

**DOREL REPORTS SECOND QUARTER 2023 RESULTS****DOREL JUVENILE**

Maxi-Cosi

Tiny Love

Safety 1st

BebeConfort

Cosco

Infanti

**DOREL HOME**

Dorel Home Products

Cosco Home &amp; Office

Ameriwood

Dorel Living

Signature Sleep

Little Seeds

**EXCHANGES****TSX:** DII.B, DII.A**CONTACTS:**Saint Victor Investments Inc  
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- **Dorel Juvenile turns profitable, led by strong European results; innovative new products gaining momentum**
- **Dorel Home's results improve for third consecutive quarter**

**Montréal, August 11, 2023** — Dorel Industries Inc. (TSX: DII.B, DII.A) today announced results for the second quarter and six months ended June 30, 2023.

Second quarter revenue was US\$345.2 million, compared to US\$427.8 million, down 19.3% from the same period a year ago. Reported and adjusted net loss<sup>1</sup> from continuing operations was US\$16.7 million or US\$0.51 per diluted share, compared to US\$13.6 million or US\$0.42 per diluted share last year. Adjusted net loss<sup>1</sup> from continuing operations last year was US\$11.6 million or US\$0.36 per diluted share last year.

Revenue for the six months was US\$678.4 million, compared to US\$855.9 million, down 20.7% from the prior year. Reported and adjusted net loss<sup>1</sup> from continuing operations was US\$48.2 million or US\$1.48 per diluted share, compared to US\$40.8 million or US\$1.25 per diluted share a year ago. Adjusted net loss<sup>1</sup> from continuing operations for the six months in 2022 was US\$36.5 million or US\$1.12 per diluted share last year.

“Dorel Juvenile and Dorel Home’s second quarter performances both showed encouraging signs of improvement, with combined adjusted operating losses improving by approximately US\$13.0 million compared to the first quarter of the year. Despite a slow start, our Juvenile business posted its first profitable quarter since the third quarter of 2021. This was led by Europe where new product launches, in particular the 360 Pro Family, drove a strong recovery. Despite some challenges in the U.S., we are gaining share in that market. While reporting an operating loss, Dorel Home recorded sequential improvement for the third consecutive quarter. There are clear indications that sales volumes are beginning to improve. The trend is positive as retailers’ glut of high-cost inventory is steadily being depleted. A general softness in the demand for furniture muted Dorel Home’s second quarter. However, July orders were 30% higher than the first half average, evidence that we are seeing light at the end of the tunnel,” commented Dorel President & CEO, Martin Schwartz.

<sup>1</sup> This is a non-GAAP financial ratio or measure with no standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers. Refer to the section “Definition and reconciliation of non-GAAP financial ratios and measures” in this press release.

<b>Summary of Financial Information (unaudited)</b>			
Second Quarters Ended June 30,			
All figures in thousands of US \$, except per share amounts			
	<b>2023</b>	<b>2022</b>	<b>Change</b>
	<b>\$</b>	<b>\$</b>	<b>%</b>
<b><u>CONTINUING OPERATIONS</u></b>			
Revenue	345,211	427,835	(19.3%)
Net loss	(16,724)	(13,596)	23.0%
Per share - Basic	(0.51)	(0.42)	21.4%
Per share - Diluted	(0.51)	(0.42)	21.4%
Adjusted net loss <sup>(1)</sup>	(16,724)	(11,638)	43.7%
Per share - Diluted <sup>(1)</sup>	(0.51)	(0.36)	41.7%
Number of shares outstanding –			
Basic weighted average	32,537,617	32,516,553	
Diluted weighted average	32,537,617	32,516,553	

(1) This is a non-GAAP financial ratio or measure with no standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers. Refer to the section “Definition and reconciliation of non-GAAP financial ratios and measures” in this press release.

<b>Summary of Financial Information (unaudited)</b>			
Six Months Ended June 30,			
All figures in thousands of US \$, except per share amounts			
	<b>2023</b>	<b>2022</b>	<b>Change</b>
	<b>\$</b>	<b>\$</b>	<b>%</b>
<b><u>CONTINUING OPERATIONS</u></b>			
Revenue	678,408	855,870	(20.7%)
Net loss	(48,233)	(40,814)	18.2%
Per share - Basic	(1.48)	(1.25)	18.4%
Per share - Diluted	(1.48)	(1.25)	18.4%
Adjusted net loss <sup>(1)</sup>	(48,233)	(36,475)	32.2%
Per share - Diluted <sup>(1)</sup>	(1.48)	(1.12)	32.1%
Number of shares outstanding –			
Basic weighted average	32,537,617	32,536,939	
Diluted weighted average	32,537,617	33,371,096	

(1) This is a non-GAAP financial ratio or measure with no standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers. Refer to the section “Definition and reconciliation of non-GAAP financial ratios and measures” in this press release.

## Dorel Juvenile

All figures in thousands of US \$

Second Quarters Ended June 30 (unaudited)					
	2023		2022		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	211,761		218,004		(2.9%)
Gross profit	54,936	25.9%	46,416	21.3%	18.4%
Operating profit (loss)	849		(4,698)		n.m.
Adjusted operating profit (loss) <sup>(1)</sup>	849		(2,558)		n.m.

n.m. = not meaningful

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All figures in thousands of US \$

Six Months Ended June 30 (unaudited)					
	2023		2022		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	411,786		434,573		(5.2%)
Gross profit	99,729	24.2%	95,403	22.0%	4.5%
Operating loss	(8,074)		(17,163)		(53.0%)
Adjusted operating loss <sup>(1)</sup>	(8,074)		(12,605)		(35.9%)

(1) This is a non-GAAP financial ratio or measure with no standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers. Refer to the section "Definition and reconciliation of non-GAAP financial ratios and measures" in this press release.

Second quarter revenue was US\$211.8 million, a decrease of US\$6.2 million, or 2.9%, from last year's strong comparative of US\$218.0 million. Organic revenue<sup>1</sup> decreased by 3.5%, after removing the impact of varying foreign exchange rates year-over-year. Europe had a strong quarter which is seen as a significant turning point for the division. The successful launch of the 360 Pro Family, with SlideTech technology, built solid momentum, gaining higher demand, and delivering better margins. Stable growth was also recorded in most Dorel Juvenile international divisions. In addition to the improved sales in Europe, Brazil and Canada also did well. This was offset by weakness with some U.S. retailers, who continued to limit orders to drive their inventories lower. Year-to-date revenue was US\$411.8 million, a decrease of US\$22.8 million, or 5.2% from US\$434.6 million in 2022.

Reported and adjusted operating profit<sup>1</sup> for the quarter was US\$0.8 million compared to a reported and adjusted operating loss<sup>1</sup> last year of US\$4.7 million and US\$2.6 million, respectively. This was the first profitable period since the third quarter of 2021. Gross profit improved compared to the prior year, driven by a combination of Europe's turnaround, lower input costs and favourable foreign exchange rates. Since the start of the year, all divisions were successful in lowering inventory levels generating cash flow of approximately US\$24.0 million. For the six months, reported and adjusted operating loss<sup>1</sup> was US\$8.1 million compared to US\$17.2 million and US\$12.6 million, respectively, a year ago.

## Dorel Home

All figures in thousands of US \$

Second Quarters Ended June 30 (unaudited)					
	2023		2022		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	133,450		209,831		(36.4%)
Gross profit	5,299	4.0%	18,915	9.0%	(72.0%)
Operating (loss) profit	(9,988)		2,225		n.m.

n.m. = not meaningful

All figures in thousands of US \$

Six Months Ended June 30 (unaudited)					
	2023		2022		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	266,622		421,297		(36.7%)
Gross profit	7,219	2.7%	42,113	10.0%	(82.9%)
Operating (loss) profit	(23,869)		7,760		n.m.

n.m. = not meaningful

Second quarter revenue was US\$133.4 million, a decrease of US\$76.4 million, or 36.4%, from US\$209.8 million last year. Suppliers and retailers continued to focus on decreasing their high-cost inventories and were not yet re-ordering, thus impacting revenue. The excess levels of inventory that were created in 2022 with the sudden improvement in supply from Asia combined with lessening demand, is now finally easing as retailers are near the end of moving this excess stock as they right-size inventory levels. This is evidenced by the fact that retailers are now planning proactive merchandising campaigns. The segment experienced its best months of the year in May and June and July will be even better. Six-month revenue was US\$266.6 million, a decrease of US\$154.7 million, or 36.7%, from US\$421.3 million last year.

Second quarter operating loss was US\$10.0 million, compared to an operating profit of US\$2.2 million last year. Lower sales volumes from the general softness in the demand for furniture, residual higher-cost inventory, and promotional pricing to clear merchandise contributed to the operating loss. However, the recent trend of sequential reduced losses continued as conditions improved steadily through the quarter. Freight, warehouse, and distribution costs were lower. As well, inventories were down US\$73.3 million from last year and were reduced from the fourth quarter of last year by approximately US\$30.0 million. For the six months, the operating loss was US\$23.9 million compared to an operating profit of US\$7.8 million in 2022.

### Other

Cash provided by operations was positive in the quarter and year-to-date totalled US\$49.5 million with inventory reductions being the biggest contributor. A portion of this cash was used to reduce debt. In addition, Dorel is in active discussions with prospective lenders on providing additional funding to further improve liquidity and fund future growth.

### Outlook

“As of today, we fully expect the quarter over quarter earnings improvement that started in the first quarter to continue into the back half of the year. As evidenced by our second quarter results and as we indicated in our last outlook in May, Dorel Juvenile is ahead of Dorel Home on that path and will improve its profitability across the quarters, but we are also confident Home will also return to an operating profit in the second half”, commented Dorel President & CEO, Martin Schwartz.

“In both of our segments, the key to success will be continued growth in e-commerce, but just as importantly at brick and mortar where we are in a position to fully leverage our excellent, long-standing relationships around the globe. It is not a secret that these are difficult times for consumers, but we are working with the winners in the market and our heritage of retailer support and collaboration will enable us to win with our customers. This combined with a stable cost environment will allow us to overcome the challenges in the market and should allow us to return to growth and profitability going forward,” concluded Mr. Schwartz.

## Conference Call

Dorel Industries Inc. will hold a conference call to discuss these results on Friday, August 11, 2023 at 1:00 P.M. Eastern Time. Interested parties can join the call by dialing 1-800-319-4610. The conference call can also be accessed via live webcast at <http://www.dorel.com>. If you are unable to call in at this time, you may access a recording of the meeting by calling 1-800-319-6413 and entering the passcode 0274 on your phone. This recording will be available on Friday, August 11, 2023 as of 4:30 PM until 11:59 PM on Friday, August 18, 2023.

**Condensed consolidated interim financial statements as at June 30, 2023 will be available on the Company’s website, [www.dorel.com](http://www.dorel.com), and will be available through the SEDAR website.**

## 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 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 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 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.

All figures in the tables below are in thousands of US \$, except per share amounts.

## Consolidated Results

	Second Quarters Ended				Six Months Ended			
	June 30, 2023	June 30, 2022	Variation		June 30, 2023	June 30, 2022	Variation	
			\$	%			\$	%
<b>CONTINUING OPERATIONS</b>								
Revenue	345,211	427,835	(82,624)	(19.3)%	678,408	855,870	(177,462)	(20.7)%
Cost of sales	284,976	362,504	(77,528)	(21.4)%	571,460	718,354	(146,894)	(20.4)%
Gross profit	60,235	65,331	(5,096)	(7.8)%	106,948	137,516	(30,568)	(22.2)%
Selling expenses	32,177	31,830	347	1.1%	63,616	64,591	(975)	(1.5)%
General and administrative expenses	34,933	33,259	1,674	5.0%	71,627	79,308	(7,681)	(9.7)%
Research and development expenses	6,236	6,551	(315)	(4.8)%	12,444	12,860	(416)	(3.2)%
Impairment (reversal) loss on trade accounts receivable	(81)	620	(701)	n.m.	333	731	(398)	(54.4)%
Restructuring costs	-	2,140	(2,140)	(100.0)%	-	4,558	(4,558)	(100.0)%
Operating loss	(13,030)	(9,069)	3,961	43.7%	(41,072)	(24,532)	16,540	67.4%
Adjusted operating loss <sup>(1)</sup>	(13,030)	(6,929)	6,101	88.1%	(41,072)	(19,974)	21,098	105.6%
Finance expenses	6,059	4,516	1,543	34.2%	12,299	17,149	(4,850)	(28.3)%
Loss before income taxes	(19,089)	(13,585)	5,504	40.5%	(53,371)	(41,681)	11,690	28.0%
Income taxes (recovery) expense	(2,365)	11	(2,376)	n.m.	(5,138)	(867)	4,271	492.6%
Net loss from continuing operations	(16,724)	(13,596)	3,128	23.0%	(48,233)	(40,814)	7,419	18.2%
Adjusted net loss from continuing operations <sup>(1)</sup>	(16,724)	(11,638)	5,086	43.7%	(48,233)	(36,475)	11,758	32.2%
Basic loss per share from continuing operations	(0.51)	(0.42)	0.09	21.4%	(1.48)	(1.25)	0.23	18.4%
Diluted loss per share from continuing operations	(0.51)	(0.42)	0.09	21.4%	(1.48)	(1.25)	0.23	18.4%
Adjusted diluted loss per share from continuing operations <sup>(1)</sup>	(0.51)	(0.36)	0.15	41.7%	(1.48)	(1.12)	0.36	32.1%
<b>DISCONTINUED OPERATION</b>								
(Loss) income from discontinued operation, net of tax	-	(7,235)	(7,235)	(100.0)%	-	254,478	(254,478)	(100.0)%
Net (loss) income	(16,724)	(20,831)	(4,107)	(19.7)%	(48,233)	213,664	(261,897)	n.m.
Basic (loss) earnings per share	(0.51)	(0.64)	(0.13)	(20.3)%	(1.48)	6.57	(8.05)	n.m.
Diluted (loss) earnings per share	(0.51)	(0.64)	(0.13)	(20.3)%	(1.48)	6.40	(7.88)	n.m.
Weighted average number of shares - Basic	32,537,617	32,516,553	n/a	n/a	32,537,617	32,536,939	n/a	n/a
Weighted average number of shares - Diluted	32,537,617	32,516,553	n/a	n/a	32,537,617	33,371,096	n/a	n/a
Gross margin <sup>(2)</sup>	17.4%	15.3%	n/a	210 bp	15.8%	16.1%	n/a	(30) bp
Selling expenses as a percentage of revenue <sup>(3)</sup>	9.3%	7.4%	n/a	190 bp	9.4%	7.5%	n/a	190 bp
General and administrative expenses as a percentage of revenue <sup>(4)</sup>	10.1%	7.8%	n/a	230 bp	10.6%	9.3%	n/a	130 bp

n.m. = not meaningful

n/a = not applicable

bp = basis point

(1) This is a non-GAAP financial ratio or measure with no standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers. Refer to the section "Definition and reconciliation of non-GAAP financial ratios and measures" in this press release.

(2) Gross margin is defined as gross profit divided by revenue.

(3) Selling expenses as a percentage of revenue is defined as selling expenses divided by revenue.

(4) General and administrative expenses as a percentage of revenue is defined as general and administrative expenses divided by revenue.

## Dorel Juvenile

	Second Quarters Ended				Six Months Ended			
	June 30, 2023	June 30, 2022	Variation		June 30, 2023	June 30, 2022	Variation	
			\$	%			\$	%
Revenue	211,761	218,004	(6,243)	(2.9)%	411,786	434,573	(22,787)	(5.2)%
Cost of sales	156,825	171,588	(14,763)	(8.6)%	312,057	339,170	(27,113)	(8.0)%
Gross profit	54,936	46,416	8,520	18.4%	99,729	95,403	4,326	4.5%
Selling expenses	25,758	24,639	1,119	4.5%	50,889	50,254	635	1.3%
General and administrative expenses	23,429	18,517	4,912	26.5%	46,735	46,774	(39)	(0.1)%
Research and development expenses	4,938	5,215	(277)	(5.3)%	9,821	10,258	(437)	(4.3)%
Impairment (reversal) loss on trade accounts receivable	(38)	603	(641)	n.m.	358	722	(364)	(50.4)%
Restructuring costs	-	2,140	(2,140)	(100.0)%	-	4,558	(4,558)	(100.0)%
Operating profit (loss)	849	(4,698)	(5,547)	n.m.	(8,074)	(17,163)	(9,089)	(53.0)%
Adjusted operating profit (loss) <sup>(1)</sup>	849	(2,558)	(3,407)	n.m.	(8,074)	(12,605)	(4,531)	(35.9)%
Gross margin <sup>(2)</sup>	25.9%	21.3%	n/a	460 bp	24.2%	22.0%	n/a	220 bp
Selling expenses as a percentage of revenue <sup>(3)</sup>	12.2%	11.3%	n/a	90 bp	12.4%	11.6%	n/a	80 bp
General and administrative expenses as a percentage of revenue <sup>(4)</sup>	11.1%	8.5%	n/a	260 bp	11.3%	10.8%	n/a	50 bp

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n/a = not applicable

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(2) Gross margin is defined as gross profit divided by revenue.

(3) Selling expenses as a percentage of revenue is defined as selling expenses divided by revenue.

(4) General and administrative expenses as a percentage of revenue is defined as general and administrative expenses divided by revenue.

## Dorel Home

	Second Quarters Ended				Six Months Ended			
	June 30, 2023	June 30, 2022	Variation		June 30, 2023	June 30, 2022	Variation	
			\$	%			\$	%
Revenue	133,450	209,831	(76,381)	(36.4)%	266,622	421,297	(154,675)	(36.7)%
Cost of sales	128,151	190,916	(62,765)	(32.9)%	259,403	379,184	(119,781)	(31.6)%
Gross profit	5,299	18,915	(13,616)	(72.0)%	7,219	42,113	(34,894)	(82.9)%
Selling expenses	6,419	7,016	(597)	(8.5)%	12,727	13,978	(1,251)	(8.9)%
General and administrative expenses	7,613	8,321	(708)	(8.5)%	15,763	17,764	(2,001)	(11.3)%
Research and development expenses	1,298	1,336	(38)	(2.8)%	2,623	2,602	21	0.8%
Impairment (reversal) loss on trade accounts receivable	(43)	17	(60)	n.m.	(25)	9	(34)	n.m.
Operating (loss) profit	(9,988)	2,225	(12,213)	n.m.	(23,869)	7,760	(31,629)	n.m.
Gross margin <sup>(1)</sup>	4.0%	9.0%	n/a	(500) bp	2.7%	10.0%	n/a	(730) bp
Selling expenses as a percentage of revenue <sup>(2)</sup>	4.8%	3.3%	n/a	150 bp	4.8%	3.3%	n/a	150 bp
General and administrative expenses as a percentage of revenue <sup>(3)</sup>	5.7%	4.0%	n/a	170 bp	5.9%	4.2%	n/a	170 bp

n.m. = not meaningful

n/a = not applicable

bp = basis point

(1) Gross margin is defined as gross profit divided by revenue.

(2) Selling expenses as a percentage of revenue is defined as selling expenses divided by revenue.

(3) General and administrative expenses as a percentage of revenue is defined as general and administrative expenses divided by revenue.



## Definition and Reconciliation of Non-GAAP Financial Ratios and Measures

Dorel is presenting in this press release certain non-GAAP financial ratios and measures, as described below. These non-GAAP financial ratios and measures do not have a standardized meaning prescribed by IFRS and therefore are unlikely to be comparable to similar measures presented by other issuers. These non-GAAP financial ratios and measures should not be considered in isolation or as a substitute for a measure prepared in accordance with IFRS. Contained within this press release are reconciliations of the non-GAAP financial ratios and measures to the most directly comparable financial measures calculated in accordance with IFRS.

Dorel believes that the non-GAAP financial ratios and measures used in this press release provide investors with additional information to analyze its results and to measure its financial performance by excluding the variation caused by certain items that Dorel believes do not reflect its core business performance and provides better comparability between the periods presented. Excluding these items does not imply they are necessarily non-recurring. The non-GAAP financial measures are also used by management to assess Dorel's financial performance and to make operating and strategic decisions.

### Adjustments to non-GAAP financial ratios and measures

As noted above, certain of our non-GAAP financial measures and ratios exclude the variation caused by certain adjustments that affect the comparability of Dorel's financial results and could potentially distort the analysis of trends in its business performance. Adjustments which impact more than one non-GAAP financial ratio and measure are explained below.

#### *Restructuring costs*

Restructuring costs are comprised of costs directly related to significant exit activities, including the sale of manufacturing facilities, closure of businesses, reorganization, optimization, transformation, and consolidation to improve the competitive position of the Company in the marketplace and to reduce costs and bring efficiencies, and acquisition-related costs in connection with business acquisitions. Restructuring costs are included as an adjustment of adjusted gross profit, adjusted gross margin, adjusted operating profit (loss) from continuing operations, adjusted net income (loss) from continuing operations and adjusted diluted earnings (loss) per share from continuing operations. Restructuring costs were \$2.1 million and \$4.6 million for the second quarter and six months ended June 30, 2022 (none in 2023). Refer to the section "Restructuring costs – Continuing operations" in the MD&A for more details.

#### *Impact of acquired businesses*

The impact of acquired businesses is included as an adjustment of adjusted organic revenue growth (decline). Revenue from acquired businesses is adjusted during the first year of operation in order to get a better comparison of revenue from year-to-year. Revenue from acquired businesses were respectively \$6.2 million and \$13.1 million for the second quarter and six months ended June 30, 2022 and were all related to the acquisition of Notio Living by Dorel Home.

#### *Impact of the sale of divisions*

The impact of the sale of divisions is included as an adjustment of adjusted organic revenue growth (decline). Revenue from the sale of divisions is adjusted during the year after the disposal in order to get a better comparison of revenue from year-to-year. Revenue from the sale of divisions was \$5.4 million for the six months ended June 30, 2021 (none for the second quarter ended June 30, 2021) and was all related to the disposal of the manufacturing facility in Zhongshan, China by Dorel Juvenile.

### Adjusted gross profit and adjusted gross margin

Adjusted gross profit is calculated as gross profit excluding the impact of restructuring costs. Adjusted gross margin is a non-GAAP ratio and is calculated as adjusted gross profit divided by revenue. Dorel uses adjusted gross profit and adjusted gross margin to measure its performance from one period to the next, without the variation caused by the impacts of the items described above. Dorel also uses adjusted gross profit and adjusted gross margin on a segment basis to measure its performance at the segment level. Dorel excludes this item because it affects the comparability of its financial results and could potentially distort the analysis of trends in its business performance. Certain investors and analysts use the adjusted gross profit and adjusted gross margin to measure the business performance of the Company as a whole and at the segment level from one period to the next, without the variation caused by the impact of the restructuring costs. Excluding this item does not imply it is necessarily non-recurring. These ratios and measures do not have any standardized meanings prescribed by IFRS and are therefore unlikely to be comparable to a similar measure presented by other companies.

There are no adjusted gross profit and adjusted gross margin for the second quarter and six months ended June 30, 2023 and 2022.

### Adjusted operating profit (loss) from continuing operations

Adjusted operating profit (loss) from continuing operations is calculated as operating profit (loss) from continuing operations excluding the impact of restructuring costs. Adjusted operating profit (loss) from continuing operations also excludes impairment loss on goodwill. Management uses adjusted operating profit (loss) from continuing operations to measure its performance from one period to the next, without the variation caused by the impacts of the items described above. Dorel also uses adjusted operating profit (loss) on a segment basis to measure its performance at the segment level. Dorel excludes these items because they affect the comparability of its financial results and could potentially distort the analysis of trends in its business performance. Certain investors and analysts use the adjusted operating profit (loss) from continuing operations to measure the business performance of the Company as a whole and at the segment level from one period to the next, without the variation caused by the impact of the restructuring costs and impairment loss on goodwill. Excluding these items does not imply they are necessarily non-recurring. This measure does not have any standardized meaning prescribed by IFRS and is therefore unlikely to be comparable to a similar measure presented by other companies.

	Second Quarters Ended		Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
<b>From continuing operations</b>				
Operating loss from continuing operations	(13,030)	(9,069)	(41,072)	(24,532)
Adjustment for:				
Total restructuring costs	-	2,140	-	4,558
Adjusted operating loss from continuing operations	(13,030)	(6,929)	(41,072)	(19,974)

	Second Quarters Ended		Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
<b>Dorel Juvenile</b>				
Operating profit (loss)	849	(4,698)	(8,074)	(17,163)
Adjustment for:				
Restructuring costs	-	2,140	-	4,558
Adjusted operating profit (loss)	849	(2,558)	(8,074)	(12,605)

## Adjusted net income (loss) from continuing operations and adjusted diluted earnings (loss) per share from continuing operations

Adjusted net income (loss) from continuing operations is calculated as net income (loss) from continuing operations excluding the impact of restructuring costs and impairment loss on goodwill, as well as income taxes expense (recovery) relating to the adjustments above. Adjusted diluted earnings (loss) per share from continuing operations is a non-GAAP ratio and is calculated as adjusted net income (loss) from continuing operations divided by the weighted average number of diluted shares. Management uses adjusted net income (loss) from continuing operations and adjusted diluted earnings (loss) per share from continuing operations to measure its performance from one period to the next, without the variation caused by the impacts of the items described above. Dorel excludes these items because they affect the comparability of its financial results and could potentially distort the analysis of trends in its business performance. Certain investors and analysts use the adjusted net income (loss) from continuing operations and adjusted diluted earnings (loss) per share to measure the business performance of the Company from one period to the next. Excluding these items does not imply they are necessarily non-recurring. These measures do not have any standardized meanings prescribed by IFRS and are therefore unlikely to be comparable to a similar measure presented by other companies.

	Second Quarters Ended		Six Months Ended	
	June 30, 2023	June 30, 2022	June 30, 2023	June 30, 2022
Net loss from continuing operations	(16,724)	(13,596)	(48,233)	(40,814)
Adjustment for:				
Total restructuring costs	-	2,140	-	4,558
Income taxes recovery relating to the above-noted adjustments	-	(182)	-	(219)
Adjusted net loss from continuing operations	(16,724)	(11,638)	(48,233)	(36,475)
Basic loss per share from continuing operations	(0.51)	(0.42)	(1.48)	(1.25)
Diluted loss per share from continuing operations	(0.51)	(0.42)	(1.48)	(1.25)
Adjusted diluted loss per share from continuing operations <sup>(1)</sup>	(0.51)	(0.36)	(1.48)	(1.12)

(1) This is a non-GAAP financial ratio and it is calculated as adjusted net income (loss) from continuing operations divided by weighted average number of diluted shares.

## Organic revenue growth (decline) and adjusted organic revenue growth (decline)

Organic revenue growth (decline) is calculated as revenue growth (decline) compared to the previous period, excluding the impact of varying foreign exchange rates. Adjusted organic revenue growth (decline) is calculated as revenue growth (decline) compared to the previous period, excluding the impact of varying foreign exchange rates and the impact of the acquired businesses for the first year of operation and the sale of divisions. Management modified the calculation of the adjusted organic revenue growth (decline) to remove revenue from acquired businesses for the first year of operation in order to get a better comparison of revenue from year-to-year. Management uses organic revenue growth (decline) and adjusted organic revenue growth (decline) to measure its performance from one period to the next, without the variation caused by the impacts of the items described above. Dorel excludes these items because they affect the comparability of its financial results and could potentially distort the analysis of trends in its business performance. Certain investors and analysts use organic revenue growth (decline) and adjusted organic revenue growth (decline) to measure the business performance of the Company as a whole and at the segment level from one period to the next. Excluding these items does not imply they are necessarily non-recurring. These measures do not have any standardized meanings prescribed by IFRS and are therefore unlikely to be comparable to a similar measure presented by other companies.

	Second Quarters Ended June 30,											
	Consolidated				Dorel Home				Dorel Juvenile			
	2023		2022		2023		2022		2023		2022	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Revenue of the period	345,211		427,835		133,450		209,831		211,761		218,004	
Revenue of the comparative period	(427,835)		(447,647)		(209,831)		(236,779)		(218,004)		(210,868)	
Revenue (decline) growth	(82,624)	(19.3)	(19,812)	(4.4)	(76,381)	(36.4)	(26,948)	(11.4)	(6,243)	(2.9)	7,136	3.4
Impact of varying foreign exchange rates	(1,328)	(0.3)	9,922	2.2	97	-	420	0.2	(1,425)	(0.6)	9,502	4.5
Organic revenue (decline) growth <sup>(1)</sup>	(83,952)	(19.6)	(9,890)	(2.2)	(76,284)	(36.4)	(26,528)	(11.2)	(7,668)	(3.5)	16,638	7.9
Impact of acquired businesses	-	-	(6,235)	(1.4)	-	-	(6,235)	(2.6)	-	-	-	-
Adjusted organic revenue (decline) growth <sup>(1)</sup>	(83,952)	(19.6)	(16,125)	(3.6)	(76,284)	(36.4)	(32,763)	(13.8)	(7,668)	(3.5)	16,638	7.9

(1) This is a non-GAAP financial ratio or measure with no standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers. Refer to the section "Definition and reconciliation of non-GAAP financial ratios and measures" in this press release.

	Six Months Ended June 30,											
	Consolidated				Dorel Home				Dorel Juvenile			
	2023		2022		2023		2022		2023		2022	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Revenue of the period	678,408		855,870		266,622		421,297		411,786		434,573	
Revenue of the comparative period	(855,870)		(886,200)		(421,297)		(465,477)		(434,573)		(420,723)	
Revenue (decline) growth	(177,462)	(20.7)	(30,330)	(3.4)	(154,675)	(36.7)	(44,180)	(9.5)	(22,787)	(5.2)	13,850	3.3
Impact of varying foreign exchange rates	3,614	0.4	16,066	1.8	735	0.2	514	0.1	2,879	0.6	15,552	3.7
Organic revenue (decline) growth <sup>(1)</sup>	(173,848)	(20.3)	(14,264)	(1.6)	(153,940)	(36.5)	(43,666)	(9.4)	(19,908)	(4.6)	29,402	7.0
Impact of acquired businesses	-	-	(13,118)	(1.5)	-	-	(13,118)	(2.8)	-	-	-	-
Impact of the sale of divisions	-	-	5,404	0.6	-	-	-	-	-	-	5,404	1.4
Adjusted organic revenue (decline) growth <sup>(1)</sup>	(173,848)	(20.3)	(21,978)	(2.5)	(153,940)	(36.5)	(56,784)	(12.2)	(19,908)	(4.6)	34,806	8.4

(1) This is a non-GAAP financial ratio or measure with no standardized meaning prescribed by IFRS and therefore is unlikely to be comparable to similar measures presented by other issuers. Refer to the section "Definition and reconciliation of non-GAAP financial ratios and measures" in this press release.