



DOREL JUVENILE

Maxi-Cosi

Quinny

Tiny Love

Safety 1st

Bébé Confort

Cosco

Infanti

DOREL SPORTS

Cannondale

Schwinn

Caloi

GT

Mongoose

KidTrax

DOREL HOME

Dorel Home Products

Cosco Home & Office

Ameriwood

Dorel Living

Signature Sleep

Little Seeds

EXCHANGES

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Dorel Reaches Agreement in Principle Regarding Potential Going-Private Transaction

Cerberus Capital Management in exclusive discussions to purchase all Dorel shares for C\$14.50 per share in cash, except for shares held by Martin Schwartz, Alan Schwartz, Jeffrey Schwartz and Jeff Segel and their immediate families.

Montréal — November 2, 2020 — Dorel Industries Inc. (TSX: DII.B, DII.A) (“**Dorel**”) today announced that it has reached an agreement in principle regarding a transaction whereby Dorel would be taken private by a buyer group led by affiliates of Cerberus Capital Management, L.P. (“**Cerberus**”) and Martin Schwartz, Jeffrey Schwartz, Alan Schwartz and Jeff Segel (the “**Family Shareholders**”) and together with Cerberus, the “**Buyer Group**”). The Buyer Group has submitted a non-binding proposal to acquire all of Dorel’s outstanding Class A Multiple Voting Shares and Class B Subordinate Voting Shares not currently held by the Family Shareholders and their immediate families at a price of C\$14.50 per share. Dorel has granted the Buyer Group exclusivity through November 10, 2020 to complete negotiations and enter into a definitive transaction agreement between Dorel and the Buyer Group.

In December 2019, the Family Shareholders informed Dorel’s Board of Directors of their intention to initiate a process to seek a partner for a potential privatization of Dorel. On December 19, 2019, the Board of Directors formed a special committee of independent directors (the “**Special Committee**”) comprised of Norman M. Steinberg (chair), Alain Benedetti, Dian Cohen, Brad A. Johnson, Sharon Ranson and Maurice Tousson to oversee and supervise the privatization process. Since its formation, the Special Committee has been advised by McCarthy Tétrault LLP. BMO Capital Markets was retained as financial advisor to Dorel and conducted a comprehensive process, contacting more than 25 potential financial sponsor partners over a period of eleven months. Following financial and business diligence conducted by, and discussions with, numerous potential interested parties and the review of resulting non-binding proposals by the Special Committee and the Family Shareholders, the Family Shareholders granted exclusivity to Cerberus on September 4, 2020 to complete due diligence and negotiate terms for the proposed privatization. On September 10, 2020, the Special Committee hired TD Securities Inc. as independent financial advisor and independent valuator pursuant to Multilateral Instrument 61-101 - *Protection of Minority Security Holders in Special Transactions*. Since then, the Buyer Group and the Special Committee have had extensive discussions and negotiations, which resulted in the non-binding proposal for the

purchase of all the issued and outstanding Class A Multiple Voting Shares and Class B Subordinate Voting Shares of Dorel not currently held by the Family Shareholders and their immediate families at a price of C\$14.50 per share.

The proposal price represents a 32% premium to the closing price of Dorel's Class B Subordinate Voting Shares on the Toronto Stock Exchange on September 4, 2020, the date on which the Family Shareholders granted exclusivity to Cerberus, and for the periods ended Friday, October 30, 2020, a 19% premium to the 60-day volume weighted average trading price ("VWAP") and a 7% premium to the 30-day VWAP of Dorel's Class B Subordinate Voting Shares on the TSX.

The Family Shareholders are Martin Schwartz, Dorel's President and Chief Executive Officer, Jeffrey Schwartz, Executive Vice-President and Chief Financial Officer, Alan Schwartz, Executive Vice-President, Operations, and Jeff Segel, Executive Vice-President, Sales and Marketing. Each of the Family Shareholders is also a director of Dorel. The Family Shareholders currently own, directly or indirectly, or exercise control or direction over, an aggregate of 3,999,960 Class A Multiple Voting Shares and 2,231,639 Class B Subordinate Voting Shares, representing approximately 19.18% of Dorel's outstanding shares on an economic basis and 60.17% on a voting basis. The Family Shareholders have advised the Special Committee that they are not interested in any alternative transaction, including the sale of their interests in Dorel or the sale of any of Dorel's businesses segments or material assets.

The non-binding proposal is subject to Dorel and the Buyer Group entering into a definitive agreement. There can be no assurance that Dorel and the Buyer Group will enter into a definitive agreement to take Dorel private, or, assuming such an agreement is entered into, that the proposed transaction will be completed. The proposed transaction will be subject to shareholder, regulatory and court approvals, including approval by a majority of votes cast by Dorel's minority shareholders (excluding the Family Shareholders, their immediate families and other holders of Class A Multiple Voting Shares). Dorel does not intend to make any further announcements or to provide any updates with respect to the potential going-private transaction unless and until Dorel enters into a definitive agreement.

About Dorel Industries Inc.

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 25 countries worldwide.

Caution Regarding Forward-Looking Statements

Certain statements included in this press release may constitute "forward-looking statements" within the meaning of applicable Canadian securities legislation. More particularly and without limitation, this press release contains forward-looking statements and information regarding the proposed going-private transaction for Dorel. 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 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 and plans may not be achieved. As a result, Dorel cannot guarantee that any forward-looking statements will materialize, or if any of them do, what benefits Dorel will derive from them.

Risks and uncertainties inherent in the nature of the proposed going-private transaction include, without limitation, the failure of the parties to enter into a definitive agreement, obtain the necessary shareholder, regulatory and court approvals or to otherwise satisfy the conditions for the completion of the going-private

transaction. The failure of the parties to enter into a definitive agreement will result in the transaction described in this press release not being completed. If the parties enter into a definitive agreement, the failure of the parties to obtain the necessary shareholder, regulatory and court approvals, or the failure of the parties to otherwise satisfy the conditions for the completion of the going-private transaction, may result in the transaction not being completed on the proposed terms or at all. In addition, if the going-private transaction is not completed, and Dorel continues as an independent entity, there are risks that the announcement of the proposed going-private transaction and the dedication of substantial resources by Dorel to the completion of the transaction could have an impact on its business and strategic relationships, including with future and prospective employees, customers, suppliers and partners, operating results and activities in general, and could have a material adverse effect on its current and future operations, financial condition and prospects. Consequently, Dorel cautions readers not to place undue reliance on the forward-looking statements and information contained in this press release.