



**DOREL JUVENILE**

Maxi-Cosi

Tiny Love

Safety 1st

BebeConfort

Cosco

Infanti

**DOREL HOME**

Dorel Home Products

Cosco Home & Office

Ameriwood

Dorel Living

Signature Sleep

Little Seeds

**EXCHANGES**

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## Dorel Incurs Network Security Incident

**Montréal, April 17, 2023** — Dorel Industries Inc. (TSX: DII.B, DII.A) today announced that it recently experienced a network security incident resulting in an unauthorized third-party gaining access to certain of Dorel's systems.

Upon discovery of the network security incident on March 29, 2023, Dorel immediately implemented countermeasures with the assistance of leading industry experts and other advisors. Dorel took proactive measures to secure its business operations, including taking certain systems and services offline. While the network security incident caused temporary disruption to parts of Dorel's business operations, Dorel's systems are contained, and our services are operational.

Dorel believes that the timing of this incident will result in a reduction in the first quarter 2023 revenues of an estimated US\$12.0 to US\$15.0 million, of which Dorel expects the majority to be recouped in the second quarter. The negative impact on net income for the first quarter is expected to be between US\$4.0 to US\$5.0 million, which is made up principally of margin on these lost revenues.

Dorel will release first quarter 2023 results before the market opens on Monday, May 15, 2023.

### Profile

Dorel Industries Inc. (TSX: DII.B, DII.A) is a global organization, operating two distinct businesses in juvenile products 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, Safety 1st and Tiny Love, complemented by regional brands such as BebeConfort, Cosco, Mother's Choice and Infanti. Dorel Home, with its comprehensive e-commerce platform, markets a wide assortment of domestically produced and imported furniture. Dorel has annual sales of US\$1.6 billion and employs approximately 4,000 people in facilities located in twenty-two countries worldwide.

## Caution Regarding Forward-Looking Statements

Certain statements included in this press release, including statements relating to the network security incident described above, may constitute “forward-looking statements” within the meaning of applicable Canadian securities legislation. Except as may be required by Canadian securities laws, the Company 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 macro-economic environment, including the duration and magnitude of the COVID-19 pandemic, the ability to control resurgences and new variants worldwide and other recent macro-economic events and conditions, including inflationary pressures, changes in consumer spending, exchange rate fluctuations and increases in interest rates on the Company’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 the Company’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, the Company cannot guarantee that any forward-looking statement will materialize, or if any of them do, what benefits the Company will derive from them. Forward-looking statements are provided in this press release for the purpose of giving information about management’s current expectations and plans and allowing investors and others to get a better understanding of the Company’s operating environment. However, readers are cautioned that it may not be appropriate to use such forward-looking statements for any other purpose.

Forward-looking statements made in this press release, including those relating to the network security incident described above, are based on a number of assumptions that the Company believed were reasonable on the day it made the forward-looking statements. Factors that could cause actual results to differ materially from the Company’s expectations expressed in or implied by the forward-looking statements include:

- general economic and financial conditions, including those resulting from the current high inflationary environment;
- changes in applicable laws or regulations;
- changes in product costs and supply channels, including disruption of the Company’s supply chain resulting from the macro-economic environment;
- foreign currency fluctuations, including high levels of volatility in foreign currencies with respect to the US dollar reflecting uncertainties related to the macro-economic environment;
- 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;
- outbreak of public health crises, such as the COVID-19 pandemic, that could adversely affect global economies and financial markets, resulting in an economic downturn which could be for a prolonged period of time and have a material adverse effect on the demand for the Company’s products and on its business, financial condition and results of operations;
- the effect of international conflicts on the Company’s sales, including the ongoing Russia-Ukraine war;
- continued access to capital resources, including compliance by the Company with all of the terms and conditions under its ABL facility, and the related costs of borrowing, all of which may be adversely impacted by the macro-economic environment;
- failures related to information technology systems;
- changes in assumptions in the valuation of goodwill and other intangible assets and any future decline in market capitalization;
- there being no certainty that the Company will declare any dividend in the future;
- increased exposure to cybersecurity risks as a result of remote work by the Company’s employees;

- the Company's ability to protect its current and future technologies and products and to defend its intellectual property rights;
- potential damage to the Company's reputation; and
- the effect of climate change on the Company.

These and other risk factors that could cause actual results to differ materially from expectations expressed in or implied by the forward-looking statements are discussed in the Company's annual MD&A and Annual Information Form 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.

The Company cautions readers that the risks described above are not the only ones that could impact it. Additional risks and uncertainties not currently known to the Company or that the Company currently deems to be immaterial may also have a material adverse effect on the Company's business, financial condition, or results of operations. Given these risks and uncertainties, investors should not place undue reliance on forward-looking statements as a prediction of actual results.