

D-BOX

Feel it all

TSX: DBO

Q1 2025

August 2024



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Currency

All references in this presentation to dollars and “\$” are to Canadian dollars unless otherwise specified.

Q1 2025 Financial Results Summary

- Soft quarter, as expected
- System sales reflect timing differences in orders from Simulation & Training customers
- Theatrical business saw lingering effects from strikes last year
 - Weaker slate of movies during the quarter
- Sim racing revenues increased \$1.1 million

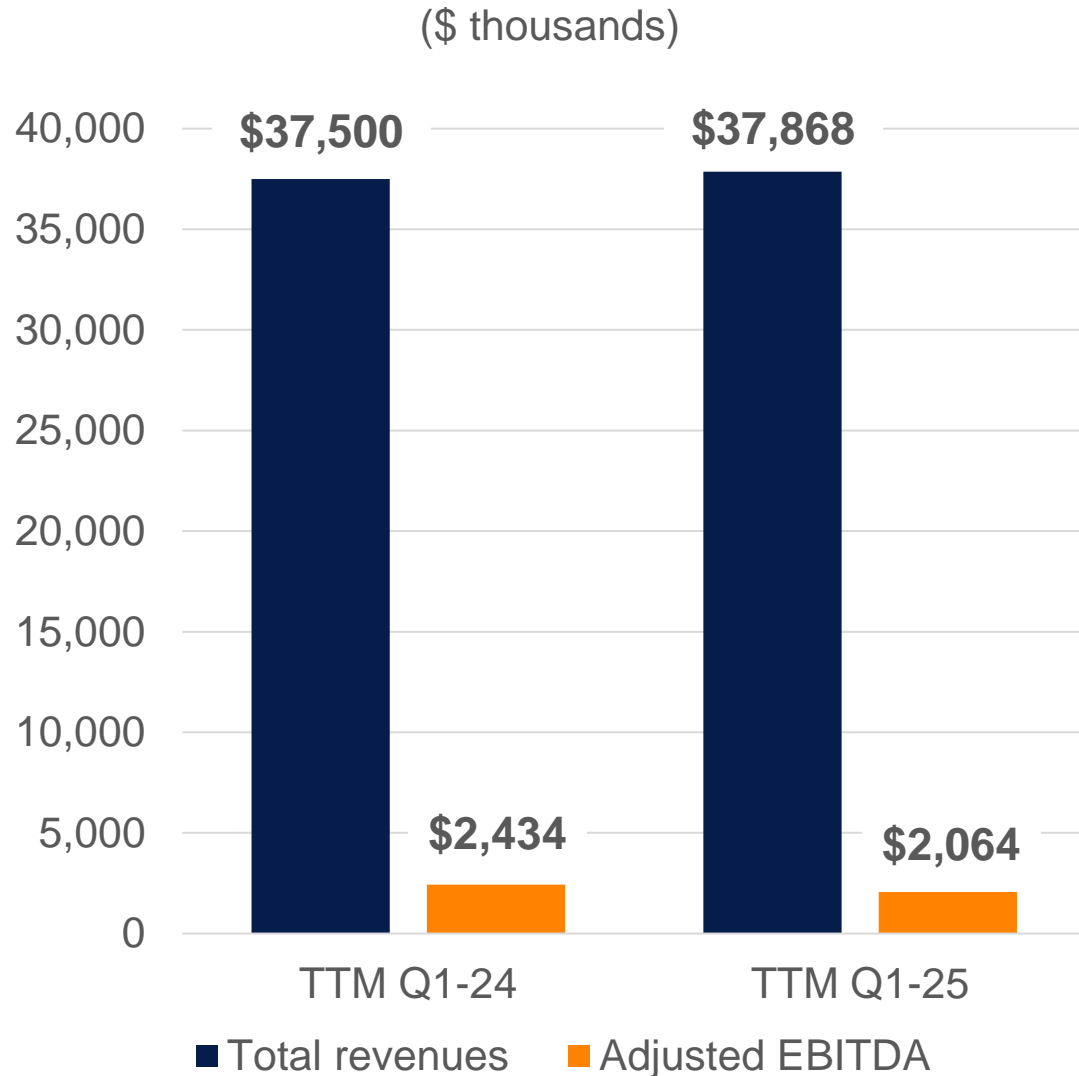
Q1 2025 Financial Results Summary

(\$000's)	Q1 2025	Q1 2024
Rights for use, rental & maintenance revenues	2,436	3,011
Systems sales revenues	6,326	7,480
Total revenues	8,762	10,491
Gross profit excluding amortization	4,807	5,620
Net profit (loss)	(316)	496
Adjusted EBITDA	263	1,257

Steps taken for driving profitable growth going forward:

- Amended credit agreement
- Organizational restructuring
- Streamlined sales and marketing

Trailing 4 Quarters




Total revenues	+1%
Rights for use, rental & maintenance revenues	+3%
Systems sales revenues	-7%
Adjusted EBITDA	-18%

Favourable Amendments to Credit Agreement

On July 31st, announced amendments to loan facilities with National Bank

- Operating line of credit limit increased from \$5.5 million to \$8 million
 - Removal of the Maximum Capital Expenditure financial covenant
- Maturity of \$1 million term loan extended from September 30, 2025, to September 30, 2027



Provides more capacity and flexibility for growth

Organizational Restructuring

Restructuring executed to reduce our cost structure and tighten commercial execution

- Reducing workforce by ~8% by fiscal year end
- Unified sales and marketing leadership (see next slide)
- More information to be provided with Q2 results

Streamlined Sales & Marketing

Changes made to:

- Fully focus on commercial markets
- Pivot Simulation & Training from nurturing to hunting mode
- Increase impact and reduce costs

Jean-François Gagnon, Senior Vice President

- Responsible for driving sales and aligning marketing initiatives
- Extensive commercial sales and business development experience
- Previously with D-BOX from 2016 to 2021



Board Refresh

Proposed slate of 7 directors

Existing: Sébastien Mailhot, CEO | Brigitte Bourque | Zrinka Dekic

New: Daniel Marks | Dave McLurg | Marie-Claude Boisvert | Naveen Prasad

6

independent

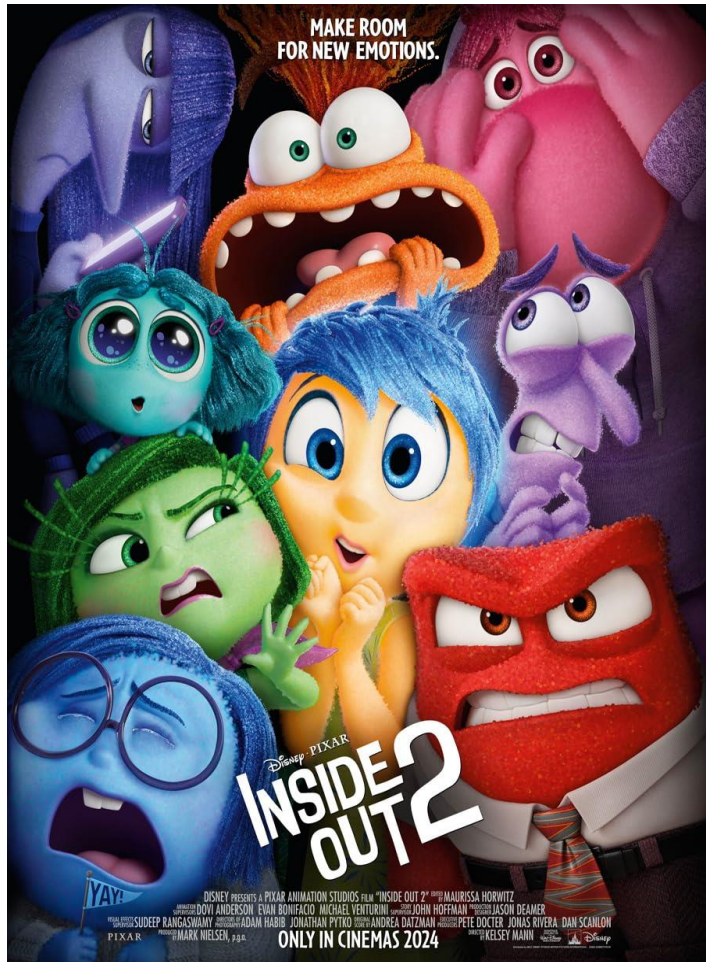
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new

3

female

Encouraging Signs at the Box Office for FY2025 Q2+



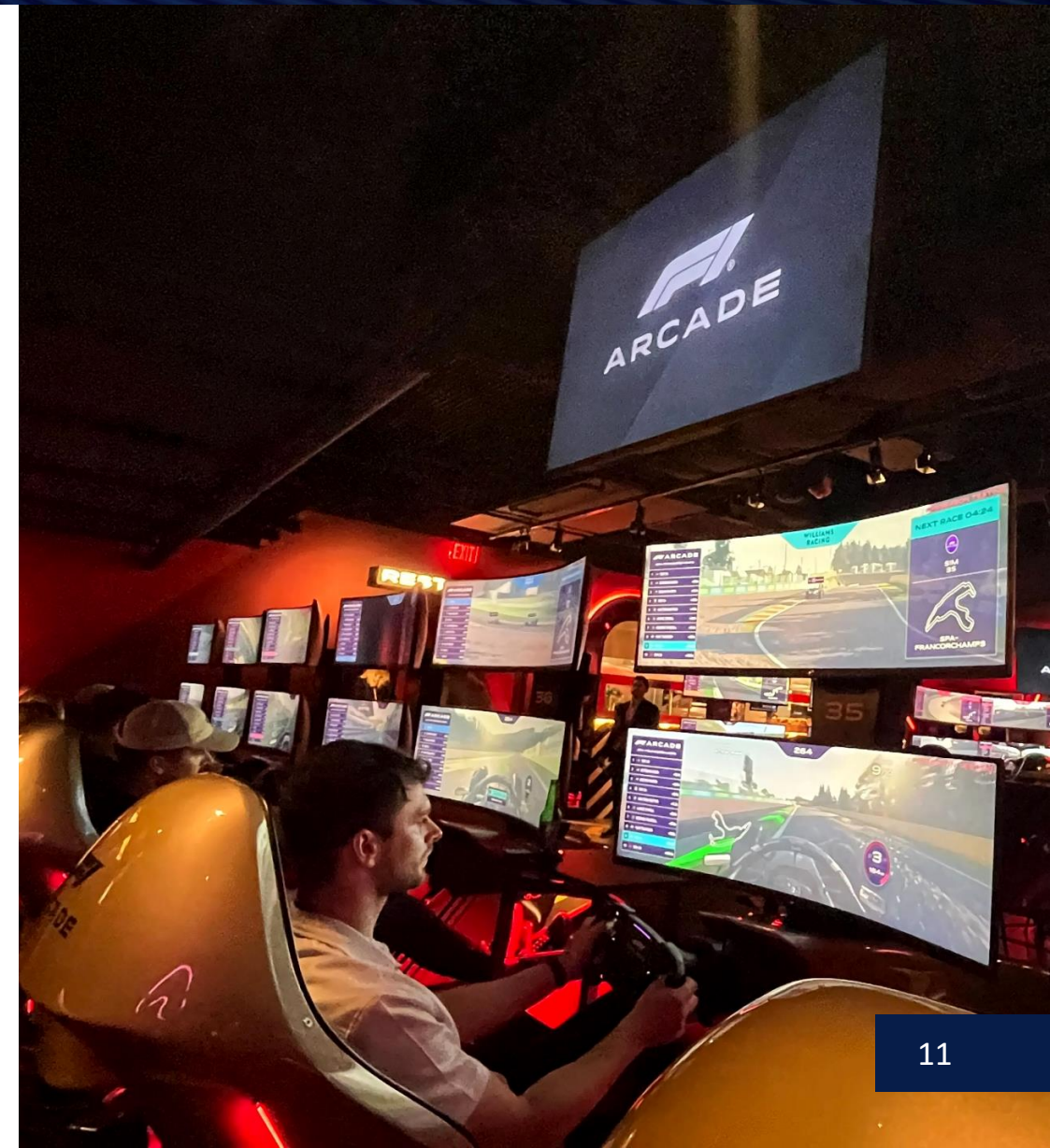
Strengthened Partnership with Kindred Concepts

Signed agreement directly with Kindred Concepts

- Tighter agreement for purchase of systems
- Improved visibility

Next F1 Arcade locations:

- Washington, USA (Fall 2024)
- Las Vegas, USA (2025)



Outlook

- Better positioned for driving profitable growth in line with our strategic decision to focus on commercial markets
- Targeting improved profitability for current year and beyond
- Uncertainty around geopolitical and economic environment



Q & A

For more information:

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