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Allard, Allard & Associés Opposes Proposed Andrew Peller Transaction and Intends to Exercise Dissent Rights

Montréal, Québec — July 23, 2026 — Allard, Allard & Associés, a significant shareholder of Andrew Peller Limited ("Andrew Peller" or the "Company"), holding 1,705,712 (4.8% of Class A Shares and 3.9% of total shares outstanding), today announced its intention to vote against the proposed plan of arrangement with Fairfax Financial Holdings Limited ("Fairfax") and to exercise its dissent rights with respect to its holdings.

Following a thorough analysis, Allard, Allard & Associés believes that the proposed transaction does not provide fair value to Class A shareholders and raises significant concerns regarding both the relative treatment of share classes and the overall valuation of the Company.

Key Concerns

Disproportionate Treatment Between Share Classes

The proposed consideration of $8.00 per Class A share, compared to $12.00 per Class B share, implies a 50% premium, significantly above the historical average differential of approximately 16% over extended periods.

Such a $4.00 per share gap appears difficult to justify based on the respective economic characteristics of the two share classes.

Misalignment with Economic Rights

Class A shareholders represent 81.7% of shares outstanding (35.9 million shares) and receive approximately 83.7% of total dividends, reflecting their preferential entitlement of 115% of the dividend paid on Class B shares.

However, under the proposed transaction, Class A shareholders would receive only 74.8% of the aggregate consideration, a discrepancy of approximately 9 percentage points, resulting in a meaningful transfer of value to Class B shareholders.

Excessive Control Premium and Process Concerns

While a control premium may be appropriate in certain circumstances, the implied 50% premium granted to Class B shares appears excessive, exceeding both the Company's historical norms and those observed in comparable Canadian transactions involving dual-class structures.

The participation of certain significant shareholders in the transaction structure, including rollover mechanisms, also raises questions regarding the alignment of economic interests and the robustness of the negotiation process.

Inadequate Valuation of the Company

Beyond issues of relative treatment, Allard, Allard & Associés believes the proposed transaction fails to adequately reflect the intrinsic value of the Company:

- Implied valuation multiples of approximately 7.5x LTM EBITDA and 14.0x LTM earnings are at the low end of historical ranges;
- Certain assets, including surplus real estate holdings, do not appear to be fully reflected in the proposed valuation.

Taken together, these factors suggest that the offer does not adequately capture the Company's operational strength and underlying asset value.

Allard, Allard & Associés encourages the Board of Directors and the Special Committee to reconsider the terms of the transaction to ensure fair and equitable treatment for all shareholders. Failing that, it encourages other shareholders to vote against the proposed plan of arrangement.

Allard, Allard & Associés is an independent Montréal-based investment management firm managing over $1.3 billion in assets on behalf of institutional and private clients since 1995.

Source: Allard, Allard & Associés

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Holding 1,705,712 (4.8% of Class A Shares and 3.9% of total shares outstanding)