

# Engine Capital Calls on Dye & Durham to Hold Special Meeting of Shareholders Without Further Delay

*Informs Shareholders that the Special Meeting Could Realistically Take Place by End of October if Scheduled Promptly*

*Urges Independent Directors to Hire Their Own Separate Independent Legal Advisor Given Potential Conflicts*

NEW YORK--(BUSINESS WIRE)-- Engine Capital LP (together with its affiliates, "Engine" or "we"), which owns approximately 7.1% of Dye & Durham Limited's (TSX: DND) ("Dye & Durham" or the "Company") outstanding shares, today issued the below letter to the Company's Board of Directors (the "Board").

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September 19, 2024

Dye & Durham Limited  
1100-25 York Street  
Toronto, Canada  
M5J 2V5  
Attention: The Board of Directors (the "Board")

Members of the Board,

Now that the Ontario Superior Court of Justice (the "Court") has dismissed litigation between the Company and shareholder OneMove Capital, the Board no longer has an excuse to delay the Special Meeting of Shareholders ("Special Meeting") that we called more than six months ago.<sup>1</sup> **If scheduled promptly, the Special Meeting could realistically take place before the end of October.** It is incumbent upon the Company's independent directors – Chair Colleen Moorehead, Brian Derksen, Ted Prittie, Peter Brimm, and Ronnie Wahli – to not permit any further delays or tactical entrenchment maneuvers. We suspect CEO Matthew Proud will now seek to combine the Special Meeting with the Annual General Meeting to further postpone the meeting from its original August date until some time in December – an extraordinary nine months after our requisition. We urge Ms. Moorehead and the other independent directors to finally stand up to the CEO, not go along with those efforts, and allow shareholders to have their voices heard as soon as possible.

We also believe it is critical for the independent directors to hire their own separate independent legal advisor, whose sole mandate is to represent them. This is critical for two reasons. First, we believe the interests of the independent directors are increasingly at odds with the interests of Mr. Proud. At this juncture, Mr. Proud appears primarily focused on holding onto his CEO position while the independent directors are required to act in the interests of the Company. Second, we have concerns regarding Mr. Proud's close friendship with the Company's regular counsel who is currently advising the Board. In these circumstances, we would expect that the Board would take steps to ensure it is receiving advice from counsel who is independent and does not answer to the Company's CEO. The current situation is ripe with potential conflicts and needs to be corrected, which is why we have privately made this point to Ms. Moorehead for months.

We also want to address the Company's recent misleading statement that it "*has made multiple efforts to negotiate in good faith with the Activist Shareholders, including offering them two additional board seats as*

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<sup>1</sup> Engine Capital requisitioned a Special Meeting of Dye & Durham shareholders on March 10, 2024.

*part of a reasonable and balanced solution.*<sup>2</sup> While Engine cannot speak to the Company's discussions with other shareholders, Engine questions how Ms. Moorehead (current Chair) and Mr. Derksen (former Chair) could approve such a statement when they know full well that since calling the Special Meeting, Engine and the Company have been seemingly close to reaching a resolution on more than one occasion, only to have the Board change course or cease communication altogether with us. In a continued effort to resolve this situation privately in good faith, Engine proposed detailed settlement terms in July but has yet to receive a response despite our repeated attempts to engage since then. Again, if the independent directors could stand up to Mr. Proud, we believe a settlement would have been reached a long time ago. We believe the presence of an independent legal advisor would go a long way toward creating those conditions.

Sincerely,

Arnaud Ajdler  
Managing Partner

### **No Solicitation**

This press release does not constitute a solicitation of a proxy within the meaning of applicable laws, and accordingly, DND shareholders are not being asked to give, withhold or revoke a proxy.

### **About Engine Capital**

Engine Capital LP is a value-oriented special situations fund that invests both actively and passively in companies undergoing change.

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<sup>2</sup> Dye & Durham September 17<sup>th</sup>, 2024 press release.