WELCOME
ANNUAL MEETING OF SHAREHOLDERS
MARTIN SCHWARTZ
President & Chief Executive Officer
Business Agenda

• Chairman and Secretary
• Scrutineers’ report
• Notice of meeting and minutes of last meeting
• Presentation of financial statements
• Election of Directors
• Appointment of Auditors
• Presentation to Shareholders
Forward-Looking Statement

Except for historical information provided herein, this presentation may contain information and statements of a forward-looking nature concerning the future performance of Dorel Industries Inc. These statements are based on assumptions and uncertainties as well as on management's best possible evaluation of future events. The business of the Company and these forward-looking statements are subject to a number of risks and uncertainties that could cause actual results to differ from expected results. Important factors which could cause such differences may include, without excluding other considerations, general economic conditions; changes in product costs and supply channels; foreign currency fluctuations; customer and credit risk, including the concentration of revenues with a small number of customers; costs associated with product liability; changes in income tax legislation or the interpretation or application of those rules; the continued ability to develop products and support brand names; changes in the regulatory environment; continued access to capital resources, including compliance with covenants and the related costs of borrowing; debt refinancing; failure related to information technology systems; changes in assumptions in the valuation of goodwill and other intangible assets and future decline in market capitalization; and there being no certainty that Dorel’s current dividend policy will be maintained. A description of the above mentioned items and certain additional risk factors are discussed in the Company’s Annual MD&A and Annual Information Form, filed with the Canadian securities regulatory authorities. The risk factors outlined in the previously mentioned documents are specifically incorporated herein by reference. Forward-looking statements made in this presentation related to the expected financial information for 2019 do not take into consideration the impact of adopting IFRS 16, Leases, on December 31, 2018. The Company’s business, financial condition, or operating results could be materially adversely affected if any of these risks and uncertainties were to materialize. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results, except as otherwise specified.

Note: All figures are in US dollars, except as otherwise specified.
Product Showcase
Maxi-Cosi Kore Pro
Tiny Love Gymini
Novogratz Outdoor Teddi Outdoor Set
COSCO SmartFold™ Portable Workbench
Cannondale Treadwell
Cannondale Topstone
Changing Retail Landscape

• Brick & mortar stores suffering
• On-line/omni channel the norm
• Among the casualties...
Changing Retail Landscape

- Dorel Sports, Dorel Home lost sales
- Dorel Juvenile recouped most sales at other retailers
- Additional impacts in UK and Australia
Changing Retail Landscape

- Dorel Home has led the way in e-commerce
Changing Retail Landscape

• Growing competitive pressures:
  ➢ Large on-line retailers
  ➢ 3P sellers
  ➢ Small, independents on-line with variety of OPP merchandise

• Dorel responding with new categories; higher-priced goods
Augmenting Product Development

• New simplified R&D process
Augmenting Product Development
Tariffs, Foreign Exchange

- Impact of strong $US – transactional, translational

**DOREL JUVENILE BRAZIL REVENUE**

- Revenue in BRL
- Revenue in USD

On a rolling 12-month basis
Tariffs, Foreign Exchange
Optimizing Dorel

• Taking necessary action to rebuild shareholder value
• Simplifying Dorel Juvenile, optimizing its global footprint
• Total restructuring costs - $25M - $30M this year and next
• $14.1M recorded in Q1
• Annualized cost savings of $12M - $15M by 2020
• $5M cost savings this year
Q1 2019 Update – Dorel Juvenile

- US POS up
- Chile same-store sales up
- China factory third party sales up
- EU sales down from prior year, but best since Q1 2018
Q1 2019 Update – Dorel Sports

• Very upbeat
• Focus on core business
Q1 2019 Update – Dorel Sports

- Cannondale e-bikes doing well in Europe
- Caloi revenue up double digits in local currency
- Pacific Cycle sales down but rebounded in April
Q1 2019 Update – Dorel Home

• Dorel’s model of sustained e-commerce success
• Interaction with other businesses
• Margins impacted by costs associated with top-line growth
• Refocussing on some higher-margin products
Q1 2019 Update – Dorel Home
Q1 2019 Update – Dorel Home

• Alphason - new European base to expand
Refinancing

• New $175M five-year agreement
• Provides strong foundation to support Dorel’s growth strategy
2019 Outlook

• Overall – anticipate higher sales, improved adjusted operating profit*
• Dorel Home – increased sales, better margins in H2
• Dorel Juvenile – revenue and adjusted operating profit* expected to exceed last year
• Dorel Sports – increased revenue and adjusted operating profit*
• Risks: foreign exchange and tariffs

*As a result of impairment losses on goodwill, intangible assets and property plant and equipment, restructuring and other costs incurred in 2019 and 2018, the Company is including in this presentation the following non-GAAP financial measure: “adjusted operating profit”. The Company believes that this results in a more meaningful comparison of its core business performance between the periods presented. These non-GAAP financial measures do not have a standardized meaning prescribed by GAAP and therefore are unlikely to be comparable to similar measures referred to in its outlook by other issuers.
New Directors

Sharon Ranson
• Corporate director/entrepreneur with in-depth financial expertise
• Has provided strategic oversight to numerous Boards, has chaired various Board committees
• President and Founder of The Ranson Group Inc., offers coaching to senior executives

Brad Johnson
• Visiting Lecturer at Babson College, private business school in Massachusetts
• Senior roles at Wayfair, major on-line furniture retailer
• Launched and managed inventory and fulfillment for them
• Extensive experience starting/managing businesses in consumer products and technology industries
Q&A
Business Agenda

• Results of ballot, Directors
• Termination of meeting
THANK YOU

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