

PRESS RELEASE
FOR IMMEDIATE RELEASE

**GROUPE DYNAMITE AND ANDREW LUTFY ANNOUNCE THE CLOSING OF A REORGANIZATION
INVOLVING COMPANIES CONTROLLED BY ANDREW LUTFY**

Montréal, Québec, Canada – January 22, 2026 – Groupe Dynamite Inc. (“Groupe Dynamite” or the “Company”) (TSX: GRGD) and 4370368 Canada Inc. (the “Principal Shareholder”) announce the closing of a series of corporate transactions involving the Principal Shareholder and its affiliates (the “Lutfy Group”) and the Company, subject to one step of the reorganization to be completed imminently and no later than February 1, 2026 (the “Reorganization”). The Reorganization involves, among other transactions, transfers of multiple voting shares of Groupe Dynamite (“Multiple Voting Shares”) among entities under common control.

Immediately prior to the Reorganization, the Principal Shareholder owned directly 92,615,622 Multiple Voting Shares, representing 100% of the Multiple Voting Shares and approximately 98.18% of the voting rights attached to all outstanding shares of Groupe Dynamite. Immediately after the Reorganization, the Principal Shareholder will own directly 88,615,622 Multiple Voting Shares and 4,000,000 subordinate voting shares, for an aggregate of 92,615,622 shares, representing 100% of the Multiple Voting Shares and approximately 98.10% of the voting rights attached to all outstanding shares of Groupe Dynamite. The aggregate number of shares of Groupe Dynamite held by the Principal Shareholder and the aggregate number of issued and outstanding shares of Groupe Dynamite will remain unchanged from immediately prior to the Reorganization.

A special committee of independent directors of Groupe Dynamite, advised by independent legal counsel, oversaw the implementation of the Reorganization. The steps of the Reorganization involving the Company were approved by the Company’s board of directors, with Messrs. Lutfy and Iliopoulos abstaining given their status of non-independent directors.

While the Reorganization is a related party transaction for purposes of Regulation 61-101 *respecting Protection of Minority Security Holders in Special Transactions* (“Regulation 61-101”), the Reorganization was exempt from formal valuation and minority approval requirements of Regulation 61-101. The Company relied on the exemptions contained in sections 5.5(j) and 5.7(c) of Regulation 61-101, respectively, on the basis that (i) the Reorganization will not have any adverse tax or other consequences to the Company or its shareholders, (ii) no material actual or contingent liability resulting from the Reorganization will be assumed by the Company, (iii) the Lutfy Group has agreed to indemnify the Company against any liabilities which may result from the Reorganization, (iv) after the Reorganization, the nature and extent of the voting and financial participating interests of holders of affected securities in the Company will be the same as, and the value of their financial participating interests will not be less than, that of their interests in the issuer before the Reorganization and (v) the Lutfy Group has assumed all costs related to the Reorganization.

Certain steps of the Reorganization were completed in reliance on the exemption from the issuer bid requirements set out in Section 4.2 of Regulation 62-104 *respecting Take-Over Bids and Issuer Bids* (“Regulation 62-104”) as (i) the purchase was made from not more than five persons, (ii) the bid was not made

generally to all shareholders and (iii) the consideration paid was not greater than 115% of the fair market value of the acquired shares.

The Reorganization was undertaken in the ordinary course of business. Depending on various factors, including, without limitation, market conditions, general economic and industry conditions, the Company's business and financial condition or any other factors that Mr. Lutfy may deem relevant, Mr. Lutfy may take such actions with respect to his investment in the Company as he deems appropriate including, without limitation, acquiring, exercising, converting, exchanging, selling, distributing to investors or otherwise disposing of securities of the Company or securities exercisable for, or convertible or exchangeable into, securities of the Company, subject to applicable laws, the terms of the Company's articles, the investor rights agreement and the coattail agreement described in the early warning report to be filed in respect of the Reorganization. The head office address of Groupe Dynamite is 5592 Rue Ferrier, Mount-Royal, Québec H4P 1M2.

Groupe Dynamite has obtained an exemption from the *Autorité des marchés financiers* from requirements relating to issuer bids set out in Part 2 of Regulation 62-104 in connection with certain phases of the Reorganization.

About Groupe Dynamite Inc.

Groupe Dynamite Inc. (TSX: GRGD) is a growth-oriented company striving for excellence in the fashion industry. Operating retail stores and digital experiences under two complementary and spirited banners—GARAGE and DYNAMITE—we offer a wide range of women's fashion apparel, catering to the needs of Generation Z and Millennials. With leading key operating metrics and a commitment to innovation and disciplined execution, we are proud to continue our ambitious growth plans. Guided by our mission, "Empowering YOU to be YOU, one outfit at a time," we are a values-led, inclusive organization committed to inspiring confidence and self-expression. Proudly rooted in the chic and vibrant city of Montréal, our culture, values and distinct brands position us to shape the future of fashion while attracting and inspiring the next generation of leaders and creators. Our ownership-mentality and entrepreneurial mindset is reflected in our Shared Success Program, through which all our 6,500 employees have ownership exposure. This alignment of interests and values fosters collaboration, fuels innovation, and creates meaningful long-term value for our team and stakeholders alike.

Forward-Looking Information

This press release contains forward-looking information within the meaning of applicable Canadian securities legislation. Forward-looking statements may include observations concerning the impact of the Reorganization on Groupe Dynamite or its shareholders and expectations regarding the availability of certain regulatory exemptions. The Company's future performance may also be affected by a number of factors, many of which are beyond the Company's will or control. Statements containing forward-looking information are not historical facts but instead represent management's expectations, estimates and projections regarding possible future events or circumstances. Forward-looking information is based on our opinions, estimates and assumptions in light of our experience and perception of historical trends, current conditions and expected future developments, as well as other factors that the Company currently believes are appropriate and reasonable in the circumstances. Despite a careful process to prepare and review the forward-looking information, there can be no assurance that the underlying opinions, estimates and assumptions will prove to be correct. Forward-looking information is also subject to known and unknown risks, uncertainties and other factors that may cause the actual results, level of activity, performance or achievements to be materially different from those expressed or implied by such forward-looking information. Risks and uncertainties are discussed in the Company's materials filed with the Canadian securities regulatory authorities from time to time, including the Company's Management Discussion and Analysis for the 13-week and 39-week periods

ended November 1, 2025 and the Company's annual information form for the fiscal year ended February 1, 2025. 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. The risks, uncertainties, opinions, estimates and assumptions referred to elsewhere in this press release should be considered carefully by readers. Accordingly, readers should not place undue reliance on forward-looking information. Furthermore, the forward-looking information contained in this press release represents our expectations as of the date of this press release (or as of the date it is otherwise stated to be made) and is subject to change after such date. The Company disclaims any intention or obligation or undertaking to update or revise any forward-looking information whether as a result of new information, future events or otherwise, except as required under applicable Canadian securities legislation. All of the forward-looking information contained in this press release is expressly qualified by the foregoing cautionary statements.

For information on Groupe Dynamite Inc. :

Questions from investors – Investor Relations:

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Questions from media – Media Relations:

Youann Blouin, Head of Corporate Communications - media@dynamite.ca

For information on 4370368 Canada Inc. :

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To obtain a copy of the early warning report to be filed in respect of the Reorganization :

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