METRICS

Decibel has demonstrated leading capital efficiency with scale among Canadian LPs

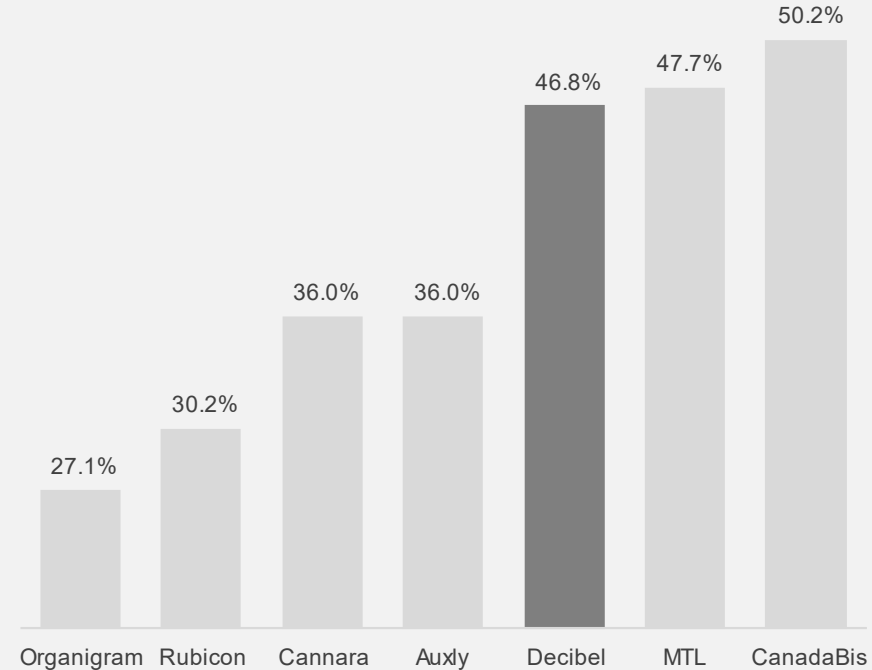
## Balanced Approach to Scale and Profitability

Net Revenue and Adj. EBITDA (C\$MM)



## Optimizing Gross Margin with Sharp Cost Focus

LTM Gross Margin (%)



## Strong Return on Capital Employed<sup>(1)</sup>

(%)

MTL	28.8%
<b>Decibel</b>	<b>21.9%</b>
CanadaBis	16.9%
Cannara	13.1%
Auxly	8.5%
Rubicon	7.7%
Organigram	0.1%

Note: Financial information based on most recent available financial reporting periods for each entity as of October 24, 2024. Adjusted EBITDA is a non-GAAP performance measure. Refer to "Cautionary Statement Regarding Certain Non-GAAP Measures" and "Exhibit A - Non-GAAP Financial Measures – Quantitative Reconciliations" for further details.

1. Return on Capital Employed calculated as Adjusted EBITDA divided by total capital employed. Total Capital Employed calculated as total assets less current liabilities.

# CORPORATE AND FINANCIAL INFORMATION

Strengthening our position through growth to capitalize on opportunities created by industry challenges

## Capital Structure

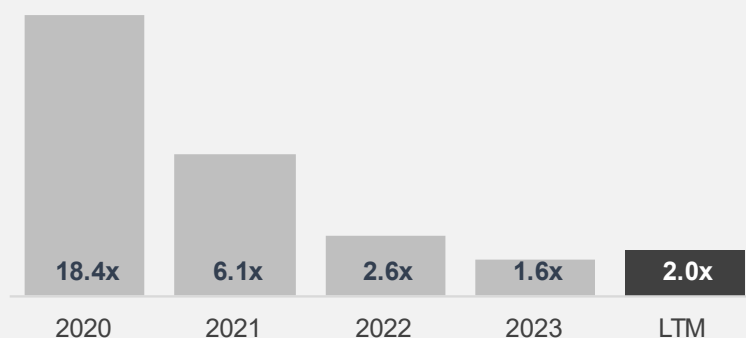
Units in millions except per share values

### Equity

Common Shares <sup>(1)</sup>	442.5
Additional Shares on Note Conversion	114.5
Equity Settled RSUs	0.5
Options	24.1
<b>Fully-diluted Shares</b>	<b>557.6</b>
Share Price <sup>(2)</sup>	\$0.065
<b>Market Capitalization</b>	<b>\$36.2</b>
Debt Principal Outstanding	\$39.4
Cash <sup>(1)</sup>	(\$5.0)
<b>Enterprise Value</b>	<b>\$70.6</b>

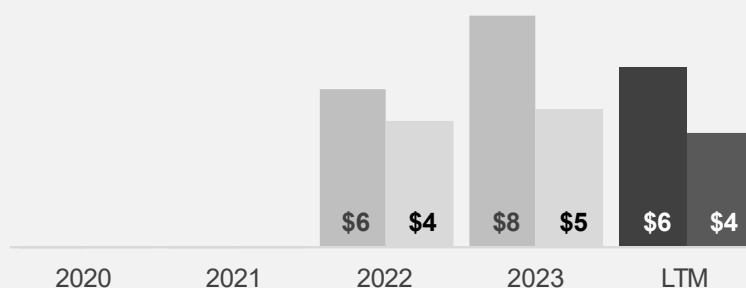
## Debt to EBITDA

(x)



## Adj. Free Cash Flow and Free Cash Flow

(C\$MM)



## Capital Strategy

Targeting **Adjusted Free Cash Flow of \$20MM in 2025** to strengthen balance sheet and invest in growth.

Targeting **1.4x Debt to EBITDA in 2025** demonstrating continued progress in de-leveraging.

Low-cost debt with **~85% fixed interest rate of 4.75%**.

Opportunistic and disciplined **strategic acquisitions with a core focus on accretion**.

Note: Company information as of most recent publicly available filings (Q3 2024). Adjusted EBITDA, Adjusted Free Cash Flow and Free Cash Flow are non-GAAP financial measures. Refer to "Cautionary Statement Regarding Certain Non-GAAP Measures" and "Exhibit A - Non-GAAP Financial Measures – Quantitative Reconciliations" for further details. Debt to EBITDA is a non-GAAP financial ratio. Refer to "Cautionary Statement Regarding Certain Non-GAAP Measures" for further details. See also "Cautionary Statement Regarding Forward Looking Information" and "Preliminary Financial Information".

1. Pro forma announced capital raise of ~\$2mm from 33,503,864 shares.

2. Share price as of November 20, 2024.





DECIBEL  
CANNABIS  
COMPANY

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APPENDIX

# EXECUTIVE TEAM

Best-in-class team with a demonstrated track record of driving superior return on invested capital

**Ben Sze**  
*Chief Executive Officer*



- Responsible for the merger between We Grow BC and Westleaf forming Decibel Cannabis
- Reorganized and turned Decibel into a profitable company within 12 months post merger
- Entrepreneur by background with industry experience in real estate, alcohol and tech.

**Kris Newell**  
*Chief Operating Officer*



- Scaled manufacturing and grow facilities to deliver >\$100MM in annualized sales and with best-in-class gross margin within the cannabis space
- Joined Decibel as early-stage employee in 2018
- Entrepreneurial background in specialty CPG industry, leading expansion, development, systems implementation, operational planning and execution

**Stuart Boucher**  
*Chief Financial Officer*



- Strategist in positioning Decibel's path to profitable growth and supporting broad execution while navigating a complex cannabis market
- Joined Decibel as 2<sup>nd</sup> employee in 2018
- Capital markets experience raising over \$150MM of debt & equity in the Cannabis sector and completed successful acquisitions positioning Decibel for growth

**Jesse Martin**  
*General Counsel*



- Navigates complex domestic and international regulatory markets and management of all corporate legal aspects of Decibel which allows Decibel to execute on aggressive growth
- Joined Decibel as early-stage employee in 2018
- Depth of legal experience at Burnet, Duckworth & Palmer LLP advising on corporate matters

**Adam Coates**  
*Chief Revenue Officer*



- Drove Decibel's top line growth positioning Decibel as 4<sup>th</sup> largest LP in Canada and central to taking Decibel international
- Joined Decibel as 1<sup>st</sup> employee in 2018
- Thirteen years of regulated consumer packaged goods experience including brand building, marketing, sales and M&A integration

# ≡ BOARD OF DIRECTORS

≡ Best-in-class team with a demonstrated track record of driving superior return on invested capital

## **Shawn Dym** *Director*

- Early investor and strategic thought leader in the North American cannabis industry
- As an early investor in Aphria, he served on their board until November 2019
- Co-founded and serves as advisor to the board of Green Acre Capital

## **Manjit Minhas** *Director*

- Co-founded the Minhas Brewery, Distillery and Winery with over 90 brands of beers, spirits liqueurs and wines
- Cannabis industry experience as a former member of the board of directors of Inner Spirit Holdings Ltd
- Television personality on Dragon's Den, where she has invested in dozens of Canadian businesses

## **Nadia Vattovaz** *Director, Audit Chair*

- CFO & Head of Logistics for Sporting Life Group
- Prior to current role was the COO of a public cannabis retailer with over 100 locations across Canada, and held senior finance roles at Holt Renfrew, Canadian Tire, and Maple Leaf Foods
- Experience includes launching and overseeing new multi-jurisdictional companies and business lines, M&A and navigating regulatory environments

## **Jakob Ripshtein** *Director, Governance Chair*

- Chief Executive Officer of Perennial Brands Inc, a full life-cycle brand strategy organization
- Formerly the President of Aphria and held multiple roles at Diageo PLC including CFO of Diageo North America

# EXHIBIT A

## NON-GAAP FINANCIAL MEASURES – QUANTITATIVE RECONCILIATIONS

### Adjusted EBITDA Reconciliation

(C\$'000)

	Three Months Ended September 30,	
	2024	2023
Net income (loss) and comprehensive income (loss)	(\$585)	\$413
Unrealized gain on changes in FV of BA	(\$1,201)	(\$4,683)
Change in FV of BA realized through inventory sold	\$3,844	\$4,792
Depreciation and amortization	\$1,219	\$690
Share-based compensation (recovery)	\$162	\$493
Other (income) loss	(\$89)	(\$99)
Finance costs	\$728	\$696
Foreign exchange (income) loss	\$104	\$39
Gain on disposal of Prairie Records Retail assets	–	–
Non-cash cost of goods sold <sup>(1)</sup>	\$480	\$1,177
Other adjustments <sup>(2)</sup>	\$485	\$2,957
<b>Adjusted EBITDA</b>	<b>\$5,147</b>	<b>\$6,475</b>

### Adjusted Free Cash Flow Reconciliation

(C\$MM)

	Three Months Ended September 30,	
	2024	2023
Cash provided by operating activities	\$1,906	\$1,793
Cash used in investing activities	(\$133)	(\$780)
<b>Free Cash Flow</b>	<b>\$1,773</b>	<b>\$1,013</b>
Cash used in investing activities	\$133	\$780
Changes in non-cash working capital	\$1,545	\$360
Bank debt service	(\$1,221)	(\$1,232)
<b>Adjusted Free Cash Flow</b>	<b>\$2,230</b>	<b>\$921</b>

1. Relates to depreciation and amortization included in cost of goods sold, write downs of inventory to net realizable value, and abnormal waste. For the three and six months ended June 30, 2024, non-cash cost of goods sold was comprised of \$439 thousand and \$1.2 million, respectively of depreciation and amortization (June 30, 2023 - \$1.9).

2. Litigation expenses, bad debt expense, and impairment are added back in the Company's Adjusted EBITDA calculation for covenant reporting purposes. For the three and six months ended June 30, 2024, UCG Canada LP ("UCG") related litigation expenses were \$147 thousand (June 30, 2023 - \$nil), impairment from continued operations was \$672 thousand (June 30, 2023 - \$nil), impairment from discontinued operations was \$3.4 million (June 30, 2023 - \$nil), and bad debt expense was \$83 thousand (June 30, 2023 - \$nil). Bad debt Litigation expenses amounts are included in SG&A expenses in the Company's consolidated statements of loss and comprehensive loss.

