

**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

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DOREL REPORTS THIRD QUARTER 2023 RESULTS

- Dorel Juvenile maintains quarter-over-quarter earnings improvement.
- Dorel Home posts sequential improvement in results despite challenging consumer environment.

Montréal, November 3, 2023 — Dorel Industries Inc. (TSX: DII.B, DII.A) today announced results for the third quarter and nine months ended September 30, 2023.

Third quarter revenue was US\$359.7 million, down 3.9% from US\$374.1 million last year. Reported and adjusted net loss¹ from continuing operations was US\$10.4 million or US\$0.32 per diluted share, compared to US\$36.7 million or US\$1.13 per diluted share last year. Adjusted net loss¹ from continuing operations was US\$34.7 million or US\$1.07 per diluted share last year.

Nine-month revenue from continuing operations was US\$1.038 billion, a decrease of 15.6% compared to US\$1.230 billion last year. Reported and adjusted net loss¹ from continuing operations year-to-date was US\$58.6 million or US\$1.80 per diluted share, compared to US\$77.6 million or US\$2.38 per diluted share last year. Adjusted net loss¹ from continuing operations was US\$71.2 million or US\$2.19 per diluted share last year.

“We are pleased with the progress of our Dorel Juvenile segment as they delivered double-digit revenue growth and an impressive turnaround in earnings. We are clearly seeing our products winning and delivering market share gains in an industry that was down versus the prior year. Dorel Home revenues continued to grow, improving sequentially with positive indicators at brick-and-mortar. Given the challenges for consumer products companies overall, our two segments are navigating positively, though we recognize the need for further improvement. There is far less retailer inventory and our own inventory levels are at their lowest in two years. The vast majority of all the high-cost inventory from last year has been sold, contributing to improving margins throughout 2023,” stated Dorel President & CEO, Martin Schwartz.

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.

Summary of Financial Information (unaudited)			
Third Quarters Ended September 30,			
All figures in thousands of US \$, except per share amounts			
	2023	2022	Change
	\$	\$	%
<u>CONTINUING OPERATIONS</u>			
Revenue	359,661	374,143	(3.9)%
Net loss	(10,360)	(36,747)	(71.8)%
Per share - Basic	(0.32)	(1.13)	(71.7)%
Per share - Diluted	(0.32)	(1.13)	(71.7)%
Adjusted net loss ⁽¹⁾	(10,360)	(34,691)	(70.1)%
Per share - Diluted ⁽¹⁾	(0.32)	(1.07)	(70.1)%
Number of shares outstanding –			
Basic weighted average	32,540,167	32,536,472	
Diluted weighted average	32,540,167	32,536,472	

(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.

Summary of Financial Information (unaudited)			
Nine Months Ended September 30,			
All figures in thousands of US \$, except per share amounts			
	2023	2022	Change
	\$	\$	%
<u>CONTINUING OPERATIONS</u>			
Revenue	1,038,069	1,230,013	(15.6)%
Net loss	(58,593)	(77,561)	(24.5)%
Per share - Basic	(1.80)	(2.38)	(24.4)%
Per share - Diluted	(1.80)	(2.38)	(24.4)%
Adjusted net loss ⁽¹⁾	(58,593)	(71,166)	(17.7)%
Per share - Diluted ⁽¹⁾	(1.80)	(2.19)	(17.8)%
Number of shares outstanding –			
Basic weighted average	32,538,473	32,536,782	
Diluted weighted average	32,538,473	33,373,873	

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Dorel Juvenile

All figures in thousands of US \$

Third Quarters Ended September 30 (unaudited)					
	2023		2022		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	205,957		186,695		10.3%
Gross profit	55,024	26.7%	29,978	16.1%	83.5%
Operating profit (loss)	3,186		(18,446)		n.m.
Adjusted operating profit (loss) ⁽¹⁾	3,186		(16,195)		n.m.

n.m. = not meaningful

(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.

All figures in thousands of US \$

Nine Months Ended September 30 (unaudited)					
	2023		2022		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	617,743		621,268		(0.6)%
Gross profit	154,753	25.1%	125,381	20.2%	23.4%
Operating loss	(4,888)		(35,609)		(86.3)%
Adjusted operating loss ⁽¹⁾	(4,888)		(28,800)		(83.0)%

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The third quarter maintained its quarter-over-quarter improvement. Revenue was US\$206.0 million, an increase of US\$19.3 million, or 10.3% versus 2022's comparable period. Organic revenue¹ increased by 6.4% after removing the impact of varying foreign exchange rates year-over-year. The U.S. and European markets were primarily responsible for the growth, both posting double digit organic gains, slightly offset by sales shortfalls in Brazil and Chile. The 360 Pro Family line contributed to the revenue gains in Europe. Additional new Maxi-Cosi products were unveiled at the September Cologne, Germany juvenile products trade fair which resulted in a record number of orders for Dorel Juvenile. The segment continued to gain market share in its various geographies, despite a generally challenging environment where consumers remain selective with their spending and retailers are cautiously reordering. Nine-month revenue was US\$617.7 million, down US\$3.5 million or 0.6% from last year.

Reported and adjusted operating profit¹ for the quarter was US\$3.2 million compared with last year's reported and adjusted operating loss¹ of US\$18.4 million and US\$16.2 million respectively. The weaker Euro versus the U.S. dollar tempered the quarter's operating profit more so than during the first half of the current year, although the impact was far less than last year when the U.S. dollar hit a 10 year high. Gross profit increased both year-over-year and quarter-over-quarter driven by lower input costs, improved pricing and favourable foreign exchange. Planned inventory reduction initiatives were also successful with the majority of the higher cost inventory now sold. Year-to-date reported and adjusted operating loss¹ was US\$4.9 million compared to a reported and adjusted operating loss¹ of US\$35.6 million and US\$28.8 million respectively a year ago.

Dorel Home

All figures in thousands of US \$

Third Quarters Ended September 30 (unaudited)					
	2023		2022		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	153,704		187,448		(18.0)%
Gross profit	10,971	7.1%	8,918	4.8%	23.0%
Operating loss	(3,562)		(7,996)		(55.5)%

All figures in thousands of US \$

Nine Months Ended September 30 (unaudited)					
	2023		2022		Change
	\$	% of rev.	\$	% of rev.	%
Revenue	420,326		608,745		(31.0)%
Gross profit	18,190	4.3%	51,031	8.4%	(64.4)%
Operating loss	(27,431)		(236)		n.m.

n.m. = not meaningful

Revenue for the third quarter was US\$153.7 million, down US\$33.7 million, or 18.0% compared to the third quarter a year ago. However, on a sequential basis, revenue has increased for the third consecutive quarter. Despite an overall softness in the market, there are positive trends in the brick-and-mortar channel. The fall High Point Market was a success with Dorel Home's customers enthusiastic about the new product introductions. Nine-month revenue was US\$420.3 million, a decrease of US\$188.4 million or 31.0%.

Operating loss for the third quarter was US\$3.6 million compared to US\$8.0 million last year, an improvement of US\$4.4 million. Gross margins increased versus prior year and are up over both the first and second quarters of this year. The improvement resulted partly from reductions in freight and material costs. Warehouse and distribution costs are also down. Inventory management resulted in a year-over-year reduction of US\$54.7 million from last year and were down US\$38.3 million from the fourth quarter of 2022. Nine-month operating loss was US\$27.4 million, compared with US\$0.2 million a year ago.

Other

Cash provided by operations was positive in the quarter and year-to-date totalled US\$62.1 million with inventory reductions being the biggest contributor. A portion of this cash was used to reduce debt. In addition, Dorel continues discussions with prospective lenders on providing additional funding to further improve liquidity and fund future growth.

Outlook

"Our outlook at the end of the second quarter for continued quarter-over-quarter earnings improvement was valid for the third quarter and remains so going forward. At Dorel Juvenile, market share data confirms that we are gaining sales at the expense of the competition with our new, innovative product that is resonating well with consumers. While we are concerned by the economic environment in which we are operating, we remain focused on bringing winning products to the marketplace, partnering with our retail customers, and investing in e-commerce to ensure that the progress so far this year continues for the balance of 2023 and in to 2024," commented Dorel President & CEO, Martin Schwartz.

“While the results at Dorel Home are less positive, sales are improving across the year, and we are narrowing our losses. We are operating in a challenging environment, slowing the pace of our turnaround, but we expect to deliver an operating profit as soon as the fourth quarter of this year, setting the table for a much better performance in 2024,” concluded Mr. Schwartz.

Conference Call

Dorel Industries Inc. will hold a conference call to discuss these results on Friday, November 3, 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 0382 on your phone. This recording will be available on Friday, November 3, 2023 as of 4:30 PM until 11:59 PM on Friday, November 10, 2023.

Condensed consolidated interim financial statements as at September 30, 2023 will be available on the Company's website, 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 and the Israeli-Hamas 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

	Third Quarters Ended				Nine Months Ended			
	Sep 30, 2023	Sep 30, 2022	Variation		Sep 30, 2023	Sep 30, 2022	Variation	
			\$	%			\$	%
CONTINUING OPERATIONS								
Revenue	359,661	374,143	(14,482)	(3.9)%	1,038,069	1,230,013	(191,944)	(15.6)%
Cost of sales	293,666	335,247	(41,581)	(12.4)%	865,126	1,053,601	(188,475)	(17.9)%
Gross profit	65,995	38,896	27,099	69.7%	172,943	176,412	(3,469)	(2.0)%
Selling expenses	32,222	30,422	1,800	5.9%	95,838	95,013	825	0.9%
General and administrative expenses	31,424	33,595	(2,171)	(6.5)%	103,051	112,903	(9,852)	(8.7)%
Research and development expenses	6,113	6,041	72	1.2%	18,557	18,901	(344)	(1.8)%
Impairment (reversal) loss on trade accounts receivable	(53)	303	(356)	n.m.	280	1,034	(754)	(72.9)%
Restructuring costs	-	2,251	(2,251)	(100.0)%	-	6,809	(6,809)	(100.0)%
Operating loss	(3,711)	(33,716)	(30,005)	(89.0)%	(44,783)	(58,248)	(13,465)	(23.1)%
Adjusted operating loss ⁽¹⁾	(3,711)	(31,465)	(27,754)	(88.2)%	(44,783)	(51,439)	(6,656)	(12.9)%
Finance expenses	6,464	5,079	1,385	27.3%	18,763	22,228	(3,465)	(15.6)%
Loss before income taxes	(10,175)	(38,795)	(28,620)	(73.8)%	(63,546)	(80,476)	(16,930)	(21.0)%
Income taxes expense (recovery)	185	(2,048)	2,233	n.m.	(4,953)	(2,915)	2,038	69.9%
Net loss from continuing operations	(10,360)	(36,747)	(26,387)	(71.8)%	(58,593)	(77,561)	(18,968)	(24.5)%
Adjusted net loss from continuing operations ⁽¹⁾	(10,360)	(34,691)	(24,331)	(70.1)%	(58,593)	(71,166)	(12,573)	(17.7)%
Basic loss per share from continuing operations	(0.32)	(1.13)	(0.81)	(71.7)%	(1.80)	(2.38)	(0.58)	(24.4)%
Diluted loss per share from continuing operations	(0.32)	(1.13)	(0.81)	(71.7)%	(1.80)	(2.38)	(0.58)	(24.4)%
Adjusted diluted loss per share from continuing operations ⁽¹⁾	(0.32)	(1.07)	(0.75)	(70.1)%	(1.80)	(2.19)	(0.39)	(17.8)%
DISCONTINUED OPERATION								
Income from discontinued operation, net of tax	-	-	-	n/a	-	254,478	(254,478)	(100.0)%
Net (loss) income	(10,360)	(36,747)	(26,387)	(71.8)%	(58,593)	176,917	(235,510)	n.m.
Basic (loss) earnings per share	(0.32)	(1.13)	(0.81)	(71.7)%	(1.80)	5.44	(7.24)	n.m.
Diluted (loss) earnings per share	(0.32)	(1.13)	(0.81)	(71.7)%	(1.80)	5.30	(7.10)	n.m.
Weighted average number of shares - Basic	32,540,167	32,536,472	n/a	n/a	32,538,473	32,536,782	n/a	n/a
Weighted average number of shares - Diluted	32,540,167	32,536,472	n/a	n/a	32,538,473	33,373,873	n/a	n/a
Gross margin ⁽²⁾	18.3%	10.4%	n/a	790 bp	16.7%	14.3%	n/a	240 bp
Selling expenses as a percentage of revenue ⁽³⁾	9.0%	8.1%	n/a	90 bp	9.2%	7.7%	n/a	150 bp
General and administrative expenses as a percentage of revenue ⁽⁴⁾	8.7%	9.0%	n/a	(30) bp	9.9%	9.2%	n/a	70 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

	Third Quarters Ended				Nine Months Ended			
	Sep 30, 2023	Sep 30, 2022	Variation \$	%	Sep 30, 2023	Sep 30, 2022	Variation \$	%
Revenue	205,957	186,695	19,262	10.3%	617,743	621,268	(3,525)	(0.6)%
Cost of sales	150,933	156,717	(5,784)	(3.7)%	462,990	495,887	(32,897)	(6.6)%
Gross profit	55,024	29,978	25,046	83.5%	154,753	125,381	29,372	23.4%
Selling expenses	26,008	23,541	2,467	10.5%	76,897	73,795	3,102	4.2%
General and administrative expenses	21,095	17,574	3,521	20.0%	67,830	64,348	3,482	5.4%
Research and development expenses	4,835	4,744	91	1.9%	14,656	15,002	(346)	(2.3)%
Impairment (reversal) loss on trade accounts receivable	(100)	314	(414)	n.m.	258	1,036	(778)	(75.1)%
Restructuring costs	-	2,251	(2,251)	(100.0)%	-	6,809	(6,809)	(100.0)%
Operating profit (loss)	3,186	(18,446)	(21,632)	n.m.	(4,888)	(35,609)	(30,721)	(86.3)%
Adjusted operating profit (loss) ⁽¹⁾	3,186	(16,195)	(19,381)	n.m.	(4,888)	(28,800)	(23,912)	(83.0)%
Gross margin ⁽²⁾	26.7%	16.1%	n/a	1060 bp	25.1%	20.2%	n/a	490 bp
Selling expenses as a percentage of revenue ⁽³⁾	12.6%	12.6%	n/a	- bp	12.4%	11.9%	n/a	50 bp
General and administrative expenses as a percentage of revenue ⁽⁴⁾	10.2%	9.4%	n/a	80 bp	11.0%	10.4%	n/a	60 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

	Third Quarters Ended				Nine Months Ended			
	Sep 30, 2023	Sep 30, 2022	Variation \$	%	Sep 30, 2023	Sep 30, 2022	Variation \$	%
Revenue	153,704	187,448	(33,744)	(18.0)%	420,326	608,745	(188,419)	(31.0)%
Cost of sales	142,733	178,530	(35,797)	(20.1)%	402,136	557,714	(155,578)	(27.9)%
Gross profit	10,971	8,918	2,053	23.0%	18,190	51,031	(32,841)	(64.4)%
Selling expenses	6,214	6,706	(492)	(7.3)%	18,941	20,684	(1,743)	(8.4)%
General and administrative expenses	6,994	8,922	(1,928)	(21.6)%	22,757	26,686	(3,929)	(14.7)%
Research and development expenses	1,278	1,297	(19)	(1.5)%	3,901	3,899	2	0.1%
Impairment loss (reversal) on trade accounts receivable	47	(11)	58	n.m.	22	(2)	24	n.m.
Operating loss	(3,562)	(7,996)	(4,434)	(55.5)%	(27,431)	(236)	27,195	n.m.
Gross margin ⁽¹⁾	7.1%	4.8%	n/a	230 bp	4.3%	8.4%	n/a	(410) bp
Selling expenses as a percentage of revenue ⁽²⁾	4.0%	3.6%	n/a	40 bp	4.5%	3.4%	n/a	110 bp
General and administrative expenses as a percentage of revenue ⁽³⁾	4.6%	4.8%	n/a	(20) bp	5.4%	4.4%	n/a	100 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 presents 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 respectively US\$2.3 million and US\$6.8 million for the third quarter and nine months ended September 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 US\$5.6 million and US\$18.8 million for the third quarter and nine months ended September 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 US\$5.4 million for the nine months ended September 30, 2021 (none for the third quarter ended September 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 third quarters and nine months ended September 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.

	Third Quarters Ended		Nine Months Ended	
	Sep 30, 2023	Sep 30, 2022	Sep 30, 2023	Sep 30, 2022
From continuing operations				
Operating loss from continuing operations	(3,711)	(33,716)	(44,783)	(58,248)
Adjustment for:				
Total restructuring costs	-	2,251	-	6,809
Adjusted operating loss from continuing operations	(3,711)	(31,465)	(44,783)	(51,439)

	Third Quarters Ended		Nine Months Ended	
	Sep 30, 2023	Sep 30, 2022	Sep 30, 2023	Sep 30, 2022
Dorel Juvenile				
Operating profit (loss)	3,186	(18,446)	(4,888)	(35,609)
Adjustment for:				
Restructuring costs	-	2,251	-	6,809
Adjusted operating profit (loss)	3,186	(16,195)	(4,888)	(28,800)

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.

	Third Quarters Ended		Nine Months Ended	
	Sep 30, 2023	Sep 30, 2022	Sep 30, 2023	Sep 30, 2022
Net loss from continuing operations	(10,360)	(36,747)	(58,593)	(77,561)
Adjustment for:				
Total restructuring costs	-	2,251	-	6,809
Income taxes recovery relating to the above-noted adjustments	-	(195)	-	(414)
Adjusted net loss from continuing operations	(10,360)	(34,691)	(58,593)	(71,166)
Basic loss per share from continuing operations	(0.32)	(1.13)	(1.80)	(2.38)
Diluted loss per share from continuing operations	(0.32)	(1.13)	(1.80)	(2.38)
Adjusted diluted loss per share from continuing operations ⁽¹⁾	(0.32)	(1.07)	(1.80)	(2.19)

(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.

	Third Quarters Ended September 30,											
	Consolidated				Dorel Home				Dorel Juvenile			
	2023		2022		2023		2022		2023		2022	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Revenue of the period	359,661		374,143		153,704		187,448		205,957		186,695	
Revenue of the comparative period	(374,143)		(437,236)		(187,448)		(218,127)		(186,695)		(219,109)	
Revenue (decline) growth	(14,482)	(3.9)	(63,093)	(14.4)	(33,744)	(18.0)	(30,679)	(14.1)	19,262	10.3	(32,414)	(14.8)
Impact of varying foreign exchange rates	(7,651)	(2.0)	13,284	3.0	(395)	(0.2)	541	0.3	(7,256)	(3.9)	12,743	5.8
Organic revenue (decline) growth ⁽¹⁾	(22,133)	(5.9)	(49,809)	(11.4)	(34,139)	(18.2)	(30,138)	(13.8)	12,006	6.4	(19,671)	(9.0)
Impact of acquired businesses	-	-	(5,634)	(1.3)	-	-	(5,634)	(2.6)	-	-	-	-
Adjusted organic revenue (decline) growth ⁽¹⁾	(22,133)	(5.9)	(55,443)	(12.7)	(34,139)	(18.2)	(35,772)	(16.4)	12,006	6.4	(19,671)	(9.0)

(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.

	Nine Months Ended September 30,											
	Consolidated				Dorel Home				Dorel Juvenile			
	2023		2022		2023		2022		2023		2022	
	\$	%	\$	%	\$	%	\$	%	\$	%	\$	%
Revenue of the period	1,038,069		1,230,013		420,326		608,745		617,743		621,268	
Revenue of the comparative period	(1,230,013)		(1,323,436)		(608,745)		(683,604)		(621,268)		(639,832)	
Revenue (decline) growth	(191,944)	(15.6)	(93,423)	(7.1)	(188,419)	(31.0)	(74,859)	(11.0)	(3,525)	(0.6)	(18,564)	(2.9)
Impact of varying foreign exchange rates	(4,140)	(0.3)	29,060	2.2	343	0.1	1,054	0.2	(4,483)	(0.7)	28,006	4.4
Organic revenue (decline) growth ⁽¹⁾	(196,084)	(15.9)	(64,363)	(4.9)	(188,076)	(30.9)	(73,805)	(10.8)	(8,008)	(1.3)	9,442	1.5
Impact of acquired businesses	-	-	(18,752)	(1.4)	-	-	(18,752)	(2.7)	-	-	-	-
Impact of the sale of divisions	-	-	5,437	0.4	-	-	-	-	-	-	5,437	0.8
Adjusted organic revenue (decline) growth ⁽¹⁾	(196,084)	(15.9)	(77,678)	(5.9)	(188,076)	(30.9)	(92,557)	(13.5)	(8,008)	(1.3)	14,879	2.3

(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.