

Engine Capital Comments on Dye & Durham’s Decision to Unduly Delay Special Meeting to December

Urges the Board to Commit to Hold its 2024 Annual General Meeting Before Year-End Per Company Historical Practices and TSX Regulations

Indicates Engine Will Withdraw Its Special Meeting Requisition in Such Event to Avoid Unnecessary Costs of Convening Two Shareholder Meetings in Quick Succession

Exposes the Company’s Wasteful Use of Resources to Unjustifiably Threaten Holders of Nearly 40% of its Shares

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 statement following the Company’s rescheduling of a Special Meeting of Shareholders (the “Special Meeting”) to December 10, 2024, less than two weeks before the date the Company has historically held its annual general meetings (“AGM”).¹

Engine requisitioned a Special Meeting in March 2024 because it was the fastest path to empower shareholders to vote for much-needed change at the Company. The Special Meeting was originally scheduled for August 2024 before it was postponed due to the Company’s litigation with a shareholder. Once the litigation concluded last week, the Board chose to further delay the Special Meeting by nearly another three months – a total of nine months after we requisitioned it – instead of promptly scheduling it for the end of October.

While we would have preferred the Special Meeting to have been held in a timely manner, in light of the significant delay and redundant cost that would be borne by shareholders, we no longer find the Special Meeting necessary or advisable. Since the Company holds its AGM each December, we believe the Company should proceed with historical practices rather than hold two separate meetings in a short period of time and push this year’s AGM past 2024, which would violate Toronto Stock Exchange (“TSX”) rules.² We find it shocking that Dye & Durham’s directors appear to be planning to run afoul of TSX rules that were specifically established to ensure good governance and protect shareholders. We remind shareholders that these are the same independent directors, including Chair Colleen Moorehead and former Chair Brian Derksen, who have proven themselves unable to stand up to CEO Matthew Proud and to push back against the dubious M&A strategy, increasing leverage, dilutive equity issuances, and the Company’s attempts to prevent investors from having a say.

If the Company schedules its 2024 AGM in December per its usual practices, Engine will withdraw its request for a Special Meeting and instead seek Board changes at the AGM. If the Company is

¹ The Company’s last three AGMs were held on December 19, 2023, December 19, 2022, and December 21, 2021.

² “Every company having securities listed on the Exchange must hold its annual meeting of shareholders within six months from the end of its fiscal year, or at such earlier time as is required by applicable legislation.” Source: Sec. 464, [TSX Company Manual](#).

not willing to make this commitment, that should tell shareholders everything they need to know about this Board and its misaligned priorities.

Shareholders should also know that this past Friday – the same day we sent a private letter to the Board raising concerns regarding its scorched earth tactics – we received a legal letter threatening investors who collectively represent nearly 40% of the Company’s shares based on completely frivolous claims. The Board appears to have directed its legal advisors to pepper us with U.K. and Australian regulatory questions which are entirely irrelevant to our valid shareholdings under Canadian law. This is yet another example of the Board’s level of entrenchment and only underscores the urgent need for change.

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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