



Dye & Durham Reports Second Quarter Fiscal 2026 Financial Results

- Revenue for the three and six months ended December 31, 2025 of \$107.0 million and \$215.3 million, respectively.
- Net loss for the three and six months ended December 31, 2025 of \$(21.8) million and \$(60.1) million, respectively.
- Adjusted EBITDA¹ for the three and six ended December 31, 2025 of \$50.4 million and \$100.8 million, respectively.

Toronto, Ontario – February 16, 2026 – Dye & Durham Limited (the “**Company**” or “**Dye & Durham**”) (TSX: DND), a leading provider of cloud-based legal practice management software, today announced its financial results for the three and six months ended December 31, 2025.

“Our second quarter reflects a business moving from stabilization to consistent execution,” says George Tsivin, Chief Executive Officer, Dye & Durham. “We continue to generate strong operating cash flow and have taken decisive action to simplify the business, reduce leverage, and reinvest where it matters most to our customers. While parts of our Legal Software Business face near-term market headwinds, we are making tangible progress on our multi-year transformation to reduce complexity and deliver a more connected product experience. With a strengthened team and a clear path forward, we are well positioned for long-term growth.”

Second Quarter Fiscal 2026 Highlights (\$ presented in thousands)

Consolidated highlights

Selected key metrics:

	Three months ended December 31,	2024 (Restated)	Six months ended December 31,	2024 (Restated)
	2025 \$	\$	2025 \$	\$
Revenue	107,024	115,746	215,326	232,137
Net loss	(21,790)	(19,664)	(60,062)	(34,959)
Cash flow from operating	33,577	15,626	73,794	62,266
Adjusted EBITDA ⁽¹⁾	50,352	64,652	100,787	132,203

Certain comparative figures for the three and six months ended December 31, 2024 have been restated. See “Restatement of Prior Period Comparative Information” in Note 2 of the Condensed Consolidated Interim Financial Statements for the three and six months ended December 31, 2025.

(1) Represents a non-IFRS measure. See “Non-IFRS Measures.”

- Revenue for the three months ended December 31, 2025, was \$107.0 million, a decrease of \$8.7 million, or 8%, compared to the three months ended December 31, 2024. Revenue for the six months ended December 31, 2025 and December 31, 2024 was \$215.3 million and \$232.1 million, respectively, a decrease of \$16.8 million, or 7%. The decrease was primarily driven by a combination of market downturn and the impact of lower volumes and pricing from both the loss of customers and contract renewal terms affecting practice management and data insights platforms, partially offset by growth in Banking Technology and Affinity.
- Net loss for the three months ended December 31, 2025 was \$21.8 million, compared to a net loss of \$19.7 million for the equivalent period in the prior year. Net loss for the six months ended December 31, 2025 was \$60.1 million, compared to a net loss of \$35.0 million for the equivalent period in the prior year. The greater loss was primarily driven by lower revenue, higher operating expenses, and the stock based compensation reversal in the prior periods partially offset by lower interest costs, lower amortization and lower acquisition, restructuring and other costs.
- Net cash provided by operating activities for the three months ended December 31, 2025 was \$33.6 million, compared to \$15.6 million for the equivalent period in the prior year. The year over year improvement in cash flow from operations was driven by lower financing costs, lower taxes paid, and improvements in working capital.
- Adjusted EBITDA⁽¹⁾ for the three months ended December 31, 2025 was \$50.4 million, a decrease of \$14.3 million, or 22%, compared to the three months ended December 31, 2024. For the six months ended December 31, 2025 and 2024, Adjusted EBITDA⁽¹⁾ was \$100.8 million and \$132.2 million, respectively, a decrease of \$31.4 million, or 24%. The decrease in Adjusted EBITDA⁽¹⁾ was driven by revenue impacts described above, strategic reinvestments necessary to stabilize the business, predominantly labour and IT infrastructure, and a lower capitalization rate as the Company temporarily shifted certain expenditures from capitalized projects to maintenance expense.
- The Company was in compliance with the financial maintenance covenant under its senior credit agreement with respect to the three months ended December 31, 2025. At December 31, 2025, the Company had drawn \$61.5 million on the revolving credit facility and the Consolidated First Lien Net Leverage Ratio (as such term is defined in the senior credit agreement) was approximately 4.98x.

Quarterly Dividend

As previously disclosed in the Company's press release dated February 2, 2026, the board of directors of the Company (the "**Board**") is continuing to assess the Company's approach with respect to the declaration and payment of dividends on the Company's issued and outstanding common shares and has deferred a decision regarding the declaration and payment of dividends until the Board completes a review of the Company's strategic plan, which is expected to occur during the fiscal quarter ending March 31, 2026. Accordingly, at this time the Board has not declared a dividend with respect to the three-month period ended December 31, 2025. The Board intends to provide an update as to its intended go-forward dividend policy in conjunction with the Company's release of its strategic plan.

Conference Call Notification

As previously disclosed, the Company will host a conference call on Tuesday, February 17, 2026 at 8:00 a.m. Eastern Time during which senior management will discuss the Company's financial performance for the three and six months ended December 31, 2025. A question-and-answer session for research analysts will follow the corporate update.

Conference Call Details

Date: Tuesday, February 17, 2026
Time: 8:00 a.m. ET
Conference Call: Toll Free Dial-In Number: 1-888-699-1199
Dial-In Number (GTA): 416-945-7677
Webcast URL: <https://app.webinar.net/GBd0OGdnx8W>
Please dial in at least five minutes before the call begins.

Replay: Available through February 24, 2026
Replay Access: Toll-Free Dial-In Number: 1-888-660-6345
Dial-In Number (GTA): 646-517-4150
Passcode: 41315 #

Update on Annual General and Special Meeting of Shareholders

On February 11, 2026, Wahi Investments Inc. ("**Wahi Investments**") delivered a nomination notice (the "**Nomination Notice**") revising and supplementing prior notices submitted by Wahi Investments purporting to nominate Ronnie Wahi for election to the Board at the upcoming Annual General and Special Meeting of Shareholders to be held on March 4, 2026, as previously disclosed by the Company. The Board reviewed the Nomination Notice in good faith in consultation with its legal counsel and determined to accept the Nomination Notice (without prejudice to the Company's and the Board's rights, and without any admission as to the completeness, accuracy or validity of the Nomination Notice or any proxy solicitation materials delivered in connection with the nomination of Mr. Wahi) notwithstanding that the Nomination Notice was not fully compliant with the applicable requirements set out in the Company's By-Law No. 1 ("**By-Laws**"). In accordance with Section 6.4 of the By-Laws, the information provided in the Nomination Notice is being made publicly available to shareholders on the Company's website at <https://dyedurham.com/investors/governance/>.

Additional Information

The quarterly unaudited consolidated financial statements for the three and six months ended December 31, 2025, related Management's Discussion and Analysis and CEO and CFO certificates are available on SEDAR+ at www.sedarplus.ca.

Non-IFRS Measures

¹ Adjusted EBITDA is a non-IFRS financial measure. This measure is not a recognized measure under IFRS, does not have a standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to similar measures presented by other companies. The Company uses non-IFRS financial measures, namely, "Adjusted EBITDA", to provide investors with supplemental measures of its operating performance and to eliminate items that have less bearing on operating

performance or operating conditions and thus highlight trends in its core business that may not otherwise be apparent when relying solely on IFRS financial measures. Specifically, the Company believes that the aforementioned non-IFRS financial measure, when viewed with the Company's results under IFRS and the accompanying reconciliations, provide useful information about the Company's business without regard to potential distortions. By eliminating potential differences in results of operations between periods caused by factors such as depreciation and amortization methods and acquisition, restructuring, impairment and other charges such as acquisition, listing and reorganization related expenses, integration expenses and corporate cost allocations, the Company believes that the non-IFRS financial measures included herein can provide a useful additional basis for comparing the current performance of the underlying operations being evaluated.

Below is the Company's definition of the non-IFRS measure used herein:

"Adjusted EBITDA" adjusts net loss by adding back financing costs, amortization, depreciation and impairment costs, income tax expense (recovery), stock-based compensation expense (recovery), loss (gain) on contingent receivables and assets held for sale, specific transaction-related expenses related to acquisition and reorganization related expenses, integration and operational restructuring costs and other non-recurring expenses. Operational restructuring costs are incurred as a direct or indirect result of acquisition activities.

See reconciliations in the tables attached to this press release.

ABOUT DYE & DURHAM LIMITED

Dye & Durham Limited provides premier practice management solutions empowering legal professionals every day, delivers vital data insights to support critical corporate transactions and enables the essential payments infrastructure trusted by government and financial institutions. The company has operations in Canada, the United Kingdom, Ireland, Australia, and South Africa.

Additional information can be found at www.dyedurham.com.

Forward-looking Statements

This press release may contain forward-looking information and forward-looking statements within the meaning of applicable securities laws, which reflects the Company's current expectations regarding future events, including statements with respect to the declaration and payment of dividends, the Company's intended go-forward dividend policy, and the Company's intention to release a full strategic plan. In some cases, but not necessarily in all cases, forward-looking statements can be identified by the use of forward looking terminology such as "plans", "targets", "expects" or "does not expect", "is expected", "an opportunity exists", "is positioned", "estimates", "intends", "assumes", "anticipates" or "does not anticipate" or "believes", or variations of such words and phrases or state that certain actions, events or results "may", "could", "would", "might", "will" or "will be taken", "occur" or "be achieved". In addition, any statements that refer to expectations, projections or other characterizations of future events or circumstances contain forward-looking statements.

Forward-looking statements are not historical facts, nor guarantees or assurances of future performance but instead represent management's current beliefs, expectations, estimates and projections regarding future events and operating performance. The forward-looking information is based on management's opinions, estimates and assumptions, including, but not limited to: the

Board and Company will be in a position to outline its go-forward dividend policy and strategic plan, and those assumptions described under the heading “Caution Regarding Forward-Looking Information” in the Company’s Management’s Discussion and Analysis for the period ended December 31, 2025.

While these opinions, estimates and assumptions are considered by Dye & Durham to be appropriate and reasonable in the circumstances as of the date of this press release, they are subject to a number of risks and uncertainties, many of which are beyond Dye & Durham’s control, which could cause actual results and events to differ materially from those that are disclosed in or implied by such forward-looking information. Such risks and uncertainties include, but are not limited to: the Company not resuming the payment of dividends, the Board being delayed in finalizing the Company’s go-forward dividend policy, the Company being delayed in finalizing its strategic plan, and those risk factors discussed in greater detail under the “Risk Factors” section of the Company’s most recent annual information form and under the heading “Risks and Uncertainties” in the Company’s most recent Management’s Discussion and Analysis, which are available under Dye & Durham’s profile on SEDAR+ at www.sedarplus.ca. If any of these risks or uncertainties materialize, or if the opinions, estimates or assumptions underlying the forward-looking information prove incorrect, actual results or future events might vary materially from those anticipated in the forward-looking information.

There can be no assurance that such information will prove to be accurate, as actual results and future events could differ materially from those anticipated in such information. No forward-looking statement is a guarantee of future results. Accordingly, you should not place undue reliance on forward-looking information, which speaks only as of the date made. The forward-looking information contained in this press release represents Dye & Durham’s expectations as of the date specified herein and are subject to change after such date. The Company disclaims any intention or obligation or undertaking to update or revise any forward-looking information or to publicly announce the results of any revisions to any of those statements for any reason, except as required under applicable securities laws. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless specifically expressed as such, and should only be viewed as historical data.

FOR FURTHER INFORMATION, PLEASE CONTACT:

Investor Relations

investors@dyledurham.com

Consolidated Results of Operations

	Three months ended December 31,		Six months ended December 31,	
	2025	2024	2025	2024
	\$	(Restated)	\$	(Restated)
	\$	\$	\$	\$
Revenue	107,024	115,746	215,326	232,137
Expenses				
Direct costs	(8,607)	(9,827)	(18,453)	(18,813)
Technology and operations	(28,368)	(26,460)	(58,663)	(51,356)
General and administrative	(14,445)	(10,584)	(26,538)	(21,165)
Sales and marketing	(5,252)	(4,223)	(10,885)	(8,600)
Stock-based (compensation) recovery	(932)	47,642	(3,698)	42,451
Finance costs, net	(27,339)	(55,839)	(73,224)	(90,422)
Amortization, depreciation and	(30,629)	(41,415)	(64,256)	(81,758)
Acquisition, restructuring and other costs	(15,930)	(40,162)	(22,660)	(43,970)
Loss before income taxes	(24,478)	(25,122)	(63,051)	(41,496)
Income tax recovery	2,688	5,458	2,989	6,537
Net loss	(21,790)	(19,664)	(60,062)	(34,959)
Net loss attributable to:				
Non-controlling interests	4	705	(250)	479
Shareholders	(21,794)	(20,369)	(59,812)	(35,438)
	(21,790)	(19,664)	(60,062)	(34,959)
Net loss per common share				
Basic	(0.32)	(0.30)	(0.89)	(0.53)
Diluted	(0.32)	(0.30)	(0.89)	(0.53)
Weighted average number of shares outstanding				
Basic	67,171	66,975	67,171	66,945
Diluted	67,171	66,975	67,171	66,945

Certain comparative figures for the three and six months ended December 31, 2024 have been restated. See "Restatement of Prior Period Comparative Information" in Note 2 of the Condensed Consolidated Interim Financial Statements for the three and six months ended December 31, 2025.

Adjusted EBITDA

	Three months ended December 31		Six months ended December 31,	
	2025	2024	2025	2024
	\$	(Restated)	\$	(Restated)
	\$	\$	\$	\$
Loss for the period	(21,790)	(19,664)	(60,062)	(34,959)
Amortization, depreciation and impairment ⁽¹⁾	30,629	41,415	64,256	81,758
Finance costs ⁽²⁾	27,339	55,839	73,224	90,422
Income tax recovery	(2,688)	(5,458)	(2,989)	(6,537)
Stock-based compensation expense (recovery) ⁽³⁾	932	(47,642)	3,698	(42,451)
Acquisition, restructuring, and other costs ⁽⁴⁾	15,930	40,162	22,660	43,970
Adjusted EBITDA⁽⁵⁾	50,352	64,652	100,787	132,203

Certain comparative figures for the three and six months ended December 31, 2024 have been restated. See "Restatement of Prior Period Comparative Information" in Note 2 of the Condensed Consolidated Interim Financial Statements for the three and six months ended December 31, 2025.

- (1) Depreciation and amortization expense is primarily related to acquired and developed intangible assets, depreciation expense on property, equipment, and right-of-use assets.
- (2) Finance costs are primarily related to interest expenses incurred on borrowings, changes in fair value of convertible debt and derivatives, lease obligations, net of interest income.
- (3) Stock-based compensation represents expenditures recognized in connection with stock options issued to employees and directors and cash settled share appreciation rights issued to directors and other related costs.
- (4) Acquisition, restructuring, and other costs relates to professional fees and integration costs incurred in connection with acquisition, divestiture, listing, reorganization related expenses and changes in fair value of contingent consideration. Restructuring expenses mainly represent employee exit costs as a result of synergies created due to business combinations and organizational changes and are expected to be paid within the fiscal year. Other costs primarily relate to non-recurring costs, including severance, and legal, advisory and other professional fees associated with the change in the Board and the delayed filing of the financial statements.
- (5) Represents a non-IFRS measure. See "Non-IFRS Measures".

Condensed Consolidated Interim Statements of Financial Positions (Unaudited)

(Expressed in thousands of Canadian dollars)

As at:

	December 31, 2025 \$	June 30, 2025 \$
Assets		
Current assets:		
Cash and cash equivalents	37,849	43,098
Trade and other receivables	73,106	88,077
Prepaid expenses and other assets	14,870	11,865
Restricted investments	185,000	185,000
	310,825	328,040
Assets held for sale	6,577	—
	317,402	328,040
Non-current assets:		
Prepayment option	178	20,947
Property and equipment, net	7,310	8,111
Right-of-use assets, net	12,772	13,872
Intangible assets, net	624,325	676,599
Goodwill	1,100,935	1,100,171
Other assets	2,697	3,776
Total assets	2,065,619	2,151,516
Liabilities and equity		
Current liabilities:		
Accounts payable and accrued liabilities	73,722	78,833
Customer advances	20,432	24,888
Holdbacks and contingent considerations, current	28,302	36,218
Lease liabilities, current	5,734	5,153
Loans and borrowings, current	18,233	18,285
Derivative liabilities, current	3,678	—
Convertible debentures	316,639	335,433
	466,740	498,810
Liabilities directly associated with assets held for sale	2,254	—
	468,994	498,810
Non-current liabilities:		
Holdbacks and contingent considerations	10,069	20,637
Lease liabilities	10,618	12,452
Loans and borrowings	1,249,341	1,233,158
Derivative liabilities	10,129	29,268
Deferred tax liabilities	92,139	99,641
Other liabilities	2,423	2,226
Total liabilities	1,843,713	1,896,192
Equity		
Capital stock	824,165	824,113
Contributed surplus	53,863	50,116
Accumulated other comprehensive income (loss)	16,559	(6,286)
Deficit	(672,949)	(613,137)
Non-controlling interests	268	518
	221,906	255,324
Total liabilities and equity	2,065,619	2,151,516

Quarterly Results (In thousands of Canadian dollars, except per share data)	Q2 2026 \$	Q1 2026 \$	Q4 2025 \$	Q3 2025 (Restated) \$
Revenue	107,024	108,302	105,173	103,420
Net loss ⁽¹⁾	(21,790)	(38,272)	(29,552)	(23,449)
Adjusted EBITDA ⁽²⁾	50,352	50,435	47,744	52,862
Net loss per common share	(0.32)	(0.57)	(0.44)	(0.35)
Net loss per diluted share	(0.32)	(0.57)	(0.44)	(0.35)

Quarterly Results (In thousands of Canadian dollars, except per share data)	Q2 2025 (Restated) \$	Q1 2025 (Restated) \$	Q4 2024 (Restated) \$	Q3 2024 (Restated) \$
Revenue	115,746	116,391	117,520	103,452
Net loss ⁽¹⁾	(19,664)	(15,295)	(97,425)	(27,118)
Adjusted EBITDA ⁽²⁾	64,652	67,551	65,976	56,454
Net loss per common share	(0.30)	(0.23)	(1.63)	(0.43)
Net loss per diluted share	(0.30)	(0.23)	(1.63)	(0.43)

Certain comparative figures for 2024 and the first, second and third quarters of 2025 have been restated. See "Restatement of Prior Period Comparative Information" in Note 2 of the Condensed Consolidated Interim Financial Statements for the three and six months ended December 31, 2025.

- (1) Includes income tax expense (recovery).
- (2) Represents a non-IFRS measure. See "Non-IFRS Measures".