



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, Béb  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 8,000 people in facilities located in twenty-five countries worldwide.

THIRD QUARTER — SEPTEMBER 30, 2020

INVESTOR FACT SHEET Q3 2020

TSX: DII.B, DII.A

Q3 2020 HIGHLIGHTS

DOREL SPORTS

This was the sixth consecutive quarter of revenue growth for the segment. Third quarter revenue was US\$305.6 million, an increase of US\$55.3 million, or 22.1%. Excluding the impact of foreign exchange rates, year-over-year organic revenue* improved approximately 23.8%. The continuing record demand for bicycles throughout the summer drove another quarter of substantial growth at the Cycling Sports Group (CSG) and Pacific Cycle divisions. Caloi's revenue increased in local currency as IBD sales increased and mass market stores began re-opening following the COVID-19 shutdowns.

Operating profit for the quarter was US\$24.2 million compared to US\$6.0 million a year ago, with the improvement at both the CSG and Pacific Cycle divisions. Operating margins were strong, helped by the lack of discounting and the curtailment of events and marketing which lowered related expenses. Caloi's operating profit rose year-over-year and reversed an operating loss from this year's second quarter. Excluding restructuring costs, adjusted operating profit* set a record at US\$27.8 million, up US\$22.2 million, or 395.5%.

DOREL HOME

Third quarter revenue increased by US\$29.7 million, or 14.0%, to US\$242.2 million. Both e-commerce and traditional brick and mortar sales increased versus last year; strong sales at brick and mortar customers in most categories meant e-commerce sales were 58% of total segment gross sales compared to 61% a year ago. Dorel Home's branded sales strategy had continued success with sales under the Little Seeds, Cosmo Living and Novogratz brands maintaining their upward trend.

Third quarter operating profit was US\$20.9 million, an increase of US\$5.2 million, or 33.3%, from US\$15.7 million last year. Warehouse and distribution costs improved from last year, both in dollars and as a percentage of sales, due to the overall sales level and efficiencies gained from inventory reductions, which was US\$121.9 million at the end of the third quarter, down US\$89.6 million from last year and US\$63.1 million from year-end levels.

DOREL JUVENILE

Third quarter revenue was US\$205.6 million, down US\$17.3 million, or 7.8%. Excluding the impact of varying foreign exchange rates, year-over-year organic revenue decreased 7.1%. Retail customer stores re-opened in the majority of Dorel Juvenile's markets, with the exception being certain Company-owned retail outlets in Chile and Peru. As a result, lower sales in those markets contributed to the overall revenue decline in the quarter.

Third quarter operating profit was US\$7.6 million compared to an operating loss of US\$4.6 million last year. Excluding restructuring costs, adjusted operating profit was US\$7.5 million, an increase of US\$4.9 million, or 189.9%. Reduced expenses partially offset the quarter's lower revenues, contributing to the year-over-year improvement in third quarter adjusted operating profit.

A WORD FROM THE PRESIDENT

All three of our business segments contributed to an excellent quarter for Dorel. In Sports, the second quarter trend of increased demand for bicycles continued and outpaced product availability. In spite of this, the segment was still able to achieve the highest earnings in its history. Similarly, Dorel Home had an excellent quarter despite sales being limited by a lack of supply in some of its product categories. Dorel Juvenile improved its earnings and recovered from a first half adjusted operating loss that was due to the negative impact of the COVID-19 pandemic. I want to reiterate my sincere appreciation to all our employees who continue to work extremely hard in sometimes difficult conditions. Your contribution to Dorel is invaluable.

Martin Schwartz
President & CEO — November 6, 2020

OUTLOOK

The third quarter was in line with our expectations as consumers continued to choose Dorel products in Sports and Home and our Juvenile segment rebounded from the impact of the first wave of COVID-19. However, as we enter the fourth quarter, the visibility on earnings is more difficult and the expected second wave of the pandemic is beginning to have a significant impact, particularly in Europe. While thus far, government subsidies have softened the impact on consumers in most markets, it is unknown if this will continue going forward. In fact, government restrictions, similar to those put in place earlier in the year, are back in certain markets, which will almost certainly impact our sales.

In addition to these unknowns, all three of our segments are dealing with known and current challenges on transportation out of Asia due to a lack of supply and substantial cost increases. The recent strength of the Chinese Yuan relative to the US dollar, could also result in cost increases, further pressuring earnings. While we remain confident in the long-term, the fourth quarter may be challenging. While overall adjusted operating profit is forecasted to be similar to last year, there is downward risk to our projections. We believe that the challenges faced in the fourth quarter could be overcome and that 2021 is anticipated to be a good year leveraging the strengths of our three business segments.

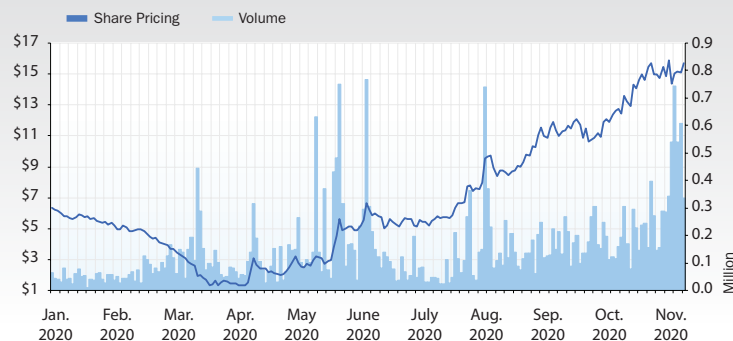
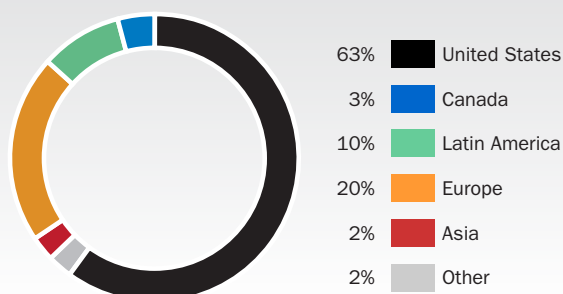
* This is a non-GAAP financial measure. Please refer to the "Operating results — non-GAAP financial measures" section in the Management's Discussion and Analysis for the third quarter and nine months ended September 30, 2020.

OTHER

Third quarter cash flow provided by operating activities was US\$29.4 million compared to US\$48.8 million in 2019, a decrease of US\$19.4 million. The decrease is mainly explained by the increase in income taxes paid and the negative net changes in balances related to operations, due to the timing of the collection of trade accounts receivable, which is partly offset by the timing of the payment of trade and other payables.

Dorel's third quarter effective tax rate was 25.0% compared to (130.4)% for the same period last year. Excluding income taxes on restructuring costs, Dorel's third quarter adjusted tax rate* was 25.1% in 2020 compared with 52.1% in 2019. For the nine months ended September 30, 2020, Dorel's effective tax rate was 409.8% compared to 1640.7% 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 48.5% in 2020 compared with 44.5% in 2019. The main causes of the variation in the effective and adjusted tax rates year-over-year for the third quarter and the nine months were largely due to the variation of the non-recognition of tax benefits related to tax losses and temporary differences in light of management's reassessment of the recoverability of deferred tax assets considering the potential impact of the COVID-19 pandemic on the Company's business, the variation of the permanent differences and the changes in the jurisdictions in which the Company generated its income. The variation in the effective tax rate year-over-year for the nine 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



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

(Periods Ended September 30)	Q3 2020	Q3 2019	% chg	9M 2020	9M 2019	% chg
Revenue	753,419	685,669	9.9	2,058,127	1,981,211	3.9
Gross profit	165,076	135,490	21.8	416,308	402,932	3.3
Net income (loss)	26,165	(4,337)	703.3	(20,524)	(9,814)	(109.1)
Earnings (loss) per share						
- Basic	0.81	(0.13)	723.1	(0.63)	(0.30)	(110.0)
- Diluted	0.80	(0.13)	715.4	(0.63)	(0.30)	(110.0)
Adjusted gross profit*	165,076	135,364	21.9	418,624	404,194	3.6
Adjusted net income*	28,725	2,355	1 119.7	30,768	14,463	112.7
Adjusted earnings per share*						
- Basic	0.88	0.07	1 157.1	0.95	0.45	111.1
- Diluted	0.87	0.07	1 142.9	0.94	0.44	113.6
Capital expenditures ⁽¹⁾	7,795	3,981	95.8	19,736	22,376	(11.8)
Cash flow from operations	29,392	48,802	(39.8)	147,241	53,237	176.6
Weighted avg. # of diluted shares outstanding	32,878,768	32,444,656	1.3	32,487,448	32,442,592	0.1
Total assets	1,690,323	1,927,256		1,690,323	1,927,256	
Total debt ⁽²⁾	398,978	492,822		398,978	492,822	
Shareholders' equity	503,589	524,802		503,589	524,802	

* 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 third quarter and nine months ended September 30, 2020.

- (1) Capital expenditures = additions of property, plant and equipment and intangible assets net of any disposals (including net proceeds from disposals of assets held for sale).
 (2) Total debt = bank indebtedness + long-term debt.

STOCK DATA

as at November 6, 2020	(TSX: DII.B, DII.A)
Shares outstanding	A 4,188,175
	B 28,315,243
	32,503,418
Market capitalization (CAD\$M)	501.53
Adjusted P/E ratio (LTM)**	11.30
Reported P/E Ratio (LTM)	(17.80)
Stock price (CAD\$)	\$15.43
52-wk high (CAD\$)	\$15.95
52-wk low (CAD\$)	\$1.25

DOREL INDUSTRIES INC.

1255 Greene Avenue, Suite 300
 Westmount, Québec, Canada H3Z 2A4
 www.dorel.com
 President and CEO: Martin Schwartz
 CFO: Jeffrey Schwartz

CONTACT

Jeffrey Schwartz (514) 934-3034
 Email: ir@dorel.com
Saint Victor Investments Inc.
 Rick Leckner (514) 245-9232
 Email: rick@saintvictor.biz

** 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 third quarter and nine months ended September 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 third quarter and nine months ended September 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.