



Dorel Industries Inc. (TSX: DII.B, DII.A) is a global organization, operating three distinct businesses in juvenile products, bicycles and home products. Dorel's strength lies in the diversity, innovation and quality of its products as well as the superiority of its brands. Dorel Juvenile's powerfully branded products include global brands Maxi-Cosi, Quinny and Tiny Love, complemented by regional brands such as Safety 1st, Bébé Confort, Cosco and Infanti. Dorel Sports brands include Cannondale, Schwinn, GT, Mongoose, Caloi and IronHorse. Dorel Home, with its comprehensive e-commerce platform, markets a wide assortment of domestically produced and imported furniture. Dorel has annual sales of US\$2.6 billion and employs approximately 8,900 people in facilities located in twenty-five countries worldwide.

SECOND QUARTER — JUNE 30, 2020

INVESTOR FACT SHEET Q2 2020

TSX: DII.B, DII.A

Q2 2020 HIGHLIGHTS

DOREL SPORTS

The segment maintained its positive momentum with the fifth consecutive quarter of growth with record profitability. Revenue was US\$285.6 million, up US\$44.6 million, or 18.5%, from last year. The strong performance was at the Cycling Sports Group (CSG) and Pacific Cycle divisions, offset by declines at Caloi as revenue decreased primarily due to prolonged COVID-19 imposed store closures in Brazil. Operating profit was US\$26.8 million compared to US\$10.1 million last year. Excluding restructuring costs, adjusted operating profit* was US\$27.1 million, an increase of US\$17.1 million, or 168.9%, from prior year.

DOREL HOME

Dorel Home posted its best quarter ever, with both record revenue and adjusted operating profit. Revenue for the second quarter rose to US\$260.7 million, an increase of US\$53.2 million or 25.7%. E-commerce sales grew significantly, representing 68% of total segment gross sales, compared to 60% in the prior year. Operating profit was US\$18.6 million compared to US\$14.1 million last year. Excluding restructuring costs, adjusted operating profit was US\$21.4 million, up US\$7.3 million or 52.0%. Warehouse and distribution costs improved year-over-year, helped by record sales and efficiencies resulting from inventory reductions.

DOREL JUVENILE

Second quarter revenue was US\$177.6 million, down US\$43.9 million, or 19.8%, from last year. Excluding the impact of varying foreign exchange rates, organic revenue* decreased approximately 16.8%. As stores re-opened in May, sales began recovering, a trend that continued into June. The exception is in Chile and Peru where Dorel-owned retail stores were closed for most of the quarter, and many remain closed. Sales were good in Brazil considering the negative impact the COVID-19 pandemic is currently having on the economy in South America, with over 80% of sales in the quarter made online. Operating loss for the quarter was US\$1.2 million compared to an operating profit of US\$2.4 million last year. Excluding restructuring costs, adjusted operating profit was US\$1.0 million, down US\$5.6 million, or 85.6%, from prior year.

A WORD FROM THE PRESIDENT

Dorel's overall revenues have recovered sharply from the initial negative effects of COVID-19 with strong performances in two of our three segments. Dorel Sports and Dorel Home benefitted from increased demand for its products as consumers sought bicycles and home furnishing products during the prolonged lockdown periods. Increased sales of in-stock items allowed both segments to reduce inventory to record low levels. Dorel Juvenile remained challenged through the first half of the quarter, hurt by continuing store closures in many of its markets, a situation which began reversing as more stores reopened during the latter part of the period. Our divisions did an excellent job of reducing costs and holding discretionary spending and as a result, selling expenses were down considerably. Our balance sheet has improved significantly from year-end with significant reductions in inventories and overall debt. I am extremely grateful to our employees worldwide who demonstrated their clear commitment to Dorel by directly contributing to our lower costs in the second quarter and who continued working at our facilities under enhanced safety protocols.

Martin Schwartz
President & CEO — August 10, 2020

OUTLOOK

DOREL SPORTS: Based on current trends, demand for bicycles is expected to remain strong through the summer season. On-going supply constraints will limit sales, but expectations are that third quarter revenues and adjusted operating profit will continue to be strong. The current volatility in the bicycle industry caused by the pandemic, changes in current demand levels and possibly in the seasonality of bicycle sales, is making visibility beyond the third quarter more difficult to determine.

DOREL HOME: Sales in July were consistent with sales in June, which moderated slightly from the exceptionally high levels in the first two months of the quarter. We expect this trend to continue into the third quarter and as a result, revenues and operating profit are expected to be strong. At current demand levels, inventory shortages could constrain sales in the short term, but despite this, the outlook for Dorel Home remains very positive.

DOREL JUVENILE: Dorel Juvenile revenues started to improve in May and June, and this trend continued into July. Sales at retail in the major markets of Europe and the U.S. are above last year. However, South America has rebounded less strongly. Chile and Peru remain well below normal levels due to retail locations which are still closed and have limited e-commerce options. Overall, the segment is expected to continue to improve its adjusted operating profit in the second half.

GENERAL: Two of Dorel's three business segments have benefitted financially during the impact of the COVID-19 pandemic. Consumers have chosen Dorel for its bicycle and home furnishing purchases, selecting our leading brands and outstanding product value. Our advanced capabilities in e-commerce have allowed us to reliably and efficiently deliver to our end consumers in all three of our segments. In the short-term this should continue, but there are many unknowns and risks going forward. The impact of the slowing economy and higher unemployment and how this will impact our consumers is difficult to measure at this time. The possibility of worsening economic conditions brought on by a second Coronavirus wave means current shopping habits could change yet again.

* This is a non-GAAP financial measure. Please refer to the "operating results — non-GAAP financial measures" section in the Management's Discussion and Analysis for the second quarter and six months ended June 30, 2020.

OTHER

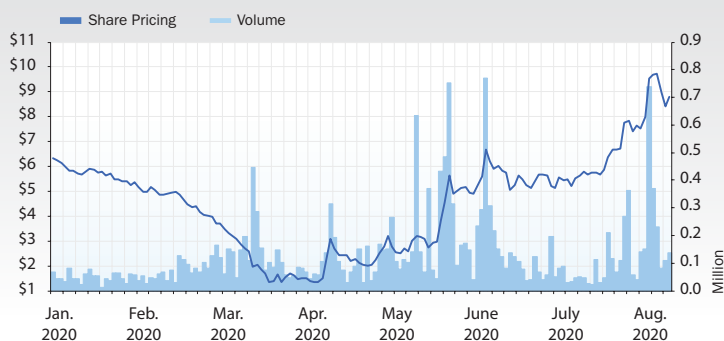
Cash flow provided from operating activities in the quarter was US\$120.0 million, of which US\$116.5 million was from inventory reductions, though going forward inventories are expected to rise as current levels are too low to support future growth and meet increased consumer demand.

For the second quarter ended June 30, 2020, Dorel's effective tax rate was 57.2% compared to 63.7% for the same period last year. Excluding income taxes on restructuring costs, Dorel's second quarter adjusted tax rate* was 49.9% in 2020 compared with 47.1% in 2019. For the six months ended June 30, 2020, Dorel's effective tax rate was (65.2)% compared to 317.4% for the same period last year. Excluding income taxes on impairment loss on goodwill and restructuring costs, Dorel's year-to-date adjusted tax rate was 90.5% in 2020 compared with 42.8% in 2019. The main causes of the variation in the effective and adjusted tax rates year-over-year for the second quarter and the six months were largely due the non-recognition of tax benefits related to tax losses and temporary differences, the changes in the jurisdictions in which the Company generated its income and management's reassessment of the recoverability of deferred tax assets in light of the potential impact of the COVID-19 pandemic on the Company's business. The variation in the effective tax rate year-over-year for the six months is also explained by the impact of the non-deductible impairment loss recorded on goodwill during the first quarter.

GEOGRAPHIC DISTRIBUTION OF 2019 SALES AND SHARE PRICES AND VOLUMES OF 2020



63%	United States
3%	Canada
10%	Latin America
20%	Europe
2%	Asia
2%	Other



FINANCIAL HIGHLIGHTS (in thousands of US\$, except per share amounts)

(Periods Ended June 30)	Q2 2020	Q2 2019	% chg	6M 2020	6M 2019	% chg
Revenue	723,953	669,982	8.1	1,304,708	1,295,542	0.7
Gross profit	144,699	137,409	5.3	251,232	267,442	(6.1)
Net income (loss)	11,132	2,796	298.1	(46,689)	(5,477)	(752.5)
Earnings (loss) per share						
- Basic	0.34	0.09	277.8	(1.44)	(0.17)	(747.1)
- Diluted	0.34	0.09	277.8	(1.44)	(0.17)	(747.1)
Adjusted gross profit*	147,015	138,366	6.3	253,548	268,830	(5.7)
Adjusted net income*	15,648	6,317	147.7	2,043	12,108	(83.1)
Adjusted earnings per share*						
- Basic	0.48	0.19	152.6	0.06	0.37	(83.8)
- Diluted	0.48	0.19	152.6	0.06	0.37	(83.8)
Capital expenditures ⁽¹⁾	5,261	7,914	(33.52)	11,941	18,395	(35.1)
Cash flow from operations	119,954	16,176	641.6	117,849	4,435	2,557.2
Weighted avg. # of diluted shares outstanding	32,878,768	32,798,069	0.2	32,487,117	32,441,549	0.1
Total assets	1,645,516	1,960,676		1,645,516	1,960,676	
Total debt ⁽²⁾	417,736	513,377		417,736	513,377	
Shareholders' equity	462,543	547,996		462,543	547,996	

(1) Capital expenditures = additions of property, plant and equipment and intangible assets net of any disposals.

(2) Total debt = bank indebtedness + long-term debt.

STOCK DATA

as at August 11, 2020

(TSX: DII.B, DII.A)

Shares outstanding

A	4,188,475
B	28,299,631
	32,488,106

Market capitalization (CAD\$M)	280.37
Adjusted P/E ratio (LTM)**	30.18
Reported P/E Ratio (LTM)	(4.08)
Stock price (CAD\$)	\$8.63
52-wk high (CAD\$)	\$10.54
52-wk low (CAD\$)	\$1.25

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** As a result of impairment loss on goodwill and restructuring costs, the P/E ratio is presented on an adjusted basis. For additional information on non-GAAP financial measures, please refer to the section entitled "operating results – non-GAAP financial measures" in the Management's Discussion and Analysis for the second quarter and six months ended June 30, 2020.

Certain statements included in this fact sheet may constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation. Except as may be required by Canadian securities laws, Dorel does not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. Forward-looking statements, by their very nature, are subject to numerous risks and uncertainties, including statements regarding the impact of the COVID-19 pandemic on Dorel's business, financial position and operations, and are based on several assumptions which give rise to the possibility that actual results could differ materially from Dorel's expectations expressed in or implied by such forward-looking statements and that the objectives, plans, strategic priorities and business outlook may not be achieved. As a result, Dorel cannot guarantee that any forward-looking statement will materialize, or if any of them do, what benefits Dorel will derive from them. Forward-looking statements are provided in this fact sheet for the purpose of giving information about management's current expectations and plans and allowing investors and others to get a better understanding of Dorel's operating environment. However, readers are cautioned that it may not be appropriate to use such forward-looking statements for any other purpose. The risk factors that could cause actual results to differ materially from expectations expressed in or implied by the forward-looking statements are discussed in Dorel's MD&A for the second quarter and six months ended June 30, 2020 filed with the applicable Canadian securities regulatory authorities. The risk factors set out in the previously-mentioned documents are expressly incorporated by reference herein in their entirety.