These materials are important and require your immediate attention. They require holders of Class A Multiple Voting Shares and Class B Subordinate Voting Shares of Dorel Industries Inc. to make important decisions. If you are in doubt as to how to make such decisions, please contact your financial, legal, tax or other professional advisors. If you require any assistance with the procedures for voting, including to complete your proxy, please contact Dorel Industries Inc.'s strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-888-823-4343 (toll-free within North America) or at 1-416-867-2272 (outside of North America) or by email at contactus@kingsdaleadvisors.com. If you have any questions or require further information about the procedures to complete your letter of transmittal, please contact Computershare Investor Services Inc., the depositary, at 1-800-564-6253 (toll-free within North America) or by email at corporateactions@computershare.com.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS OF DOREL INDUSTRIES INC.

to be held on January 12, 2021 at 10:00 a.m. (eastern time)

and

MANAGEMENT INFORMATION CIRCULAR

with respect to an

ARRANGEMENT

involving

DOREL INDUSTRIES INC.

and

9428-4502 QUÉBEC INC.

Dated December 3, 2020

THE BOARD OF DIRECTORS OF DOREL INDUSTRIES INC. (EXCLUDING INTERESTED DIRECTORS) HAS UNANIMOUSLY DETERMINED THAT THE ARRANGEMENT IS IN THE BEST INTERESTS OF DOREL INDUSTRIES INC. AND UNANIMOUSLY RECOMMENDS THAT SHAREHOLDERS VOTE FOR THE ARRANGEMENT RESOLUTION

Dear Fellow Shareholder:

The Board of Directors (the "**Board**") of Dorel Industries Inc. (the "**Corporation**" or "**Dorel**") cordially invites you to participate in a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of Class A Multiple Voting Shares and Class B Subordinate Voting Shares (collectively, the "**Shares**") of Dorel to be held virtually on January 12, 2021 at 10:00 a.m. (eastern time).

The Meeting is being called for you to consider a special resolution approving a statutory plan of arrangement (the "**Arrangement**") under which a buyer group (the "**Buyer Group**") led by an affiliate (the "**Purchaser**") of funds managed by Cerberus Capital Management, L.P. ("**Cerberus**") will acquire all of the issued and outstanding Shares of the Corporation at a price of $14.50 in cash per Share (the "**Consideration**") except for an aggregate of 4,009,410 Class A Multiple Voting Shares and 2,573,503 Class B Subordinate Voting Shares owned by Martin Schwartz, Alan Schwartz, Jeffrey Schwartz and Jeff Segel (collectively, the "**Family Executives**") and certain members of their respective immediate families (together with the Family Executives, the "**Family Shareholders**") that will be acquired by an affiliate of the Purchaser in exchange for an indirect equity interest in the Purchaser, as provided for in an Arrangement Agreement dated November 12, 2020 between Dorel and the Purchaser (the "**Arrangement Agreement**").

In December 2019, given the lack of trading support for Dorel Shares on the market, the limited liquidity available for Shareholders and the difficulty of executing on any alternatives as a public company, the Family Executives informed the Board of their intention to initiate a process to seek a financial partner for a potential privatization. The Arrangement is the result of a comprehensive process, which included contacting more than 25 potential financial sponsor partners over a period of eleven months and a series of negotiations between the Buyer Group and the special committee of the Board (the "**Special Committee**"), comprised of all six independent directors of the Corporation.

Recommendation of the Special Committee

After receiving fairness opinions from BMO Nesbitt Burns Inc. and TD Securities Inc. ("**TD Securities**") as well as a formal valuation from TD Securities (the "**Formal Valuation**"), along with legal and financial advice, the Special Committee **<u>UNANIMOUSLY</u>** recommended that the Board approve the Arrangement and that Shareholders vote **<u>FOR</u>** the Arrangement. In making its recommendation, the Special Committee considered a number of substantive factors, including the following:

A Premium Price

The Consideration to be received by Shareholders other than the Family Shareholders (collectively, the "**Public Shareholders**") represents a premium of 32% to the $11.01 closing price of the Class B Subordinate Voting Shares on the Toronto Stock Exchange ("**TSX**") on September 4, 2020, the date on which the Family Shareholders granted exclusivity to the Buyer Group, and for the periods ended October 30, 2020, being the last trading day prior to announcement by Dorel that it had reached an agreement in principle for the Arrangement with the Buyer Group, 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.

Certainty of Value and Immediate Liquidity

The Consideration to be paid to the Public Shareholders pursuant to the Arrangement is all cash, which provides Public Shareholders with certainty and immediate liquidity. By contrast, Dorel has historically experienced limited trading liquidity, which makes it difficult for Public Shareholders to realize meaningful liquidity through the public markets on which the Shares trade.

Additional Reasons for the Recommendation

- ***Formal Valuation***: TD Securities has provided the Special Committee with the Formal Valuation dated November 12, 2020, which was completed under the supervision of the Special Committee. In the Formal Valuation, TD Securities determined that as of November 12, 2020, and subject to the scope of review, assumptions and limitations contained therein, the fair market value of the Shares ranged from $14.00 to $17.00 per Share.

- ***Procedural Safeguards for Public Shareholders***: The Arrangement was negotiated by the Special Committee, which is comprised solely of directors who are unrelated to the Family Shareholders or the management of Dorel, and which was advised by experienced, qualified and independent financial and legal advisors. The Arrangement is subject to the following approvals from Shareholders and the Québec Superior Court (the "**Court**"), which provides additional protection to Shareholders:

    (a) The special resolution (the "**Arrangement Resolution**") must be approved by at least two-thirds (66⅔%) of the votes cast by Shareholders present in person or represented by proxy at the Meeting and entitled to vote;

    (b) The Arrangement Resolution must be approved by a majority (50% + 1) of the votes cast by the holders of Class B Subordinate Voting Shares present in person or represented by proxy at the Meeting and entitled to vote, other than the Family Shareholders; and

    (c) The Arrangement must be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to Public Shareholders**.**

- ***Attractive Transaction Relative to Status Quo*****:** The Special Committee, with the assistance of its financial and legal advisors, and based upon its collective knowledge of the business, affairs, operations, assets, liabilities, financial condition, results of operations and prospects of Dorel and the current and prospective environment in which Dorel operates (including global tariffs and the current global economic and market conditions, notably in the context of the COVID-19 pandemic), believes that the Arrangement is an attractive proposition for Shareholders relative to the *status quo*.

In light of ongoing public health concerns related to the COVID-19 pandemic and in order to comply with government decrees, the Meeting will be held exclusively in virtual format, conducted via live webcast. Shareholders will be able to participate and vote at the Meeting online regardless of their geographic location by registering at the following link:

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

Shareholders should review the accompanying notice of special meeting of Shareholders and management information circular (the "**Circular**") which describes, among other things, the background to the Arrangement as well as the reasons for the determinations and recommendations of the Special Committee and the Board. The Circular contains a detailed description of the Arrangement, including certain risk factors relating to the completion of the Arrangement. **You should carefully consider all of the information in the Circular. If you require assistance, you are urged to consult your financial, legal, tax or other professional advisor.**

Your vote is important regardless of the number of Shares you own, and we recommend that you vote FOR the Arrangement even if you are unable to attend the Meeting.

You are encouraged to vote well before the deadline of 5:00 p.m. (eastern time) on Friday, January 8, 2021.

If you have any questions or need help voting, please contact:

Kingsdale Advisors
Toll-free within North America: 1-888-823-4343
Collect outside of North America: 416-867-2272
Email: contactus@kingsdaleadvisors.com

Special Meeting of Shareholders – Virtual
January 12, 2021 – 10:00 a.m. (eastern time)
https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D
For the health and safety of all, the Meeting will be held exclusively online.

On behalf of the Corporation and the Board, I would like to thank all Shareholders for their support of Dorel and wish you all continued health and safety.

Yours very truly,

(signed) Norman M. Steinberg
Chair of the Special Committee of the Board of Directors
Dorel Industries Inc.

NOTICE OF SPECIAL MEETING OF SHAREHOLDERS

To the shareholders of Dorel Industries Inc. (the "**Corporation**" or "**Dorel**"):

NOTICE IS HEREBY GIVEN that, pursuant to an interim order of the Québec Superior Court (the "**Court**") dated December 3, 2020 (as the same may be amended, the "**Interim Order**"), a special meeting (the "**Meeting**") of the holders (the "**Shareholders**") of Class A Multiple Voting Shares and Class B Subordinate Voting Shares of the Corporation (collectively, the "**Shares**") will be held on January 12, 2021 at 10:00 a.m. (eastern time) exclusively in virtual format for the purposes indicated below:

(i) to consider pursuant to the Interim Order and, if thought advisable, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**"), the full text of which is set out in Appendix B annexed to the accompanying management information circular (the "**Circular**"), approving a statutory plan of arrangement (the "**Arrangement**") under the provisions of Chapter XVI - Division II of the *Business Corporations Act* (Québec) (the "**QBCA**") involving Dorel and 9428-4502 Québec Inc. (the "**Purchaser**"), as more fully described in the accompanying Circular; and

(ii) to transact any other business as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

In order to comply with government decrees related to the COVID-19 pandemic, and to mitigate risks to the health and safety of our Shareholders and employees, the Meeting will be conducted exclusively in virtual format via live webcast online, unless the Corporation advises otherwise by way of press release and on its website (https://www.dorel.com). Shareholders will be able to participate and vote at the Meeting online regardless of their geographic location by registering at the following link:

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

As the vast majority of Shareholders typically vote by proxy in advance of Dorel's Shareholders' meetings, you are encouraged to vote by proxy ahead of the Meeting.

To access the Meeting, follow the instructions below:

Step 1: Log in online at:

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

Step 2: Complete the survey to register for the Meeting.

Step 3: After registering, you will receive a confirmation email sent to the email address you provided in the survey with access instructions for the day of the Meeting. This confirmation email with access instructions will also be sent out the day prior to the Meeting.

Dorel recommends that you log in by 9:45 a.m. (eastern time) on January 12, 2021. It is important to ensure you are connected to the internet at all times in order to vote when balloting commences. You are responsible for ensuring internet connectivity for the duration of the Meeting.

Similar to an in-person meeting, registered Shareholders and duly-appointed proxyholders will be able to attend the virtual Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the accompanying Circular. Registered Shareholders who are unable to attend the virtual Meeting are requested to complete, sign and date the accompanying proxy form in accordance with the instructions provided therein and in the Circular and return it in accordance with the instructions and timelines set out in the Circular. In order for non-registered (or beneficial) Shareholders to attend the virtual Meeting, participate, submit questions online and vote virtually, they must duly appoint themselves as proxyholders. Non-registered (or beneficial) Shareholders who have not duly appointed themselves as proxyholders will be able to attend the virtual Meeting only as "guests", but will not be able to participate, submit questions or vote at the virtual Meeting.

Shareholders as at the close of business on November 20, 2020 (the "**Record Date**") are entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s). Only Shareholders whose names have been entered in the register of Dorel as at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

Accompanying this notice of meeting is the Circular, a proxy form and a letter of transmittal (for registered Shareholders) (the "**Letter of Transmittal**"). The accompanying Circular provides information relating to the matters to be addressed at the Meeting and is incorporated into this notice of meeting. Any adjourned or postponed meeting resulting from an adjournment or postponement of the Meeting will be held at a time and place to be specified either by Dorel before the Meeting or at the discretion of the Chair at the Meeting.

In order for registered Shareholders to receive the consideration of $14.50 in cash per Share (the "**Consideration**") to which they are entitled upon the completion of the Arrangement, they must complete, sign and return the Letter of Transmittal together with their Share certificate(s) and/or Direct Registration System advice(s) ("**DRS**"), as applicable, and any other required documents and instruments to the depositary named in the Letter of Transmittal, in accordance with the procedures set out therein.

The board of directors (the "**Board**") and the management (the "**Management**") of Dorel urge you to participate in the Meeting and to vote your Shares. If you cannot participate in the Meeting online to vote your Shares, please vote in one of the following four ways: (i) by following the instructions for internet voting in the accompanying proxy form at least two business days, excluding Saturdays, Sundays and holidays, prior to the Meeting or related adjournment(s) or postponement(s), (ii) by following the instructions for telephone voting in the accompanying proxy form at least two business days, excluding Saturdays, Sundays and holidays, prior to the Meeting or related adjournment(s) or postponement(s), (iii) by completing and signing the accompanying proxy form and returning it in the enclosed envelope, postage prepaid, or (iv) by appointing someone as proxy to participate in the Meeting and vote your Shares for you. Dorel reserves the right to accept late proxies and to waive the proxy cut-off, with or without notice.

If you are a beneficial (non-registered) Shareholder, please refer to the section in the Circular entitled "*Voting Information - Non-Registered Shareholders*" for information on how to vote your Shares. Beneficial (non-registered) Shareholders who hold their Shares through a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary (an "**Intermediary**"), should carefully follow the instructions of their Intermediary to ensure that their Shares are voted at the Meeting in accordance with such Shareholders' instructions, to arrange for their Intermediary to complete the necessary transmittal documents and to ensure that they receive payment of the Consideration for their Shares if the Arrangement is completed.

Pursuant to and in accordance with the Arrangement, the Interim Order and the provisions of Chapter XIV – Division I the QBCA, as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court, registered Shareholders, other than Shareholders who have failed to exercise all the voting rights carried by the Shares held by such Shareholders against the Arrangement Resolution, and other than Family Shareholders, as defined in the Arrangement Agreement dated November 12, 2020 between Dorel and the Purchaser (the "**Arrangement Agreement**"), have the right to demand the repurchase of their Shares (the "**Dissent Rights**") in connection with the Arrangement and, if the Arrangement becomes effective, to be paid the fair value of their Shares by the Purchaser. Dissent Rights are more fully described in the accompanying Circular. **A registered Shareholder who wishes to exercise Dissent Rights must send to Dorel a written notice (the "Dissent Notice"), which Dissent Notice must be received by Dorel at its head office, 1255 Greene Ave, Suite 300, Westmount, Québec, Canada H3Z 2A4 (Attention: Corporate Secretary), with a copy to Fasken Martineau DuMoulin LLP, 800 Square Victoria, Suite 3500, Montréal, Québec, Canada H4Z 1E9, facsimile 514-397-**

7600, Attention: Neil Wiener, not later than 4:30 p.m. (eastern time) on January 8, 2021 or not later than 4:30 p.m. (eastern time) on the business day that is two business days, excluding Saturdays, Sundays and holidays, immediately preceding the date that any adjourned or postponed Meeting is reconvened or held, as the case may be. Failure to strictly comply with the requirements set out in Chapter XIV - Division I of the QBCA, as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court, may result in the loss of Dissent Rights. Anyone who is a beneficial owner of Shares registered in the name of an Intermediary and who wishes to exercise Dissent Rights should be aware that only registered Shareholders are entitled to exercise Dissent Rights. Some, but not all, of the Shares have been issued in the form of a global certificate registered in the name of CDS & Co. and, as such, CDS & Co. is the registered Shareholder of those Shares. Accordingly, a non-registered Shareholder who wishes to exercise Dissent Rights must make arrangements for the Shares beneficially owned by such holder to be registered in the name of such holder prior to the time the Dissent Notice is required to be received by Dorel or, alternatively, make arrangements for the registered Shareholder of such Shares to exercise Dissent Rights on behalf of such Shareholder. A Shareholder wishing to exercise Dissent Rights may exercise such rights with respect to all Shares registered in the name of such Shareholder only if such Shareholder exercised all the voting rights attached to those Shares against the Arrangement Resolution. It is recommended that you seek independent legal advice if you wish to exercise Dissent Rights.

Montréal, Québec
December 3, 2020

BY ORDER OF THE BOARD OF DIRECTORS OF DOREL INDUSTRIES INC.

(signed) Jeffrey Schwartz

Jeffrey Schwartz
Executive Vice-President, Chief Financial Officer and Secretary
Dorel Industries Inc.

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MANAGEMENT INFORMATION CIRCULAR

INTRODUCTION

This Circular is delivered in connection with the solicitation of proxies by and on behalf of Management of the Corporation for use at the Meeting to be held on January 12, 2021 at 10:00 a.m. (eastern time), or at any adjournment(s) or postponement(s) thereof, at the time and place and for the purposes set out in the accompanying notice of special meeting (the "**Notice of Meeting**"). No person has been authorized to give any information or make any representation in connection with the Arrangement or any other matters to be considered at the Meeting other than those contained in this Circular and, if given or made, any such information or representation must not be relied upon as having been authorized.

All summaries of, and references to, the Arrangement, the Arrangement Agreement and the Plan of Arrangement in this Circular are qualified in their entirety by reference to the complete text of the Arrangement Agreement, a copy of which is available under Dorel's issuer profile on SEDAR at www.sedar.com. The Plan of Arrangement is annexed to this Circular as Appendix A. **You are urged to carefully read the full text of the Arrangement Agreement and the Plan of Arrangement**.

Proxies will be solicited primarily by mail or by any other means Management may deem necessary. The Corporation has retained Kingsdale Advisors as its strategic shareholder advisor and proxy solicitation agent for assistance in connection with the solicitation of proxies for the Meeting, and will pay customary fees for such services. Dorel may also reimburse brokers and other persons holding Shares in their name, or in the name of nominees for their costs incurred in sending proxy materials to their principals to obtain their proxies.

The information contained in this Circular concerning the Purchaser and its affiliates, including Cerberus Capital Management, L.P. ("**Cerberus**"), on the one hand, and Martin Schwartz, Alan Schwartz, Jeffrey Schwartz and Jeff Segel (collectively, the "**Family Executives**") and certain members of their respective immediate families (together with the Family Executives, the "**Family Shareholders**"), on the other hand, has been provided by the Purchaser and the Family Executives, respectively, for inclusion in this Circular. Although Dorel has no knowledge that any statement contained herein taken from, or based on, such information and records or information provided by the Purchaser and the Family Executives are untrue or incomplete, Dorel assumes no responsibility for the accuracy of the information contained in such documents, records or information or for any failure by the Purchaser or the Family Shareholders to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Dorel.

This Circular does not constitute an offer to buy, or a solicitation of an offer to sell, any securities, or the solicitation of a proxy, by any person in any jurisdiction in which such offer or solicitation is not authorized or in which the person making such offer or solicitation is not qualified to do so or to any person to whom it is unlawful to make such offer or solicitation. The delivery of this Circular will not, under any circumstances, create any implication or be treated as a representation that there has been no change in the information set out herein since the date of this Circular.

Shareholders should not construe the contents of this Circular as legal, tax or financial advice and are urged to consult with their own legal, tax, financial or other professional advisors.

NO SECURITIES REGULATORY AUTHORITY HAS PASSED UPON THE ACCURACY OR ADEQUACY OF THIS CIRCULAR. ANY REPRESENTATION TO THE CONTRARY IS AN OFFENCE.

Information contained in this Circular is given as at December 3, 2020, unless otherwise specifically stated.

GLOSSARY OF TERMS

All capitalized terms used in this Circular but not otherwise defined herein have the meanings set out under "*Glossary of Terms*" starting on page 110.

CAUTION ON FORWARD-LOOKING STATEMENTS

This Circular contains forward-looking statements (collectively referred to herein as "**forward-looking statements**"), including, but not limited to, statements relating to Dorel's expectations with respect to the timing and outcome of the Arrangement, within the meaning of applicable securities laws as defined herein ("**Securities Laws**"). Forward-looking statements are provided for the purpose of presenting information about Management's current expectations and plans relating to the Arrangement and other future events and conditions and readers are cautioned that such statements may not be appropriate for other purposes. Forward-looking statements include statements that are predictive in nature, depend upon or refer to future events or conditions, or include words such as "expects", "anticipates", "plans", "believes", "estimates", "intends", "projects", "seeks", "likely" or negative versions thereof and other similar expressions, or future or conditional verbs such as "may", "will", "should", "would" and "could".

Specifically, without limiting the generality of the foregoing, all statements included in this Circular, including the appendices, that address activities, events or developments that Dorel expects or anticipates will or may occur in the future, including receipt of Court and Shareholder approvals for the Arrangement, information concerning Dorel and the Purchaser and their financial capacity and availability of capital, the anticipated benefits of the Arrangement, the treatment of Shareholders under tax laws, the ability of the Corporation and the Purchaser to satisfy the conditions to complete the Arrangement, including applicable regulatory approvals, the anticipated timing for the Meeting, the anticipated timing for the completion of the Arrangement and delisting of the Shares from the Toronto Stock Exchange ("**TSX**"), the anticipated expenses of the Arrangement, Dorel's projected sales volumes, revenues and financial results, including the financial projections included in the formal valuation dated November 12, 2020 (the "**Formal Valuation**") annexed to this Circular, and other statements that are not historical facts, are forward-looking statements. These statements are based upon certain material risks and uncertainties. In addition, the anticipated dates provided throughout this Circular may change for a number of reasons, such as the inability to secure the necessary Court and Shareholder approvals in the time assumed or the need for additional time to satisfy other conditions for the completion of the Arrangement.

Although Dorel believes that the expectations represented in such forward-looking statements are reasonable, there can be no assurance that such expectations will prove to be correct. Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Risks and uncertainties inherent in the nature of the Arrangement include the failure to obtain the necessary Court and Shareholder approvals or to otherwise satisfy the conditions for the completion of the Arrangement in a timely manner, on satisfactory terms, or at all, including that there be no material adverse effect with respect to the Corporation or any of its subsidiaries ("**Subsidiaries**") and that Dissent Rights shall not have been exercised with respect to more than 5% of the issued and outstanding Shares. Failure of the Corporation and the Purchaser (collectively, the "**Parties**") to otherwise satisfy the conditions to or complete the Arrangement may result in the Arrangement not being completed on the proposed terms or at all. In addition, if the Arrangement is not completed and the Corporation continues as an independent entity, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Corporation to the completion of Arrangement could have an impact on the Corporation's current business relationships, including with future and prospective employees, customers, distributors, suppliers and partners, and could have a material adverse effect on the current and future operations, financial condition and prospects of the Corporation. Furthermore, the failure of the Corporation to comply with the terms of the Arrangement Agreement may, in certain circumstances, result in the Corporation being required to pay the Termination Fee or Assumed Transaction Expenses (as defined therein) to the Purchaser. For all these reasons, Shareholders should not place undue reliance on the forward-looking statements contained in this Circular.

Caution should also be exercised in the evaluation and use of the results of a formal valuation such as those contained in the Formal Valuation annexed to this Circular. A formal valuation is an estimate of market value as at a particular date and is not a precise measure of value. The Formal Valuation relies on forward-looking statements that involve risks and uncertainties and Dorel's actual results could differ materially from those anticipated in these forward-looking statements as a result of numerous factors.

Forward-looking statements contained in this Circular are made as at the date of this Circular and, other than as specifically required by law, neither the Corporation nor the Purchaser assumes any obligation to update or revise any forward-looking statement to reflect events or circumstances after the date on which such statement is made, or to reflect the occurrence of unanticipated events, whether as a result of new information, future events or results, or otherwise.

Shareholders are cautioned that the foregoing list of risks and uncertainties is not exhaustive of the risks and uncertainties that may affect forward-looking statements. Additional information on other risks and uncertainties that could affect the operations or financial results of the Corporation, which, in turn, could potentially impact the satisfaction of the conditions for the completion of the Arrangement, are included in reports on file with applicable securities regulatory authorities, including, but not limited to, under the section entitled "Market Risks and Uncertainties" in the Corporation's Management's Discussion and Analysis for the fiscal year ended December 30, 2019 and under the section entitled "Risk Factors" in the Corporation's annual information form for the fiscal year ended December 30, 2019, both of which are available under Dorel's issuer profile on SEDAR at www.sedar.com. Shareholders are also cautioned to consider these and other risks and uncertainties carefully and not to put undue reliance on forward-looking statements contained in this Circular that could be impacted by those risks and uncertainties. The information contained in this Circular identifies additional factors that could affect the completion of the Arrangement. You are urged to carefully consider those factors. For a discussion regarding such risks and uncertainties, please refer to the section "*Risk Factors*" of this Circular.

CURRENCY

Although the Corporation uses the U.S. dollar as its reporting currency, all references to "dollars" and the symbol "$" in this Circular are to Canadian dollars, unless otherwise indicated.

SUMMARY

The following is a summary of certain information contained in this Circular. This summary is not intended to be complete and is qualified in its entirety by the more detailed information contained elsewhere in this Circular and the annexed Appendices, all of which are important and should be reviewed carefully. Capitalized terms used in this summary without definition have the meanings ascribed to them in the section "*Glossary of Terms*" starting on page 110 of this Circular.

The Meeting

The Meeting will be held at on January 12, 2021 at 10:00 a.m. (eastern time). The Meeting is a special meeting of the Shareholders at which the Shareholders will be voting on the Arrangement Resolution, the full text of which is set out at Appendix B. Shareholders may also be asked to consider other business that properly comes before the Meeting or any adjournment(s) or postponement(s) thereof. See "*Voting Information*".

In light of ongoing public health concerns related to the COVID-19 pandemic and in order to comply with government decrees, the Meeting will be held exclusively in virtual format, conducted via live webcast. Shareholders will be able to participate and vote at the Meeting online regardless of their geographic location by registering at the following link:

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

While as of the date hereof, the Corporation intends to hold the Meeting exclusively in virtual format, the Corporation will monitor the COVID-19 situation and reserves the right to hold a hybrid meeting which would permit both in-person and virtual participation. Changes to the means of holding the Meeting, if any, will be announced by way of press release and on the Corporation's website at https://www.dorel.com. The Corporation does not intend to prepare or mail an amended Circular in the event of a change to the format of the Meeting.

Record Date

Shareholders as at the close of business on November 20, 2020 (the "**Record Date**") are entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s). Only Shareholders whose names have been entered in the register of Dorel as at the close of business on the Record Date are entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof. See "*Voting Information - Voting Shares and Principal Holders Thereof*".

The Arrangement

The Arrangement will be effected pursuant to the terms of the Arrangement Agreement which provides for, among other things, the acquisition by the Purchaser, directly or indirectly, of all of the issued and outstanding Shares of the Corporation held by Shareholders other than the Family Shareholders (collectively, the "**Public Shareholders**") by way of statutory plan of arrangement under Chapter XVI - Division II of the QBCA. Pursuant to the Arrangement Agreement and the Plan of Arrangement, the Public Shareholders will receive $14.50 in cash per Share held.

An aggregate of 4,009,410 Class A Multiple Voting Shares and 2,573,503 Class B Subordinate Voting Shares (the "**Rollover Shares**") held by the Family Shareholders will be transferred pursuant to the Rollover Agreement in exchange for an indirect equity interest in the Purchaser representing, in the aggregate, approximately 26.7% of the common equity in the Purchaser.

A copy of the Arrangement Agreement is available on SEDAR under Dorel's profile. See "*The Arrangement*" and "*Summary of the Arrangement Agreement*".

The Parties

Dorel

The Corporation was incorporated on March 5, 1962 pursuant to Part I of the *Companies Act* (Québec) under the name Dorel Co. Ltd. On May 19, 1987, the Corporation was continued under Part IA of the *Companies Act* (Québec), at which time certain changes were effected to its share capital, the "private company" provisions were removed from its Articles and the Corporation's name was changed to Dorel Industries Inc./Les Industries Dorel Inc. On October 26, 1988, the Corporation amalgamated with its wholly-owned subsidiary, Ridgewood Industries Ltd. On September 20, 1991, the Corporation filed Articles of Amendment, effective October 1, 1991, converting each issued and outstanding common share into one half of a Class A Multiple Voting Share carrying ten votes per share and one half of a Class B Subordinate Voting Share carrying one vote per share. The Corporation was automatically continued under the QBCA on February 14, 2011, the date on which that statute came into force. The Corporation's head and registered office is at 1255 Greene Avenue, Suite 300, Westmount, Québec, Canada H3Z 2A4.

The Corporation is a global organization, operating three distinct businesses in home products, juvenile products and bicycles. It operates in three distinct reporting segments: Dorel Home, Dorel Juvenile and Dorel Sports. The Corporation's extensive product offering includes home items such as a wide variety of Ready-to-Assemble (RTA) furniture for home and office use, as well as folding furniture, futons, mattresses, children's furniture, step stools, hand trucks, specialty ladders, outdoor furniture and other imported furniture items; juvenile products such as infant car seats, strollers, high chairs, playpens, swings, developmental toys and infant health and safety aids; and in Dorel Sports, items such as bicycles, children's electric ride-ons, electric bikes and bicycle trailers, as well as related parts and accessories.

Dorel's strength lies in the diversity, innovation and quality of its products as well as the superiority of its brands. Dorel Home, with its comprehensive e-commerce platform, markets a wide assortment of domestically produced and imported furniture. Dorel Juvenile's powerfully-branded products include global brands Maxi-Cosi, Quinny and Tiny Love, complemented by regional brands such as Safety 1st, Bébé Confort, Cosco and Infanti. Dorel Sports brands include Cannondale, Schwinn, GT, Mongoose, Caloi and IronHorse.

As at the date of this Circular, Dorel employs approximately 8,000 people and operates in 25 countries.

For further information regarding Dorel's business, refer to the Corporation's filings with the applicable securities regulatory authorities in Canada which may be obtained under Dorel's issuer profile on SEDAR at www.sedar.com.

The Corporation's Class A Multiple Voting Shares and Class B Subordinate Voting Shares are listed and posted for trading on the TSX under the symbols "DII.A" and "DII.B", respectively.

Purchaser

The Purchaser was incorporated under the QBCA for the purposes of completing the Arrangement and, as of the date hereof, an affiliate of funds managed by Cerberus owns all of the outstanding securities of the Purchaser. After the closing of the transactions contemplated by the Arrangement (the "**Closing**"), all of the securities of the Purchaser will be held indirectly by a buyer group led by the Purchaser (the "**Buyer Group**") and the Family Shareholders. The Purchaser has not engaged in any business other than in connection with the Arrangement.

Cerberus

Founded in 1992, Cerberus is a global leader in alternative investing with more than US $48 billion in assets across complementary credit, private equity, and real estate strategies. Cerberus invests across the capital structure where its integrated investment platforms and proprietary operating capabilities create an edge to improve performance and drive long-term value. Its tenured teams have experience working collaboratively across asset classes, sectors, and geographies to seek strong risk-adjusted returns for its investors.

Family Executives and Family Shareholders

The Family Executives are Martin Schwartz, President, Chief Executive Officer and a director of the Corporation, Alan Schwartz, Executive Vice-President, Operations and a director of the Corporation, Jeffrey Schwartz, Executive Vice-President, Chief Financial Officer, Secretary and a director of the Corporation, and Jeff Segel, Executive Vice-President, Sales and Marketing and a director of the Corporation. The Family Shareholders are the Family Executives and certain members of their respective immediate families. As of the Record Date, the Family Shareholders collectively owned 4,009,410 Class A Multiple Voting Shares and 2,573,503 Class B Subordinate Voting Shares, representing 60.78% of the votes attached to all outstanding Shares.

Required Shareholder Approval

At the Meeting, pursuant to the Interim Order, Shareholders will be asked to vote to approve the Arrangement Resolution. The approval of the Arrangement Resolution will require the affirmative vote of at least (i) two-thirds (66⅔%) of the votes of the Shareholders present in person or represented by proxy at the Meeting and entitled to vote, and (ii) a majority (50% + 1) of the votes cast by the holders of Class B Subordinate Voting Shares present in person or represented by proxy at the Meeting and entitled to vote, other than the Family Shareholders (the "**Required Shareholder Approval**"). See "*The Arrangement — Required Shareholder Approval*".

Court Approval

The Arrangement requires the granting by the Court of a final order in a form acceptable to the Corporation and the Purchaser, each acting reasonably, approving the Arrangement (the "**Final Order**"). Accordingly, on December 3, 2020, the Corporation obtained the Interim Order authorizing and directing the Corporation to call, hold and conduct the Meeting and to submit the Arrangement to the Shareholders for approval. A copy of the Interim Order is annexed as Appendix C to this Circular. Subject to the terms of the Arrangement Agreement and receipt of the Required Shareholder Approval, the Corporation will make an application to the Court for the Final Order. The hearing in respect of the Final Order is expected to take place before the Commercial Division of the Court, sitting in the district of Montréal, on January 15, 2021, or as soon as counsel may be heard, in room 16.04 of the Montréal Courthouse at 1 Notre-Dame Street East, Montréal, Québec H2Y 1B6, or in such other room or virtual hearing as the Court may determine. See "*Certain Legal and Regulatory Matters — Court Approval and Completion of the Arrangement*".

Effective Time and Outside Date

Pursuant to Section 420 of the QBCA, the Arrangement will become effective at 10:00 a.m. (eastern time) on the date (the "**Effective Date**") shown on the Certificate of Arrangement giving effect to the Arrangement (the "**Effective Time**"). The Closing will occur as soon as reasonably practicable after the date on which the Required Shareholder Approval and the Final Order have been obtained, and all other conditions for the completion of the Arrangement have been satisfied or waived (if permitted), including receipt of the regulatory approvals described under "*Certain Legal and Regulatory Matters – Regulatory Matters*" (the "**Key Regulatory Approvals**"). If the Key Regulatory Approvals are obtained in a timely manner, it is currently anticipated that the Effective Date will occur in the first quarter of 2021. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order or a delay in obtaining the Key Regulatory Approvals. As provided under the Arrangement Agreement, the Corporation will file the Articles of Arrangement as soon as reasonably practicable and in any event within three Business Days after the satisfaction or waiver, if permitted, of the conditions for the completion of the Arrangement. Pursuant to the Arrangement Agreement, the Arrangement must be completed on or prior to March 12, 2021 (the "**Outside Date**"), subject to the right of either of the Parties to extend the Outside Date for up to an additional 60 days in the event the Key Regulatory Approvals are not obtained by such date.

Background to the Arrangement

On November 2, 2020, prior to the opening of the markets, Dorel issued a press release announcing an agreement in principle with the Buyer Group for the acquisition of all the issued and outstanding Class A Multiple Voting Shares and Class B Subordinate Voting Shares not currently held by the Family Shareholders at a price of $14.50 per Share.

The Arrangement Agreement and the other definitive transaction documents were finalized and executed by the parties thereto on the evening of November 12, 2020; Dorel issued a press release before the opening of the markets on November 13, 2020 announcing the signing of the Arrangement Agreement.

A summary of the main events that led to the execution of the Arrangement Agreement and certain meetings, negotiations, discussions and actions of the Parties that preceded the public announcement of the signing of the Arrangement Agreement on November 13, 2020 is provided in "*The Arrangement – Background to the Arrangement*" and "*The Arrangement – Reasons for the Determinations and Recommendations of the Special Committee and the Board*".

Reasons for the Determinations and Recommendations of the Special Committee and the Board

The special committee of the Board (the "**Special Committee**"), comprised of all six independent directors of the Corporation, and the Board, with the assistance of its financial and legal advisors, carefully reviewed the proposed Arrangement and the terms and conditions of the Arrangement Agreement and all related agreements and documents, and in making their respective determinations and recommendations, the Special Committee and the Board considered and relied upon a number of substantive factors, including the factors discussed below.

Premium to Trading Price

The value of the Consideration offered to Public Shareholders represents a premium of 32% to the $11.01 closing price of the Class B Subordinate Voting Shares on the TSX on September 4, 2020, the date on which the Family Shareholders granted exclusivity to the Buyer Group, and for the periods ended October 30, 2020, being the last trading day prior to announcement by Dorel that it had reached an agreement in principle for the Arrangement with the Buyer Group, 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.

Certainty of Value and Liquidity

The Consideration to be paid to the Public Shareholders pursuant to the Arrangement is all cash, which provides Public Shareholders with certainty and immediate liquidity. By contrast, Dorel has historically experienced limited trading liquidity, which makes it difficult for Public Shareholders to realize meaningful liquidity through the public markets on which the Shares trade.

Fairness Opinions and Formal Valuation

Each of BMO Nesbitt Burns Inc. ("**BMO Capital Markets**") and TD Securities Inc. ("**TD Securities**") provided an opinion to the effect that, as of November 12, 2020 and subject to the scope of review, assumptions and limitations set out in their respective opinions, the Consideration to be received by the Public Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders (collectively, the "**Fairness Opinions**"). TD Securities also provided the Special Committee with the Formal Valuation dated November 12, 2020, which was completed under the supervision of the Special Committee. In the Formal Valuation, TD Securities determined that as of November 12, 2020, and subject to the scope of review, assumptions and limitations contained therein, the fair market value of the Shares ranged from $14.00 to $17.00 per Share.

The full texts of the Fairness Opinions and Formal Valuation, setting out the scope of review, assumptions made, matters considered and limitations on the reviews undertaken in connection therewith, are annexed as Appendix F

(Formal Valuation and TD Securities Fairness Opinion) and Appendix G (BMO Fairness Opinion) to this Circular. The summaries of the Fairness Opinions and Formal Valuation in this Circular are qualified in their entirety by reference to the full texts of the Fairness Opinions and Formal Valuation, respectively. Neither of the Fairness Opinions nor the Formal Valuation is a recommendation as to whether or not Shareholders should vote in favour of the Arrangement. See "*The Arrangement – Determinations and Recommendations of the Special Committee and the Board – Fairness Opinions and Formal Valuation*".

Procedural Safeguards for Public Shareholders

The Arrangement was negotiated by the Special Committee, which is comprised solely of directors who are unrelated to the Family Shareholders or Management, and which was advised by experienced, qualified and independent financial and legal advisors. The Arrangement is subject to the following Shareholder and Court approvals, which provide additional protection to Shareholders:

(a) the Arrangement Resolution must be approved by at least two-thirds (66⅔%) of the votes cast by Shareholders present in person or represented by proxy at the Meeting and entitled to vote;

(b) the Arrangement Resolution must be approved by a majority (50% + 1) of the votes cast by the holders of Class B Subordinate Voting Shares present in person or represented by proxy at the Meeting and entitled to vote, other than the Family Shareholders; and

(c) the Arrangement must also be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to Public Shareholders.

Attractive Transaction Relative to Status Quo

The Special Committee, with the assistance of its financial and legal advisors, and based upon its collective knowledge of the business, affairs, operations, assets, liabilities, financial condition, results of operations and prospects of Dorel and the current and prospective environment in which Dorel operates (including global tariffs and the current global economic and market conditions, notably in the context of the COVID-19 pandemic), believes that the Arrangement is an attractive proposition for Shareholders relative to the *status quo*.

Challenges Presented by Operational, Financial and Share Price Performance

Dorel's Shares have historically traded at a notable discount to those of its peers and currently trade at a large discount to their previous trading levels. The Share price has declined significantly over the last five years, with a Share price decrease of approximately 53% for a variety of reasons, including concerns about global tariffs, the COVID-19 pandemic, Dorel's volatile margins and financial situation as well as its mixed track record of delivering on an operational and financial level. The Special Committee believes that this dynamic is likely to continue, rendering the all-cash Consideration offered by the Buyer Group attractive for Public Shareholders.

Extensive Process

BMO Capital Markets conducted a comprehensive process, contacting more than 25 potential financial sponsor partners over a period of eleven months leading up to the Arrangement. The Arrangement Agreement is the result of extensive arm's-length negotiations between Dorel and the Buyer Group, with the oversight and participation of the Special Committee, which received independent legal and financial advice throughout the process. The purchase price of $14.50 per Share represents the highest proposal received as part of the process.

Ability to Respond to Superior Proposals

Under the Arrangement Agreement, the Board, in certain circumstances until Shareholder approval is obtained, is able to consider, accept and enter into a definitive agreement with respect to a superior proposal, as defined in the Arrangement Agreement (a "**Superior Proposal**"), or withdraw, modify or amend its recommendation that

Shareholders vote to approve the Arrangement Agreement. In the view of the Special Committee, the termination fee potentially payable by the Corporation to the Purchaser under the Arrangement Agreement in certain circumstances, being approximately $14.1 million (the "**Termination Fee**"), would not preclude a third party from making a Superior Proposal. The Family Executives, and Dorel's six independent directors and two other executive officers (the "**Supporting D&Os**" and together with the Family Executives, the "**Supporting Shareholders**") have entered into customary voting and support agreements (the "**Voting Support Agreements**") with the Buyer Group. The Voting Support Agreements entered into by the Supporting D&Os provide that the Supporting D&Os may vote for, support or participate in a Superior Proposal. However, the limitations contained in the Voting Support Agreements entered into by the Family Executives in favour of the Purchaser restrict the ability of the Family Executives to vote for, support or participate in a Superior Proposal. This may discourage other parties from offering to acquire Dorel's Shares. See "*Summary of the Arrangement Agreement - Additional Covenants Regarding Non-Solicitation*".

Arm's Length Negotiations and Oversight

The Arrangement Agreement is the result of robust, arm's-length negotiations between Dorel and the Buyer Group. Extensive financial, legal and other advice was provided to the Special Committee and the Board. This advice included detailed financial advice from highly-qualified financial advisors, including with respect to Dorel remaining an independent publicly-traded company and continuing to pursue Dorel's business plan on a stand-alone basis as well as a formal valuation of the Shares. The Special Committee believes that the representations, warranties and covenants of the Parties and the restrictions on the conduct of Dorel's business until the completion of the Arrangement are reasonable, and that the conditions of the respective obligations of the Parties and the amount of the Termination Fee payable by the Corporation to the Purchaser under the Arrangement Agreement in certain circumstances, being approximately $14.1 million, are fair to Dorel.

Limited Conditions to Closing

The Buyer Group's obligation to complete the Arrangement is subject to a limited number of customary conditions that the Special Committee and the Board believe are reasonable in the circumstances. The completion of the Arrangement is not subject to any financing condition.

Family Shareholders' Intentions

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.

Purchaser Termination Fee

The Purchaser has agreed to pay the Corporation a termination fee of $23.6 million (the "**Reverse Termination Fee**") if the Arrangement is not completed in certain circumstances.

Significant Shareholder Support

In connection with the proposed Arrangement, the Family Executives have entered into irrevocable Voting Support Agreements and the Supporting D&Os have entered into Voting Support Agreements pursuant to which they have agreed to support the Arrangement and vote all of their Shares in favour of the Arrangement Resolution and against any resolution submitted by any Shareholder that is inconsistent therewith. Consequently, Shareholders beneficially owning Shares to which there are attached 60.20% of the votes attached to all outstanding Shares have agreed to vote, or cause to be voted, their Shares in favour of the Arrangement Resolution.

Dissent Rights

Registered Shareholders, other than holders of Shares who have failed to exercise all the voting rights carried by the Shares held by such holders against the Arrangement Resolution, and other than Family Shareholders, have the ability to exercise the right to demand the repurchase of their Shares and be paid the fair value for their Shares, as determined by the Court.

Other Relevant Factors

The Special Committee also considered a number of potential adverse factors relating to the Arrangement, including the following:

Risks of Non-Completion

The risks to Dorel if the Arrangement is not completed in a timely manner or at all, including the costs incurred in pursuing the Arrangement, the potential requirement to pay the Termination Fee of approximately $14.1 million to the Purchaser in certain circumstances, the diversion of Management resources away from the conduct of Dorel's business and the resulting uncertainty which might result in Dorel's employees, customers, suppliers, distributors, partners or other counterparties delaying or deferring decisions concerning, or terminating their relationships with, Dorel.

Taxable Transaction

The fact that the Arrangement will be a taxable transaction for Public Shareholders and, as a result, taxes will generally be required to be paid by Public Shareholders as a result of the Arrangement.

Limitations on Solicitation and Termination Fee

The Arrangement Agreement prevents Dorel from soliciting additional interest from third parties and specifies the required parameters for a Superior Proposal, the Buyer Group's right to match a Superior Proposal and the requirement to pay the Termination Fee, which may discourage other parties from offering to acquire the Shares.

Voting Support Agreements by the Family Executives

The limitations contained in the Voting Support Agreements entered into by the Family Executives in favour of the Purchaser restrict the ability of the Family Executives to vote for, support or participate in a Superior Proposal. This may discourage other parties from offering to acquire the Shares.

Lack of Future Superior Proposals

If the Arrangement Agreement is terminated and Dorel decides to seek another acquisition transaction, assuming support by the Family Shareholders, there can be no assurance that Dorel will be able to find a party willing to pay an equivalent or more attractive price than the Consideration to be paid under the Arrangement Agreement.

Restrictions on Business Conduct

The restrictions imposed pursuant to the Arrangement Agreement on the conduct of Dorel's business and operations during the period between the execution of the Arrangement Agreement and the consummation of the arrangement.

In reaching its determination, the Special Committee also considered and evaluated, among other things:

(i) current industry, economic and market conditions and trends, including the impact of the COVID-19 pandemic; and

(ii) other stakeholders, including creditors, employees, customers and the communities in which Dorel operates, and noted in this regard the longer-term perspective of Cerberus whose financial and strategic resources are well-suited to the underlying nature of Dorel's business.

The foregoing summary of the information and factors considered by the Special Committee and the Board is not intended to be exhaustive of the factors considered by the Special Committee and the Board in reaching their conclusions and making their recommendations, but includes the material information, factors and analysis considered by the Special Committee and the Board in reaching such conclusions and making such recommendations. The members of the Special Committee and the Board evaluated the various factors summarized above in light of their own knowledge of the business of Dorel and the industry in which Dorel operates and of the Corporation's financial condition and prospects and were assisted in this regard by Management and legal and financial advisors, and in the case of members of the Special Committee, the Special Committee's legal and financial advisors. In view of the numerous factors considered in connection with their respective evaluations of the Arrangement, the Special Committee and the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weight to specific factors in reaching their respective decisions. In addition, individual members of the Special Committee and the Board may have given different weights to different factors. The respective conclusions and unanimous recommendations of the Board, with the Family Executives having recused themselves from the Board meeting, and the Special Committee were made after considering all of the information and factors involved.

Determinations and Recommendations of the Special Committee and the Board

The Special Committee has received the Fairness Opinions and Formal Valuation and has, after receiving legal and financial advice, unanimously recommended that the Board approve the Arrangement Agreement and that the Public Shareholders vote in favour of the Arrangement Resolution. The Board has received the Fairness Opinions and Formal Valuation, and, with the Family Executives having recused themselves from the Board meeting, after receiving legal and financial advice and the recommendation of the Special Committee, unanimously determined that the Arrangement Resolution is in the best interests of the Corporation and is fair to the Public Shareholders, and **UNANIMOUSLY** recommends that Public Shareholders vote **FOR** the Arrangement Resolution. See "*The Arrangement – Reasons for the Determinations and Recommendations of the Special Committee and the Board*".

Fairness Opinions and Formal Valuation

In deciding to approve the Arrangement, the Special Committee and the Board considered, among other things, the Fairness Opinions of BMO Capital Markets and TD Securities, respectively, and the Formal Valuation delivered by TD Securities. The Fairness Opinions established that, as at the date thereof, subject to the scope of review, assumptions and limitations set out therein, the Consideration to be received by Public Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders. The Formal Valuation determined that, as at November 12, 2020, and subject to the scope of review, assumptions and limitations set out therein, the fair market value of the Shares was in the range of \$14.00 to \$17.00 per Share. See "*The Arrangement – Determinations and Recommendations of the Special Committee and the Board – Fairness Opinions and Formal Valuation*".

Interest of Certain Persons

In considering the recommendations of the Board with respect to the Arrangement, Shareholders should be aware that certain directors and officers of Dorel have certain interests or benefits in connection with the Arrangement as described under "*The Arrangement – Interest of Certain Persons in the Arrangement*" that may be in addition to, or differ from, those of Shareholders generally in connection with the Arrangement. The Board is aware of these interests and considered them along with other matters described herein. See "*The Arrangement – Interest of Certain Persons in the Arrangement*".

Voting Support Agreements

The Family Executives have entered into irrevocable Voting Support Agreements and the Supporting D&Os have entered into Voting Support Agreements pursuant to which they have agreed, among other things, to support the Arrangment and vote all of their Shares in favour of the Arrangement Resolution and against any resolution submitted by any Shareholder that is inconsistent therewith. Consequently, Shareholders beneficially owning Shares to which there are attached 60.20% of the votes attached to all outstanding Shares have agreed to vote, or cause to be voted, their Shares in favour of the Arrangement. The foregoing Voting Support Agreements are described in more detail under "*The Arrangement – Voting Support Agreements*".

Arrangement Agreement

The following is a summary of certain material terms of the Arrangement Agreement and is qualified in its entirety by the full text of the Arrangement Agreement which is available under Dorel's issuer profile on SEDAR at www.sedar.com, subject to redaction of certain confidential information in conformity with Securities Laws. See "*Summary of the Arrangement Agreement*" in this Circular for a more detailed summary of the Arrangement Agreement.

Covenants, Representations and Warranties

The Arrangement Agreement contains customary covenants, representations and warranties for an agreement of this nature. A summary of the covenants, representations and warranties is provided in this Circular under "*Summary of the Arrangement Agreement – Covenants*" and "*Summary of the Arrangement Agreement – Representations and Warranties*".

Conditions of the Arrangement

The obligations of the Corporation and the Purchaser to complete the Arrangement are subject to the closing conditions set out in the Arrangement Agreement being satisfied or waived, if permitted. These conditions include, among others, the receipt of the Required Shareholder Approval, Court approval and Key Regulatory Approvals. A summary of the conditions is provided in this Circular under "*Summary of the Arrangement Agreement – Closing Conditions*".

Non-Solicitation Provisions

Except as expressly provided for in the Arrangement Agreement, the Corporation agreed pursuant to the Arrangement Agreement that it shall not, and shall cause its Subsidiaries not to, directly or indirectly, through any of the Corporation's or Subsidiaries' officers, directors, employees or representatives (including any financial, legal or other advisor) (collectively, "**Representatives**") or affiliates or otherwise, and shall not permit any such Person to:

(a) solicit, assist, initiate, encourage or otherwise facilitate (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Corporation or any of its Subsidiaries or entering into any form of agreement, arrangement or understanding) any inquiry, proposal, request or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal (as defined under "*Glossary of Terms*") ;

(b) continue, enter into or otherwise engage or participate in any discussions or negotiations with any Person (other than the Purchaser or affiliate of the Purchaser) regarding any inquiry, proposal or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(c) make a Change in Recommendation (as defined under "*Summary of the Arrangement Agreement – Termination*");

(d) accept, approve, endorse or recommend, or propose to accept, approve, endorse or recommend, any Acquisition Proposal, or take no position or remain neutral with respect to any publicly announced Acquisition Proposal; or

(e) accept, approve, endorse, recommend, execute or enter into, or publicly propose to accept, approve, endorse, recommend, execute or enter into, any agreement, understanding or arrangement with any Person (other than the Purchaser) in respect of an Acquisition Proposal, other than a confidentiality agreement permitted by and in accordance with the terms of the Arrangement Agreement.

See "*Summary of the Arrangement Agreement – Additional Covenants Regarding Non-Solicitation – Non-Solicitation*".

Responding to an Acquisition Proposal

If at any time prior to obtaining the approval by the Shareholders of the Arrangement Resolution, the Corporation receives a *bona fide* unsolicited written Acquisition Proposal that the Board first determines in good faith, after consultation with outside legal counsel and financial advisors, constitutes or would reasonably be expected to constitute or lead to a Superior Proposal, the Corporation and its Representatives may engage in discussions or negotiations with such Person regarding such Acquisition Proposal, and, subject to entering into a confidentiality and standstill agreement with such Person on terms no less favourable to the Corporation and no more favourable to such Person than those contained in the non-disclosure letter agreement between the Corporation and an affiliate of the Purchaser in connection with the transactions contemplated by the Arrangement Agreement (the "**Confidentiality Agreement**") (it being understood and agreed that such confidentiality and standstill agreement need not restrict the making of a confidential Acquisition Proposal and related communications to the Corporation or the Board) and provided that such confidentiality and standstill agreement with such Person does not preclude or prevent the Corporation from fulfilling its notification obligations under the Arrangement Agreement, a copy of which shall be provided to the Purchaser prior to providing such Person with any such copies, access or disclosure, the Corporation and its Representatives may provide copies of, access to or disclosure of information, properties, facilities, books or records of the Corporation or its Subsidiaries (provided that the Corporation shall not provide to any such Person any non-public information or data that has not been provided to the Purchaser by the Corporation or its Representatives unless such information or data is material and is as a result of an event, fact or circumstance occurring after the date of the Arrangement Agreement and is substantially contemporaneously provided to the Purchaser), if and only if such Acquisition Proposal did not result from a breach by the Corporation of its obligations under the Arrangement Agreement and such Person was not restricted from making such Acquisition Proposal pursuant to an existing standstill or similar restriction.

See "*Summary of the Arrangement Agreement – Additional Covenants Regarding Non-Solicitation – Responding to an Acquisition Proposal*".

Right to Match

If the Corporation receives an Acquisition Proposal that constitutes a Superior Proposal prior to the approval of the Arrangement Resolution by the Shareholders, the Board may or may cause the Corporation to, subject to compliance with the terms of the Arrangement Agreement, enter into a definitive agreement with respect to such Superior Proposal, if and only if:

(a) the Person making such Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction;

(b) the Corporation has been, and continues to be, in compliance with the additional covenants regarding non-solicitation;

(c) the Corporation has delivered to the Purchaser a written notice of the determination of the Board that such Acquisition Proposal constitutes a Superior Proposal and of the intention of the Board to cause the Corporation to enter into a definitive agreement with respect to such Superior Proposal or to make a Change in Recommendation (the "**Superior Proposal Notice**");

(d) the Corporation has provided the Purchaser a copy of the proposed definitive agreement for the Superior Proposal and all supporting materials;

(e) at least five full Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of the proposed definitive agreement for the Superior Proposal and all supporting materials;

(f) during any Matching Period, the Purchaser has had the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the Board has determined in good faith after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal; and

(h) prior to or concurrently with entering into any such definitive agreement, the Corporation terminates the Arrangement Agreement pursuant to the terms of the Arrangement Agreement, and pays the Termination Fee.

During the Matching Period, or such longer period as the Corporation may approve in writing for such purpose: (a) the Corporation shall, and shall cause its Representatives to, negotiate in good faith with the Purchaser under the Right to Match to amend the terms of the Arrangement Agreement and the Arrangement as would result in the Acquisition Proposal previously determined to constitute a Superior Proposal ceasing to be a Superior Proposal; (b) without limiting the generality of clause (a), the Purchaser shall have the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement; (c) the Corporation shall negotiate in good faith and, in consultation with outside legal counsel and financial advisors, review any offer made by the Purchaser to amend the terms of the Arrangement Agreement and the Arrangement to determine whether the Arrangement Agreement and the Arrangement, as they are proposed to be amended, would, upon acceptance, result in the Acquisition Proposal previously determined to constitute a Superior Proposal ceasing to be a Superior Proposal, and (d) if the Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Corporation shall promptly so advise the Purchaser and the Corporation and the Purchaser shall amend the Arrangement Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

Each successive amendment to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Shareholders or the modification of any other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of the Right to Match and, without limiting the generality of the foregoing, the Purchaser shall be afforded a new Matching Period from the later of the date on which the Purchaser receives a Superior Proposal Notice with respect to such new Superior Proposal and the date on which the Purchaser receives all of the materials set out in the Arrangement Agreement with respect to the new Superior Proposal. See "*Summary of the Arrangement Agreement – Additional Covenants Regarding Non-Solicitation*".

Termination and Termination Fees

The Arrangement Agreement may be terminated prior to the Effective Time by mutual written agreement of the Parties or by either the Corporation or the Purchaser in certain other circumstances. A summary of the termination provisions is provided in this Circular under "*Summary of the Arrangement Agreement – Termination*".

The Arrangement Agreement provides that the Termination Fee in the amount of approximately $14.1 million is payable by the Corporation to the Purchaser if the Arrangement Agreement is terminated in certain circumstances. If an event occurs as defined under "*Summary of the Arrangement Agreement –Expenses and Termination Fees"* (a "**Termination Fee Event**") due to a termination of the Arrangement Agreement by the Corporation pursuant to a Superior Proposal, the Termination Fee shall be paid prior to or concurrently with the occurrence of such Termination Fee Event. If a Termination Fee Event occurs due to a termination of the Arrangement Agreement by the Purchaser pursuant to a Change in Recommendation, the Termination Fee shall be paid within two Business Days following such Termination Fee Event. If a Termination Fee Event occurs in the circumstances set out in section 8.2(2)(c) of the Arrangement Agreement, whereby a *bona fide* Acquisition Proposal involving the Corporation is made or publicly announced prior to the Meeting and within twelve months following such termination, any Acquisition Proposal is consummated or effected (an "**Acquisition Proposal Tail**"), the Termination Fee shall be paid prior to or upon the consummation of such Acquisition Proposal.

See "*Summary of the Arrangement Agreement – Expenses and Termination Fee*".

Expenses

Except as otherwise provided therein, all fees, costs and expenses incurred in connection with the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement shall be paid by the Party incurring such fee, cost or expense, whether or not the Arrangement is consummated; provided that the Purchaser shall pay any filing or similar fee and applicable Taxes payable to a Governmental Entity in connection with a Regulatory Approval. Notwithstanding the foregoing, upon consummation of the Arrangement, all fees, costs and expenses incurred by either Party in connection with the Arrangement Agreement shall be paid by the Corporation or any successor thereto.

Other than in certain circumstances as set out in the Arrangement Agreement, in the event that (a) the Arrangement Agreement is terminated by either Party in accordance with the terms of the Arrangement Agreement, and (b) no fee is otherwise immediately payable pursuant to the "Termination Fees and Expenses" provisions of the Arrangement Agreement in connection with such termination, then the Corporation shall be responsible for paying one-half of the aggregate documented out-of-pocket costs and expenses (including legal fees) incurred or accrued by or on behalf of the Purchaser in connection with the Arrangement Agreement and the transactions contemplated thereby during the period commencing on the date of the Arrangement Agreement until and through the date of termination (one-half of the aggregate amount of such costs and expenses, the "**Assumed Transaction Expenses**") up to a maximum of $3.5 million. See "*Summary of the Arrangement Agreement – Expenses and Termination Fee*".

Implementation of the Arrangement

The Arrangement will be implemented by way of a statutory plan of arrangement under the provisions of Chapter XVI - Division II of the QBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

(a) the Required Shareholder Approval must be obtained;

(b) the Court must grant the Final Order approving the Arrangement;

(c) all conditions precedent to the Arrangement, as set out in the Arrangement Agreement, must be satisfied or waived (if permitted) by the appropriate party; and

(d) the Articles of Arrangement, prepared in the form prescribed by the QBCA and signed by an authorized director or officer of the Corporation, must be filed with the Enterprise Registrar and a Certificate of Arrangement issued related thereto.

If all conditions for the implementation of the Arrangement have been satisfied or waived (if permitted), the steps, qualified in their entirety by the full text of the Plan of Arrangement annexed to this Circular as Appendix A, described in the section "*The Arrangement – Arrangement Mechanics*", will occur under the Plan of Arrangement at the Effective Time.

Procedure for Exchange of Share Certificates by Shareholders

Enclosed with this Circular is a form of Letter of Transmittal which, when properly completed and duly executed and returned together with the certificate(s) and/or DRS representing Shares, as applicable, other than Shares held by a Family Shareholder or a Dissenting Shareholder, and all other required documents, will enable each Shareholder, other than a Family Shareholder or a Dissenting Shareholder, to obtain the Consideration that such holder is entitled to receive under the Arrangement.

The form of Letter of Transmittal contains complete instructions on how to exchange certificate(s) and/or DRS representing Shares held by a registered Shareholder, other than a Family Shareholder or a Dissenting Shareholder, for the Consideration under the Arrangement. A Shareholder, other than a Family Shareholder or a Dissenting Shareholder, will not receive the Consideration under the Arrangement until after the Arrangement is completed, provided that such Shareholder has returned properly-completed documents, including the Letter of Transmittal, and the certificate(s) and/or DRS representing such Shareholder's Shares to Computershare Investor Services Inc. (the "**Depositary**" or "**Computershare**").

Only registered Shareholders, other than a Family Shareholder or a Dissenting Shareholder, are required to submit a Letter of Transmittal. If registered Shareholders have any questions or require further information about the procedures to complete the Letter of Transmittal, they should contact the Depositary at 1-800-564-6253 (toll-free within North America) or by email at corporateactions@computershare.com. Non-registered Shareholders, other than a Family Shareholder or a Dissenting Shareholder, should contact their Intermediary for instructions and assistance in depositing certificates and/or DRS representing such Shareholder's Shares and carefully follow any instructions provided by such Intermediary.

See "*Certain Legal and Regulatory Matters – Procedure for Exchange of Share Certificates by Shareholders*".

Stock Exchange Listing

It is expected that the Shares will be delisted from TSX after the completion of the Arrangement.

Sources of Funds for the Arrangement

The total amount of funds required to complete the Arrangement will be provided by the Purchaser through a combination of debt and equity financing commitments. The obligations of the equity and debt commitment providers are conditional upon certain conditions described under "*The Arrangement – Sources of Funds for the Arrangement*".

Debt Financing

On November 12, 2020, the Purchaser entered into a debt commitment letter (the "**Debt Commitment Letter**") with institutional lenders, including Bank of Montreal, MUFG Union Bank, N.A., Bank of America, N.A. and Credit Suisse AG (the "**Initial ABL Lenders**") and a second group of institutional lenders, including Oaktree Capital Management, L.P. and Goldman Sachs Specialty Lending Group, L.P. (the "**Initial Term Loan Lenders**" and collectively with the Initial ABL Lenders, the "**Commitment Parties**") pursuant to which (i) the Initial ABL Lenders, severally, and not jointly, committed to provide a non-amortizing asset-based revolving credit facility in an aggregate principal amount equal to US$400 million, and (ii) the Initial Term Loan Lenders severally, and not jointly, committed to provide a senior secured first-lien U.S. dollar term loan facility in an aggregate principal amount of US$250 million. See "*The Arrangement – Sources of Funds for the Arrangement – Debt Financing*".

Equity Financing

Preferred Equity Commitment Letter

On November 12, 2020, the Purchaser entered into a preferred equity commitment letter (the "**Preferred Equity Commitment Letter**") with Koch Equity Development LLC ("**KED**") pursuant to which KED committed to provide preferred equity financing for an amount, and subject to the terms and conditions, set forth therein. See "*The Arrangement – Sources of Funds for the Arrangement – Equity Financing*".

Equity Commitment Letter

On November 12, 2020, the Purchaser entered into an equity commitment letter (the "**Equity Commitment Letter**") with Cerberus Global Private Equity Partners, LP and Cerberus CAL III Partners, LP (each, an "**Investor**" and together, the "**Investors**") pursuant to which the Investors agreed to purchase securities of the Purchaser in order to contribute to the Purchaser's sources of funds for the Arrangement (the "**Equity Financing**"), at Closing, in accordance with the terms set forth in the Equity Commitment Letter, directly or indirectly, in an amount of US $183 million (the "**Aggregate Commitment Amount**"), representing the aggregate of each Investor's individual commitment amount (the "**Commitment Amount**"). See "*The Arrangement – Sources of Funds for the Arrangement – Equity Financing*".

Limited Guaranty

On November 12, 2020, the Corporation entered into a limited guaranty (the "**Limited Guaranty**") with Cerberus Global Private Equity Partners, LP and Cerberus CAL III Partners, LP (each, a "**Guarantor**" and collectively, the "**Guarantors**") pursuant to which each of the Guarantors, severally, and not jointly and not jointly and severally, absolutely, irrevocably, and unconditionally guarantees as a primary obligation of such Guarantor to the Corporation the payment of its Commitment Amount (as defined in the Equity Commitment Letter), which represents its commitment percentage of (i) the obligations of the Purchaser under the section "Injunctive Relief" of the Arrangement Agreement, (ii) up to $1,000,000 of any amounts due to the Corporation and/or its affiliates under the section "Assistance with Purchaser Financing" of the Arrangement Agreement, and (iii) up to $500,000 of any amounts due to the Corporation and/or its affiliates in connection with the pre-acquisition reorganization as defined under "*Summary of the Arrangement Agreement – Covenants – Covenants Relating to the Pre-Acquisition Reorganization*" (the "**Pre-Acquisition Reorganization**"), as and when required under certain circumstances as set forth in the Limited Guaranty. See "*The Arrangement – Sources of Funds for the Arrangement – Equity Financing*".

Rollover Agreement

The Family Shareholders have entered into an agreement with the Purchaser pursuant to which the Family Shareholders have agreed that each outstanding Rollover Share held by a Family Shareholder will be transferred by the Family Shareholder pursuant to the Rollover Agreement in exchange for an indirect equity interest in the Purchaser. See "*The Arrangement – The Rollover Agreement*".

Dissent Rights

Pursuant to and in accordance with the Arrangement, the Interim Order and the provisions of Chapter XIV - Division I of the QBCA, as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court, registered Shareholders, other than Shareholders who have failed to exercise all the voting rights carried by the Shares held by such Shareholders against the Arrangement Resolution, and other than Family Shareholders, have the right to demand the repurchase of their Shares in connection with the Arrangement and, if the Arrangement becomes effective, to be paid the fair value of their Shares by the Purchaser. Dissent Rights are more fully described in this Circular in the section entitled "*Dissenting Shareholder Rights*". **A registered Shareholder who wishes to exercise Dissent Rights must send to Dorel a written notice (the "Dissent Notice"), which Dissent Notice must be received by Dorel at its head office at 1255 Greene Ave, Suite 300, Westmount, Québec, Canada H3Z 2A4 (Attention: Corporate Secretary), with a copy to**

Fasken Martineau DuMoulin LLP, 800 Square Victoria, Suite 3500, Montréal, Québec, Canada H4Z 1E9, facsimile 514-397-7600, Attention: Neil Wiener, not later than 4:30 p.m. (eastern time) on January 8, 2021 or not later than 4:30 p.m. (eastern time) on the business day that is two Business Days immediately preceding the date that any adjourned or postponed Meeting is reconvened or held, as the case may be. Failure to strictly comply with the requirements set out in Chapter XIV - Division I of the QBCA, as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court, may result in the loss of Dissent Rights. Anyone who is a beneficial owner of Shares registered in the name of an Intermediary and who wishes to exercise Dissent Rights should be aware that only registered Shareholders are entitled to exercise Dissent Rights. Some, but not all, of the Shares, have been issued in the form of a global certificate registered in the name of CDS & Co. and, as such, CDS & Co. is the registered Shareholder of those Shares. Accordingly, a non-registered Shareholder who wishes to exercise Dissent Rights must make arrangements for the Shares beneficially owned by such holder to be registered in the name of such holder prior to the time the Dissent Notice is required to be received by Dorel or, alternatively, make arrangements for the registered Shareholder of such Shares to exercise Dissent Rights on behalf of such Shareholder. A Shareholder wishing to exercise Dissent Rights may exercise such rights with respect to all Shares registered in the name of such Shareholder only if such Shareholder exercised all the voting rights carried by those Shares against the Arrangement Resolution. It is recommended that you seek independent legal advice if you wish to exercise Dissent Rights.

It is a condition to the Purchaser's obligation to complete the Arrangement that Shareholders holding no more than 5% of the Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date.

Certain Canadian Federal Income Tax Considerations

This Circular contains a summary of certain Canadian federal income tax considerations generally applicable to certain Shareholders who, under the Arrangement, ultimately dispose of their Shares to the Purchaser for cash. All Shareholders are encouraged to seek their own tax advice.

Risk Factors

The risk factors described under "*Risk Factors*" should be carefully considered by Shareholders in evaluating whether to approve the Arrangement Resolution.

FREQUENTLY ASKED QUESTIONS

Pursuant to the terms of the Arrangement Agreement, the Purchaser will acquire, directly or indirectly, all of the issued and outstanding Shares other than Rollover Shares held by the Family Shareholders by way of a statutory plan of arrangement under the QBCA. This Circular contains important information about the Arrangement, the Arrangement Agreement, the Meeting and on how to vote at the Meeting. The following section provides answers to certain anticipated questions about the Arrangement and the Meeting. Please note that this section may not address all issues that may be important to you. Accordingly, you should carefully read this entire Circular, including the appendices.

About the Meeting

Why did I receive this information package?

The Purchaser has agreed to acquire, directly or indirectly, all of the issued and outstanding Shares other than Rollover Shares held by the Family Shareholders pursuant to a statutory plan of arrangement under the QBCA. This transaction is subject to, among other things, obtaining the Required Shareholder Approval. As a Shareholder as at the close of business on the Record Date (November 20, 2020), you are entitled to receive notice of and vote at the Meeting. Dorel is soliciting your proxy, or vote, and providing this Circular in connection with that solicitation.

Separately, the Purchaser has agreed that an affiliate of the Purchaser will acquire, directly or indirectly, all of the issued and outstanding Rollover Shares held by the Family Shareholders pursuant to the Rollover Agreement in exchange for an indirect equity interest in the Purchaser.

Who is soliciting my proxy?

Your proxy is being solicited by Management of Dorel. The Purchaser may also assist with the solicitation of proxies and the Corporation has retained Kingsdale Advisors as its strategic shareholder advisor and proxy solicitation agent for assistance in connection with the solicitation of proxies for the Meeting, and will pay customary fees for such services. If you have any questions or require any assistance with completing your proxy, please contact Kingsdale Advisors by telephone at 1-888-823-4343 (toll-free within North America) or at 1-416-867-2272 (outside of North America) or by email at contactus@kingsdaleadvisors.com.

When is the Meeting and how is it being held?

The Meeting will be held on January 12, 2021 at 10:00 a.m. (eastern time). In light of ongoing public health concerns related to the COVID-19 pandemic and in order to comply with government decrees, the Meeting will be held exclusively in virtual format, conducted via live webcast. Shareholders will be able to participate and vote at the Meeting online regardless of their geographic location by registering at the following link:

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

How can I participate in the Meeting?

The Meeting will be conducted exclusively in virtual format via live webcast, unless Dorel advises otherwise by way of press release and on its website (https://www.dorel.com). Shareholders will not be able to participate in the Meeting in person but will be able to participate and vote at the Meeting online regardless of their geographic location by registering at the following link:

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

As the vast majority of Shareholders typically vote by proxy in advance of Dorel's Shareholders' meetings, you are encouraged to vote by proxy ahead of the Meeting. Participating at the Meeting online allows registered

Shareholders as well as duly-appointed proxyholders and appointees, including non-registered Shareholders who have appointed themselves or another person as an appointee, to participate at the Meeting, engage with other Shareholders and ask questions, all in real time. Registered Shareholders as well as duly-appointed proxyholders and appointees can vote at the appropriate time during the Meeting.

To access the Meeting, follow the instructions below:

Step 1: Log in online and register at

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

Step 2: Complete the survey to register for the Meeting.

Step 3: After registering, you will receive a confirmation email sent to the email address you provided in the survey with access instructions for the day of the Meeting. This confirmation email with access instructions will also be sent out the day prior to the Meeting.

Dorel recommends that you log in by 9:45 a.m. (eastern time) on January 12, 2021. It is important to ensure you are connected to the internet at all times in order to vote when balloting commences. You are responsible for ensuring internet connectivity for the duration of the Meeting.

Similar to an in-person meeting, Registered Shareholders and duly-appointed proxyholders will be able to attend the virtual Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the accompanying Circular. Registered Shareholders who are unable to attend the virtual Meeting are requested to complete, sign and date the accompanying proxy form in accordance with the instructions provided therein and in the Circular and return it in accordance with the instructions and timelines set out in the Circular. In order for non-registered (or beneficial) Shareholders to attend the virtual Meeting, participate, submit questions online and vote virtually, they must duly appoint themselves as proxyholders. Non-registered (or beneficial) Shareholders who have not duly appointed themselves as proxyholders will be able to attend the virtual Meeting only as "guests", but will not be able to participate, submit questions or vote at the virtual Meeting.

What am I being asked to vote on?

You will be voting on the Arrangement Resolution and on any other business that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

What are the voting requirements?

The Arrangement Resolution must be approved by at least (i) two-thirds (66⅔%) of the votes of the Shareholders present in person or represented by proxy at the Meeting and entitled to vote and (ii) a majority (50% + 1) of the votes cast by the holders of Class B Subordinate Voting Shares, other than the Family Shareholders, present in person or represented by proxy at the Meeting and entitled to vote. See "*The Arrangement – Required Shareholder Approval*".

Who is entitled to vote on the Arrangement Resolution and how will the votes be counted?

Shareholders as at the close of business on the Record Date may vote on the Arrangement Resolution. Only registered Shareholders or duly-appointed proxyholders are entitled to vote in person at the Meeting. Every Intermediary has its own mailing procedures and provides its own return instructions, which should be carefully followed by non-registered Shareholders in order to ensure that their Shares are voted at the Meeting. See "*Voting Information – Non-Registered Shareholders*".

As at November 20, 2020, the Record Date, there were 4,188,175 Class A Multiple Voting Shares and 28,316,946 Class B Subordinate Voting Shares of the Corporation issued and outstanding. Each Class A Multiple Voting Share entitles the holder thereof to ten votes while each Class B Subordinate Voting Share entitles the holder thereof to one vote.

What is the quorum for the Meeting?

A quorum of Shareholders is present at a Shareholders' meeting if, at the opening of the meeting, regardless of the actual number of persons physically present, two or more holders representing not less than 25% of the Shares that carry the right to vote at the Meeting are present in person or represented by proxy.

Does the Board support the Arrangement?

Yes. Having undertaken a thorough review of, and carefully considered, information concerning Dorel, the Purchaser, the Arrangement, the Fairness Opinions, the Formal Valuation, and the recommendation of the Special Committee, the Board has unanimously determined, with the Family Executives having recused themselves from the Board meeting, after receiving legal and financial advice, that the Arrangement is in the best interests of Dorel and is fair to the Public Shareholders. After careful consideration, the Board **UNANIMOUSLY** recommends, with the Family Executives having recused themselves from the Board meeting, that the Public Shareholders vote **FOR** the Arrangement Resolution at the Meeting.

In making their determinations and recommendations, the Special Committee and the Board considered a number of factors which are more fully described in this Circular. See "*The Arrangement – Reasons for the Determinations and Recommendations of the Special Committee and the Board*".

Am I a registered or non-registered Shareholder?

You are a registered Shareholder if your Shares are registered in your name. You are a non-registered Shareholder if your Shares are not registered in your own name but are held in the name of an Intermediary, such as a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary or in the name of a clearing agency of which the Intermediary is a participant.

Dorel will send materials relating to the Meeting directly to non-registered Shareholders that are non-objecting beneficial owners. In addition, Dorel will also send materials relating to the Meeting indirectly to non-registered Shareholders that are objecting beneficial owners. In the case of objecting beneficial owners, the materials relating to the Meeting will be delivered through the Intermediaries of such non-registered Shareholders in accordance with the arrangements between the Intermediary and the non-registered Shareholders. Dorel will bear the cost of delivery of materials relating to the Meeting to non-registered Shareholders, including those which are non-objecting beneficial owners and objecting beneficial owners.

How do I vote?

If you are eligible to vote your Shares and you are a registered Shareholder, you can vote your Shares in any of the following ways:

(a) by internet by visiting the website shown on your proxy form. Refer to your control number (shown on your proxy form) and follow the online voting instructions;

(b) by phoning the toll-free telephone number shown on your proxy form. To vote by telephone, simply refer to your control number (shown on your proxy form) and follow the instructions. Note that you cannot appoint anyone other than Norman M. Steinberg and Alain Benedetti, both of whom are independent directors of the Corporation, as your proxyholder if you vote by telephone;

(c) by completing your proxy form and returning it by mail or delivery, following the instructions on your proxy;

(d) by participating in the Meeting and voting in person on a voting platform during the live webcast specifically designed for this matter; or

(e) by appointing someone as proxy to participate in the Meeting and vote your Shares for you.

If you are a non-registered Shareholder, and you receive your materials directly from Computershare, Dorel's transfer agent, or indirectly through an Intermediary, you will receive forms with instructions on how to vote:

(a) by internet, by visiting the website shown on your voting instruction form ("**VIF**"). Refer to your control number (shown on your VIF) and follow the online voting instructions;

(b) by phoning the toll-free telephone number shown on your VIF. To vote by telephone, simply refer to your control number (shown on your VIF) and follow the instructions; or

(c) by completing, signing and dating your proxy and returning it in accordance with the instructions included.

Please make sure to follow the instructions in the forms you receive.

If you have any questions or require any assistance with completing your proxy form, please contact the Corporation's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-888-823-4343 (toll-free within North America) or at 1-416-867-2272 (outside of North America) or by email at contactus@kingsdaleadvisors.com.

How do I appoint someone else to go to the Meeting and vote my Shares for me?

The Persons designated in the proxy form to represent, as proxyholders, the Shareholders at the Meeting are Norman M. Steinberg and Alain Benedetti, independent directors of the Corporation. However, whether or not you attend the Meeting, you can appoint someone else to vote for you as your proxyholder. You can use the enclosed proxy form, or any other proper proxy form, to appoint your proxyholder. **Each Shareholder has the right to appoint a person or company, who need not be a Shareholder, to attend and act on his or her behalf at the Meeting other than the person designated in the enclosed proxy form. Such right may be exercised by inserting in the appropriate space on the proxy form or VIF the person or company to be appointed or by completing another proxy form**.

How will my Shares be voted if I vote by Proxy?

On the proxy form, you can indicate how you want your proxyholder to vote your Shares, or you can let your proxyholder decide for you. If you have specified on the proxy form how you want your Shares to be voted on a particular issue (by marking "**FOR**" or "**AGAINST**"), then your proxyholder must vote your Shares accordingly.

If you have appointed the Persons designated in the proxy form as your proxyholders and you have not provided them with instructions, they will vote your Shares **<u>FOR</u>** the Arrangement Resolution.

Is there a deadline for my proxy to be received?

Yes. Whether or not you are able to attend the Meeting in person, you are urged to complete, sign, date and return the enclosed proxy form or VIF so that your Shares can be voted at the Meeting or any adjournment(s) or postponement(s) thereof in accordance with your voting instructions. Your votes must be received by Computershare, Dorel's transfer agent, no later than 5:00 p.m. (eastern time) on January 8, 2021 or, if the Meeting is adjourned or postponed, by 5:00 p.m. (eastern time) two Business Days before the day on which the Meeting is reconvened.

What if there are amendments or if other matters are brought before the Meeting?

Your voting instructions provided by proxy give the persons named on it authority to use their discretion in voting on amendments or variations to matters identified in the Notice of Meeting or on any matter that may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

As at the time of preparation of this Circular, Management is not aware that any other matter is to be presented for action at the Meeting. If, however, other matters properly come before the Meeting, the persons named in the proxy form will vote on them in accordance with their judgment, pursuant to the discretionary authority conferred by the proxy form with respect to such matters.

What if I change my mind?

If you are a registered Shareholder, you can revoke your proxy at any time before it is acted upon. In addition to revoking your proxy in any other manner permitted by law, you may revoke your proxy by instrument in writing executed by you or your authorized attorney or, if the Shareholder is a corporation, under its corporate seal or by an authorized officer or attorney thereof, and deposited at the Corporation's head office at 1255 Greene Avenue, Suite 300, Westmount, Québec, Canada H3Z 2A4, at any time so that it arrives no later than 5:00 p.m., eastern time, on January 8, 2021 or if the Meeting is adjourned or postponed, by 5:00 p.m. (eastern time) two Business Days before the day on which the Meeting is reconvened. If you are a registered Shareholder, you may also revoke your proxy and vote in person at the Meeting or any adjournment(s) or postponement(s) thereof, by delivering a form of revocation of proxy to the Chair of the Meeting before the vote for which the proxy is to be used is taken.

If you are non-registered Shareholder, you may revoke your proxy or voting instructions by following the instructions provided to you by your Intermediary or otherwise contacting the individual who serves your account. You must take such steps sufficiently in advance of the date of the Meeting for your Intermediary to act on such revocation. Note that any new voting instruction must be provided to your Intermediary in sufficient time to enable your Intermediary to provide your new vote to Computershare, Dorel's transfer agent, no later than 5:00 p.m., eastern time, on January 8, 2021, or if the Meeting is adjourned or postponed, by 5:00 p.m. (eastern time) two Business Days before the day on which the Meeting is reconvened.

How are proxies solicited?

Your proxy is being solicited by Management, which requests that you sign and return the proxy form or VIF so that your votes are exercised at the Meeting. The solicitation of proxies will be conducted primarily by mail but may also be made by telephone, facsimile transmission or other electronic means of communication or in person by the directors, officers and employees of Dorel. The cost of such solicitation will be borne by the Corporation. The Purchaser may also assist with the solicitation of proxies and the Corporation has retained Kingsdale Advisors as its strategic shareholder advisor and proxy solicitation agent for assistance in connection with the solicitation of proxies for the Meeting, and will pay customary fees for such services. The Corporation will reimburse Intermediaries for their reasonable charges and expenses incurred in forwarding proxy materials to non-registered Shareholders.

Am I entitled to Dissent Rights?

Pursuant to and in accordance with the Arrangement, the Interim Order and the provisions of Chapter XIV - Division I of the QBCA (as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court), registered Shareholders, other than Shareholders who have failed to exercise all the voting rights carried by the Shares held by such Shareholders against the Arrangement Resolution, and other than Family Shareholders, have the right to demand the repurchase of their Shares in connection with the

Arrangement and, if the Arrangement becomes effective, to be paid the fair value of their Shares. This right to demand the repurchase of their Shares is more fully described under "*Dissenting Shareholders Rights*".

About the Arrangement

What is a plan of arrangement?

A plan of arrangement is a statutory procedure under Québec corporate law that allows corporations to carry out transactions with the approval of their shareholders and the Court. The Plan of Arrangement you are being asked to consider will provide for, among other things, the acquisition, directly or indirectly, by the Purchaser of all of the issued and outstanding Shares, other than Rollover Shares held by the Family Shareholders.

I own Shares. What will I receive in the Arrangement if it is approved?

Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Public Shareholder will receive $14.50 in cash per Share held. Pursuant to the Rollover Agreement, each outstanding Rollover Share held by a Family Shareholder will be exchanged for an indirect equity interest in the Purchaser. Public Shareholders will receive the Consideration, after deduction of any applicable withholdings, after the Arrangement is completed.

What premium does the Consideration offered for the Shares represent?

The Consideration to be received by the Public Shareholders represents a premium of 32% to the $11.01 closing price of the Class B Subordinate Voting Shares on the TSX on September 4, 2020, the date on which the Family Shareholders granted exclusivity to the Buyer Group, and for the periods ended October 30, 2020, being the last trading day prior to announcement by Dorel that it had reached an agreement in principle for the Arrangement with the Buyer Group, a 19% premium to the 60-day VWAP and a 7% premium to the 30-day VWAP of Dorel's Class B Subordinate Voting Shares on the TSX.

Were independent fairness opinions obtained?

The Board has received the Fairness Opinions from both TD Securities and BMO Capital Markets to the effect that, as of November 12, 2020 and subject to the scope of review, assumptions and limitations set out in therein, the Consideration to be received by the Public Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders.

Was an independent valuation obtained?

TD Securities has also provided the Special Committee with the Formal Valuation dated November 12, 2020, which was completed under the supervision of the Special Committee. In the Formal Valuation, TD Securities determined that as of November 12, 2020, and subject to the scope of review, assumptions and limitations contained therein, the fair market value of the Shares ranged from $14.00 to $17.00 per Share.

Does the Arrangement provide for Termination Fees?

The Special Committee believes that the amount of the Termination Fee payable by the Corporation to the Purchaser under the Arrangement Agreement in certain circumstances, being approximately $14.1 million, is fair to Dorel. The Purchaser has agreed to pay the Corporation the Reverse Termination Fee of $23.6 million if the Arrangement is not completed in certain circumstances.

What are the benefits of the Arrangement for Shareholders?

In making their respective determinations and recommendations, the Special Committee and the Board considered and relied upon a number of substantive factors, including the factors discussed below:

(a) *Premium to Trading Price*: The value of the Consideration offered to Public Shareholders represents a premium of 32% to the $11.01 closing price of the Class B Subordinate Voting Shares on the TSX on September 4, 2020, the date on which the Family Shareholders granted exclusivity to the Buyer Group, and for the periods ended October 30, 2020, being the last trading day prior to announcement by Dorel that it had reached an agreement in principle for the Arrangement with the Buyer Group, a 19% premium to the 60-day VWAP and a 7% premium to the 30-day VWAP of Dorel's Class B Subordinate Voting Shares on the TSX.

(b) *Certainty of Value and Liquidity*: The payment to the Public Shareholders pursuant to the Arrangement will be all cash, which provides certainty and immediate liquidity.

(c) *Attractive Transaction Relative to Status Quo*: The Special Committee, with the assistance of its financial and legal advisors, and based upon its collective knowledge of the business, affairs, operations, assets, liabilities, financial condition, results of operations and prospects of Dorel and the current and prospective environment in which Dorel operates (including global tariffs and the current global economic and market conditions, notably in the context of the COVID-19 pandemic), believes that the Arrangement is an attractive proposition for Shareholders relative to the *status quo*.

(d) *Challenges Presented by Operational, Financial and Share Price Performance*: Dorel's Shares have historically traded at a notable discount to those of its peers and currently trade at a large discount to their previous trading levels. The Share price has declined significantly over the last five years, with a Share price decrease of approximately 53% for a variety of reasons, including concerns about global tariffs, the COVID-19 pandemic, Dorel's volatile margins and financial situation as well as its mixed track record of delivering on an operational and financial level. The Special Committee believes that this dynamic is likely to continue, rendering the all-cash Consideration offered by the Buyer Group attractive for Public Shareholders.

See "*The Arrangement – Reasons for the Determinations and Recommendations of the Special Committee and the Board*".

When will the Arrangement be completed?

If the Key Regulatory Approvals are obtained in a timely manner, it is currently anticipated that the Arrangement will be completed in the first quarter of 2021. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order, or a delay in obtaining the Key Regulatory Approvals. As provided under the Arrangement Agreement, the Corporation will file the Articles of Arrangement as soon as reasonably practicable and in any event within three Business Days after the satisfaction or waiver, if permitted, of the conditions for the completion of the Arrangement. Pursuant to the Arrangement Agreement, the Arrangement must be completed on or prior to the Outside Date of March 12, 2021.

When will I receive the Consideration for my Shares?

You will receive the Consideration for your Shares as soon as practicable after the Arrangement is completed, provided you have sent all of the necessary documentation to the Depositary.

What will I have to do as a Shareholder to receive the Consideration for my Shares?

If you are a registered Shareholder, you will receive a Letter of Transmittal that you must complete and send with the certificate(s) and/or DRS representing your Shares, as applicable, to the Depositary. Unless you instruct the Depositary otherwise, the Depositary will mail a cheque to you representing the aggregate Consideration you are entitled to in respect of your Shares, less any applicable withholdings, by first class mail as soon as practicable after the Effective Date after receipt of your completed Letter of Transmittal and of your Share certificate(s) and/or DRS, together with all other required documents, if applicable. When completing your Letter of Transmittal, you may instruct the Depositary to hold the cheque(s) representing your aggregate Consideration for pick-up or remit such funds by way of wire transfer. Notwithstanding the foregoing, any payments in excess of $25 million will be effected by the Depositary by wire transfer in accordance with the Large Value Transfer System (LVTS) Rules established by the Canadian Payments Association. If you are a non-registered Shareholder, you will receive your payment through your account with your broker, investment dealer, bank, trust company or other Intermediary that holds Shares on your behalf. You should contact your Intermediary if you have questions about this process.

What are the risks involved with completing the Arrangement?

The risk factors described under "*Risk Factors*" should be carefully considered by Shareholders in evaluating whether to approve the Arrangement Resolution.

About Approval of the Arrangement

What approvals are required for the Arrangement to become effective?

Completion of the Arrangement is subject in particular to the receipt of the (i) Required Shareholder Approval, (ii) Court approval, and (iii) Key Regulatory Approvals. The Arrangement is also subject to certain other conditions, including, among other things, that there shall not have occurred a Material Adverse Effect with respect to the Corporation or any of its Subsidiaries since the date of the Arrangement Agreement until the Effective Time, and that Dissent Rights have not been exercised with respect to more than 5% of the issued and outstanding Shares.

What is the Required Shareholder Approval?

The Arrangement Resolution must be passed by at least (i) two-thirds (66⅔%) of the votes of the Shareholders present in person or represented by proxy at the Meeting and entitled to vote, and (ii) a majority (50% + 1) of the votes cast by the holders of Class B Subordinate Voting Shares present in person or represented by proxy at the Meeting and entitled to vote, other than the Family Shareholders.

What happens if the Shareholders do not approve the Arrangement?

If Dorel does not receive the Required Shareholder Approval in favour of the Arrangement Resolution, the Arrangement will not become effective. Failure to complete the Arrangement could have a material adverse effect on the market price of the Shares. If the Arrangement is not completed and the Board decides to seek another transaction, there can be no assurance that it will be able to find a party willing to pay an equivalent or higher price than the Consideration to be paid pursuant to the terms of the Arrangement Agreement. See "*Risk Factors*".

About the Shares

Will the Shares continue to be listed on TSX after the Arrangement?

No. If the Arrangement is approved, all of the Shares will be acquired, directly or indirectly, by the Purchaser and Dorel expects that the Shares will be delisted from the TSX shortly after the completion of the Arrangement. The Purchaser also intends to seek to have Dorel deemed to have ceased to be a reporting issuer following the completion of the Arrangement under the securities legislation of all of the provinces and territories of Canada in which it is currently a reporting issuer.

Will Dorel pay dividends or buy back Shares before the completion of the Arrangement?

No. Dorel will not declare or pay dividends or any other distributions, whether in cash, shares or property, or buy back Shares before the completion of the Arrangement.

About Tax Consequences to Shareholders

What are the tax consequences of the Arrangement to me as a Shareholder?

This Circular contains a summary of certain Canadian federal income tax considerations. See "*Certain Canadian Federal Income Tax Considerations*".

Who to Call with Questions

Who can I contact if I have questions?

If you have any questions or require any assistance with completing your proxy form, please contact Dorel's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-888-823-4343 (toll-free within North America) or at 1-416-867-2272 (outside of North America) or by email at contactus@kingsdaleadvisors.com.

If you have questions about deciding how to vote, you should contact your own financial, legal, tax or other professional advisors.

INTERNET AVAILABILITY OF PROXY-RELATED MATERIALS

Notice-and-Access

The Corporation has elected to use "notice-and-access" rules ("**Notice-and-Access**") under *National Instrument 54-101 – Communication with Beneficial Owners of Securities of a Reporting Issuer* ("**NI 54-101**") for distribution of Proxy-Related Materials (as defined below) to Shareholders who do not hold shares of the Corporation in their own names (non-registered Shareholders) and to Shareholders who hold their Shares directly in their respective names (registered Shareholders). Notice-and-Access is a set of rules that allows issuers to post electronic versions of proxy-related materials on SEDAR and on one additional website, rather than mailing paper copies. "**Proxy-Related Materials**" refers to this Circular, the Notice of Meeting and a VIF or a proxy form, as applicable.

The use of Notice-and-Access is more environmentally friendly as it helps reduce paper use. It also reduces the Corporation's printing and mailing costs. Shareholders may obtain further information about Notice-and-Access by contacting: (i) for registered Shareholders and non-registered Shareholders with a 15-digit Control Number: Computershare, toll-free at 1-866-964-0492 or on the internet at www.computershare.com/noticeandaccess; or (ii) for non-registered Shareholders with a 16-digit Control Number: Broadridge Financial Solutions, Inc. toll-free at 1-855-887-2244.

Websites Where Proxy-Related Materials are Posted

The Proxy-Related Materials are available on the Corporation's website at www.dorel.com and under the Corporation's profile on SEDAR at www.sedar.com.

Notice Package

Although the Proxy-Related Materials have been posted on-line as noted above, all Shareholders will receive paper copies of a notice package ("**Notice Package**") via prepaid mail, including the Notice of Meeting, containing information prescribed by NI 54-101 such as the date, time and location of the Meeting and the website addresses where the Proxy-Related Materials are posted, and a proxy form or VIF.

How to Obtain Paper Copies of Proxy-Related Materials

Shareholders may obtain paper copies of this Circular free of charge by contacting: (i) for registered Shareholders and non-registered Shareholders with a 15-digit Control Number: Computershare, toll-free at 1-866-962-0498 (within North America) or 514-982-8716 (outside North America); or (ii) for non-registered Shareholders with a 16-digit Control Number: Broadridge Financial Solutions, Inc. toll-free at 1-877-907-7643. Any request for paper copies which are required in advance of the Meeting should be sent so that the request is received by the Corporation by 5:00 p.m. (eastern time) on December 18, 2020 in order to allow sufficient time for Shareholders to receive their paper copies and to return their VIF or proxy form, as applicable, by its due date. After the Meeting date, Shareholders may obtain paper copies of this Circular free of charge by contacting the Secretary of the Corporation at 514-934-3034.

VOTING INFORMATION

Purpose of the Meeting

At the Meeting, Shareholders will consider and vote upon the Arrangement Resolution and such other matters as may properly come before the Meeting or any adjournment(s) or postponement(s) thereof.

The Arrangement is the result of Dorel's arm's-length negotiations of the transaction with the Buyer Group which were supervised by the Special Committee. The Special Committee has received the Fairness Opinions and Formal Valuation and has, after receiving legal and financial advice, unanimously recommended that the Board approve the Arrangement Agreement and that the Public Shareholders vote in favour of the Arrangement Resolution. The Board has received the Fairness Opinions and Formal Valuation and has, with the Family Executives having recused themselves from the Board meeting, after receiving legal and financial advice and the recommendation of the Special Committee, unanimously determined that the Arrangement Resolution is in the best interests of the Corporation and is fair to the Public Shareholders, and **UNANIMOUSLY** recommends that the Public Shareholders vote **FOR** the Arrangement Resolution. See "*The Arrangement – Background to the Arrangement*" and "*The Arrangement – Determinations and Recommendations of the Special Committee and the Board*".

Date, Time and Place of the Meeting

The Meeting will be held on January 12, 2021 at 10:00 a.m. (eastern time). In light of ongoing public health concerns related to the COVID-19 pandemic and in order to comply with government decrees, the Meeting will be held exclusively in virtual format, conducted via live webcast. Shareholders will be able to participate and vote at the Meeting online regardless of their geographic location Shareholders will be able to participate and vote at the Meeting online regardless of their geographic location by registering at the following link:

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

As the vast majority of Shareholders typically vote by proxy in advance of Dorel's Shareholders' meetings, you are encouraged to vote by proxy ahead of the Meeting. Participating at the Meeting online allows registered Shareholders as well as duly-appointed proxyholders and appointees, including non-registered Shareholders who have appointed themselves or another person as an appointee, to participate at the Meeting, engage with other Shareholders and ask questions, all in real time. Registered Shareholders as well as duly-appointed proxyholders and appointees can vote at the appropriate time during the Meeting. To access the Meeting, follow the instructions below:

Step 1: Log in online and register at

https://ca1se.voxco.com/SE/?st=imZLd8veiGiZ8xvHNirHIYa8e2xnoeWymyTlgrcW9r8%3D

Step 2: Complete the survey to register for the Meeting.

Step 3: After registering, you will receive a confirmation email sent to the email address you provided in the survey with access instructions for the day of the Meeting. This confirmation email with access instructions will also be sent out the day prior to the Meeting.

Dorel recommends that you log in by 9:45 a.m. (eastern time) on January 12, 2021. It is important to ensure you are connected to the internet at all times in order to vote when balloting commences. You are responsible for ensuring internet connectivity for the duration of the Meeting.

Similar to an in-person meeting, registered Shareholders and duly-appointed proxyholders will be able to attend the virtual Meeting, participate, submit questions online and vote virtually, all in real time, provided they are connected to the internet and comply with all of the requirements set out in the accompanying Circular. Registered Shareholders who are unable to attend the virtual Meeting are requested to complete, sign and date the accompanying proxy form in accordance with the instructions provided therein and in the Circular and return it in accordance with the instructions and timelines set out in the Circular. In order for non-registered (or beneficial) Shareholders to attend the virtual Meeting, participate, submit questions online and vote virtually, they must duly appoint themselves as proxyholders. Non-registered (or beneficial) Shareholders who have not duly appointed themselves as proxyholders will be able to attend the virtual Meeting only as "guests", but will not be able to participate, submit questions or vote at the virtual Meeting.

Record Date

Shareholders as at the close of business on the Record Date (November 20, 2020) are entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

Solicitation of Proxies

This Circular is delivered in connection with the solicitation of proxies by Management for use at the Meeting or any adjournment(s) or postponement(s) thereof, at the place and for the purposes set out in the accompanying Notice of Meeting.

Your proxy is being solicited by Management. The Corporation has retained Kingsdale Advisors as its strategic shareholder advisor and proxy solicitation agent for assistance in connection with the solicitation of proxies for the Meeting, and will pay customary fees of approximately $125,000 for such services in addition to certain out-of-pocket expenses. Management requests that you sign and return the proxy form or VIF so that your votes are exercised at the Meeting. The solicitation of proxies will be conducted primarily by mail but may also be made by telephone, facsimile transmission or other electronic means of communication or in person by the directors, officers and employees of Dorel. The cost of such solicitation will be borne by the Corporation. The Purchaser may also assist with the solicitation of proxies. The Corporation will reimburse Intermediaries for their reasonable charges and expenses incurred in forwarding proxy materials to non-registered Shareholders.

Appointment and Revocation of Proxies

The Persons designated in the proxy form to represent, as proxyholders, the Shareholders at the Meeting are independent directors of the Corporation. **A registered Shareholder wishing to appoint some other person (who need not to be a Shareholder) to represent such Shareholder at the Meeting has the right to do so, either by inserting such person's name in the blank space provided in the applicable proxy form or by completing another proxy form**. Such Shareholder should notify such nominee of the appointment, obtain such nominee's consent to act as proxy and instruct such nominee on how the Shares held by such Shareholder are to be voted.

A registered Shareholder who has given a proxy may revoke such proxy at any time before it is exercised, by instrument in writing executed by the Shareholder or by the Shareholder's attorney authorized in writing and deposited at Dorel's head office at 1255 Greene Ave, Suite 300, Westmount, Québec, Canada H3Z 2A4 at any time so that it is received by Computershare, Dorel's transfer agent, no later than 5:00 p.m., eastern time, on January 8, 2021 or if the Meeting is adjourned or postponed, by 5:00 p.m. (eastern time) two Business Days before the day on which the Meeting is reconvened, or with the Chair of the Meeting on the day of the Meeting or any adjournment(s) or postponement(s) thereof, or any other manner permitted by law.

Registered Shareholders

You are a registered Shareholder if your Shares are held in your name or if you have a share certificate.

Voting Options

By Internet

By telephone

By proxy

In person by logging-on to the live webcast of the Meeting

Voting for Registered Shareholders

As a registered Shareholder, you can vote your Shares in the following ways:

Internet	Go to www.investorvote.com. Enter the 15-digit control number printed on the form and follow the instructions on screen.
Phone	1-866-732-VOTE (8683) (toll-free in North America) and enter the 15-digit control number printed on the form. Follow the interactive voice recording instructions to submit your vote.
Mail	Enter voting instructions, sign the proxy form and send your completed proxy form to: Computershare Investor Services Inc. Attention: Proxy Department 100 University Avenue, Toronto Ontario M5J 2Y1
In Person	By logging-on to the live webcast of the Meeting and voting on a voting platform specifically designed for this matter.
Questions	Please call Dorel's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-888-823-4343 (toll-free within North America) or at 1-416-867-2272 (outside of North America) or by email at contactus@kingsdaleadvisors.com.

Non-Registered Shareholders

Only Shareholders who are registered Shareholders or duly-appointed individuals named in the proxy form are permitted to vote at the Meeting. Most Shareholders beneficially own Shares not registered in their names but instead registered in the name of an Intermediary, such as a broker, investment dealer, bank or trust company, or in the name of a depositary in which the Intermediary is a participant.

In accordance with applicable Securities Laws, Dorel has distributed copies of the materials relating to the Meeting directly to non-registered Shareholders that are non-objecting beneficial owners and indirectly through Intermediaries for distribution to non-registered Shareholders that are objecting beneficial owners. Intermediaries are required to forward materials related to the Meeting to non-registered Shareholders unless the non-registered Shareholders have otherwise instructed their Intermediary. Dorel will bear the cost of delivery of materials relating to the Meeting to non-registered Shareholders, including those which are non-objecting beneficial owners and objecting beneficial owners. Generally, non-registered Shareholders who have not waived the right to receive materials related to the Meeting will receive either a VIF or, less frequently, a proxy form. The purpose of these forms is to permit non-registered Shareholders to direct the voting of the Shares they beneficially own. Non-registered Shareholders should follow the procedures set out below, depending on which type of form they receive:

(a) *Voting Instruction Form* – In most cases, a non-registered Shareholder will receive, as part of the materials related to the Meeting, a VIF. If a non-registered Shareholder does not wish to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the VIF must be completed, signed and returned in accordance with the directions on the form. VIFs may permit the completion of the VIF by telephone or electronically through the internet in accordance with the directions provided. If a non-registered Shareholder wishes to attend and vote at the Meeting in person (or have another person attend and vote on the holder's behalf), the non-registered Shareholder must complete the VIF (including by inserting the non-registered Shareholder's (or such other person's) name in the blank space provided), sign and return the VIF in accordance with the directions provided; or

(b) *Proxy Form*– Less frequently, a non-registered Shareholder will receive, as part of the Meeting materials, a proxy form that has already been signed by the Intermediary, typically by a facsimile, stamped signature, which is restricted as to the number of Shares beneficially owned by the non-registered Shareholder but which is otherwise not completed. If the non-registered Shareholder does not wish to attend and vote at the Meeting in person, or have another person attend and vote on the Shareholder's behalf, the non-registered Shareholder must complete the proxy form and deposit it with Computershare as described above. If a non-registered Shareholder wishes to attend and vote at the Meeting in person or have another person attend and vote on the holder's behalf, the non-registered Shareholder must insert the non-registered Shareholder's or such other person's name in the blank space provided.

In either case, non-registered Shareholders should carefully follow the instructions of their Intermediaries, including those regarding when and where the proxy form or the VIF is to be delivered.

Voting for non-registered Shareholders -Voting Instruction Form

If you received a VIF from Computershare with **a 15-digit control number**:

Internet	Go to www.investorvote.com. Enter the 15-digit control number printed on the form and follow the instructions on screen.
Phone	1-866-734-VOTE (8683) (toll-free in North America) and enter the 15-digit control number printed on the form. Follow the interactive voice recording instructions to submit your vote.
Mail	Enter voting instructions, sign the VIF and send your completed proxy form to: Computershare Investor Services Inc. Attention: Proxy Department 100 University Avenue, Toronto Ontario M5J 2Y1

If you received a VIF from your Intermediary with **a 16-digit control number**:

Internet	Go to www.proxyvote.com. Enter the 16-digit control number printed on the form and follow the instructions on screen.
Phone	For Canadian holders, call 1-800-474-7493 (English) / 1-800-474-7501 (French) with your 16-digit control number from your VIF. For U.S. holders, call 1-800-454-8683 with your 16-digit control number from your VIF.
Mail	Complete, sign and date your proxy and return in accordance with the instructions included from your Intermediary.

A non-registered Shareholder may revoke a voting instruction by following the instructions provided by the Intermediary or otherwise contacting the individual who serves the non-registered Shareholder's account. A non-registered Shareholder must take such steps sufficiently in advance of the date of the Meeting for the Intermediary to act on such revocation. Note that any new voting instruction must be provided to the Intermediary in sufficient time to enable the Intermediary to provide the new vote to Computershare.

These materials are being sent to both registered and non-registered Shareholders. If you are a non-registered Shareholder, and the Corporation or its agent has sent these materials directly to you, your name and address and information about your holdings of securities, have been obtained in accordance with applicable securities regulatory requirements from the Intermediary holding on your behalf.

By choosing to send these materials to you directly, the Corporation (and not the Intermediary holding on your behalf) has assumed responsibility for (i) delivering these materials to you, and (ii) executing your proper voting instructions. Please return your voting instructions as specified in the request for voting instructions.

Please contact Dorel's strategic shareholder advisor and proxy solicitation agent, Kingsdale Advisors, at 1-888-823-4343 (toll-free within North America) or at 1-416-867-2272 (outside North America) or by email at contactus@kingsdaleadvisors.com with any questions you may have regarding voting. Non-registered Shareholders should also communicate with their Intermediary for any questions.

Voting of Proxies

The persons named in the enclosed proxy form have indicated their willingness to represent, as proxyholders, the Shareholders who appointed them. Each Shareholder may instruct its proxyholder how to vote the Shareholder's Shares by completing the blanks in the applicable proxy form.

Shares represented by properly-executed forms of proxy in favour of the persons designated in the enclosed proxy form will be voted "for" or "against" in accordance with the instructions made on the proxy form on any ballot that may be called for and, if a Shareholder specifies a choice as to any matters to be acted upon, such Shareholder's Shares will be voted accordingly. **In the absence of such instructions, such Shares will be voted FOR the Arrangement Resolution.**

The enclosed proxy form confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice of Meeting and with respect to any other matters which may properly come before the Meeting. As at December 3, 2020, no director or officer of Dorel is aware of any amendment, variation or other matter to be presented for vote at the Meeting.

Voting Shares

As at November 20, 2020, there were 4,188,175 Class A Multiple Voting Shares and 28,316,946 Class B Subordinate Voting Shares of the Corporation issued and outstanding. Each Class A Multiple Voting Share entitles the holder thereof to ten votes while each Class B Subordinate Voting Share entitles the holder thereof to one vote.

The Corporation's Class B Subordinate Voting Shares are restricted securities in that the Corporation's Class A Multiple Voting Shares carry a greater vote per security than the Class B Subordinate Voting Shares. As set out above, the Class A Multiple Voting Shares entitle the holders thereof to ten votes per share while the Class B Subordinate Voting Shares entitle the holders thereof to one vote per share at meetings of Shareholders of the Corporation, subject to the condition that the Class B Subordinate Voting Shares entitle the holders thereof to ten votes per share on any vote in respect of the liquidation, dissolution or winding-up of the Corporation or the sale, lease or exchange of all or substantially all of its property. In the aggregate, all of the voting rights associated with the Class B Subordinate Voting Shares represented, as at November 20, 2020, 40.34% of the voting rights attached to all of the Corporation's issued and outstanding voting securities.

The Board has set the close of business on November 20, 2020 as the Record Date for the Meeting. Only Shareholders of record as at the close of business on the Record Date will receive notice of, and be entitled to attend and vote at, the Meeting. A Shareholder of record on the Record Date will be entitled to vote those Shares included in the list of Shareholders entitled to vote at the Meeting prepared as at the Record Date, even though the Shareholder may subsequently dispose of his or her Shares. No Shareholder who has become a Shareholder after the Record Date will be entitled to attend or vote at the Meeting or any adjournment(s) thereof.

Take-over Bid Protection

In the event that an offer is made to purchase Class A Multiple Voting Shares and constitutes a "take-over bid" within the meaning of applicable securities legislation, each Class B Subordinate Voting Share will become convertible at the option of the holder, at any time while such offer is in effect, into one Class A Multiple Voting Share. The conversion right may be exercised only for the purpose of depositing the resulting Class A Multiple Voting Shares in response to the offer and the transfer agent and registrar of the Corporation will deposit the resulting Class A Multiple Voting Shares on behalf of the Shareholder. No share certificates or DRS representing Class A Multiple Voting Shares will be delivered to the Shareholder in such circumstances.

If: (i) Class A Multiple Voting Shares resulting from the conversion and deposited pursuant to the offer are subsequently withdrawn by the Shareholder or are not taken up by the offeror; or (ii) the offer is abandoned or withdrawn by the offeror, the Class A Multiple Voting Shares will be re-converted into Class B Subordinate Voting Shares and a share certificate or DRS representing the Class B Subordinate Voting Shares will be sent to the Shareholder by the transfer agent and registrar of the Corporation. All Class A Multiple Voting Shares resulting from the conversion which are taken up and paid for by the offeror will be deemed to be re-converted into Class B Subordinate Voting Shares at the time the offeror is required under the relevant securities legislation to take up and pay for such Shares.

In the event that the offeror takes up and pays for the Class A Multiple Voting Shares resulting from conversion, the transfer agent and registrar of the Corporation will deliver to the holders thereof the consideration paid for such Shares by the offeror.

In light of the foregoing, there will be no right to convert the Class B Subordinate Voting Shares into Class A Multiple Voting Shares in the following cases:

(a) the offer to purchase Class A Multiple Voting Shares is not required under applicable securities legislation or the rules of a stock exchange on which the Class A Multiple Voting Shares are then listed to be made to all or substantially all holders of Class A Multiple Voting Shares who are in a province of Canada to which the legislation applies, that is, the offer is an "exempt take-over bid" within the meaning of the foregoing securities legislation or stock exchange rules;

(b) an offer to purchase Class B Subordinate Voting Shares is made concurrently with the offer to purchase Class A Multiple Voting Shares and the two offers are identical with respect to price per share, percentage of outstanding shares for which the offer is made and in all other material respects. The offer to purchase the Class B Subordinate Voting Shares must be unconditional, subject to the exception that the offer for the Class B Subordinate Voting Shares may contain a condition to the effect that the offeror not be required to take up and pay for Class B Subordinate Voting Shares tendered in response to the offer if no shares are purchased pursuant to the contemporaneous offer for the Class A Multiple Voting Shares; or

(c) holders of Class A Multiple Voting Shares representing, in the aggregate, more than 50% of the then-outstanding Class A Multiple Voting Shares (excluding shares owned immediately prior to the offer by the offeror and any "joint actor", as defined in the relevant securities legislation) certify to the transfer agent and registrar and to the Secretary of the Corporation that they will not tender any shares in response to the offer for the Class A Multiple Voting Shares.

The foregoing provisions are not triggered by the Arrangement as it does not constitute a "take-over bid" within the meaning of applicable securities legislation.

Principal Shareholders

As at November 20, 2020, to the best knowledge of the Corporation, the following persons beneficially owned, or exercised control or direction over, directly or indirectly, more than 10% of the Class A Multiple Voting Shares of the Corporation:

Name and place of residence	Number of shares held	Percentage of class
Alan Schwartz .... Montréal, Québec, Canada	1,060,160	25.31%
Martin Schwartz .... Westmount, Québec, Canada	1,054,160	25.17%
Jeffrey Schwartz .... Toronto, Ontario, Canada	1,054,160	25.17%
Jeff Segel .... Montréal, Québec, Canada	831,480	19.85%

As at November 20, 2020, to the best knowledge of the Corporation, the following persons beneficially owned, directly or indirectly, or exercised control or direction over, more than 10% of the Class B Subordinate Voting Shares of the Corporation:

Name and place of residence	Number of shares held	Percentage of class
Fidelity[(1)] .... Boston, Massachusetts, U.S.A.	5,045,454	17.82%
Letko, Brosseau & Associates Inc.[(2)] .... Montréal, Québec, Canada	4,214,436	14.88%

(1) This information is taken from an "early warning report" filed on SEDAR by Fidelity on August 10, 2020. As disclosed in such report, these shares are owned by funds and accounts for which Fidelity exercises investment discretion, and were acquired in the ordinary course of business, for investment purposes only and not with the purpose of exercising control or direction over Dorel.

(2) This information is taken from an "alternative monthly report" filed on SEDAR by Letko, Brosseau & Associates Inc. on July 8, 2020. As disclosed in such report, Letko, Brosseau & Associates Inc. maintains exclusive power to exercise investment control or direction over these shares, which are owned by accounts it manages, and which were acquired in the ordinary course of business, for investment purposes only and not for the purpose of exercising control or direction over Dorel.

Procedure and Votes Required

The Arrangement Resolution must be passed by at least (i) two-thirds (66⅔%) of the votes of the Shareholders present in person or represented by proxy at the Meeting and entitled to vote, voting in accordance with the Interim Order and Dorel's Articles, and (ii) a majority (50% + 1) of the votes cast by the holders of Class B Subordinate Voting Shares present in person or represented by proxy at the Meeting and entitled to vote, other than the Family Shareholders.

The Interim Order provides that each Shareholder at the close of business on the Record Date will be entitled to receive notice of and to vote at the Meeting or any adjournment(s) or postponement(s) thereof.

Pursuant to the Interim Order:

(a) In accordance with the general by-laws of Dorel, a quorum of Shareholders will be present at the Meeting if, at the opening of the Meeting, regardless of the actual number of persons physically present, two or more holders representing not less than 25% of the Shares that carry the right to vote at the Meeting are present in person or represented by proxy;

(b) Dorel may adjourn or postpone the Meeting at one or more occasions if it deems appropriate to do so without having first called the Meeting or obtained the vote of the Shareholders on such adjournment of postponement, whether or not the quorum is present and without having obtained any further approval from the Court;

(c) The Record Date for any adjournment(s) or postponement(s) of the Meeting shall not change, except as required by law; and

(d) The proxies will be voted at any adjourned or postponed Meeting in the same manner as they would have been voted at the Meeting, unless such Proxies have been validly revoked prior to such adjourned or postponed Meeting.

Depositary

Computershare will act as depositary for the receipt of certificates and/or DRS representing Shares and Letters of Transmittal deposited pursuant to the Arrangement. The Depositary will receive reasonable and customary compensation for its services in connection with the Arrangement, will be reimbursed for certain out-of-pocket expenses and will be indemnified by Dorel against certain liabilities under applicable Securities Laws and expenses in connection herewith.

No fee or commission is payable by a Shareholder who transmits its Shares directly to the Depositary. Except as set out above or elsewhere in this Circular, Dorel will not pay any fees or commissions to any broker or dealer or any person for soliciting deposits of Shares pursuant to the Arrangement.

Other Business

Management does not intend to present and does not have any reason to believe that others will present any item of business other than those set out in this Circular at the Meeting. However, if any other business is properly presented at the Meeting or any adjournment(s) or postponement(s) thereof, and may be properly considered and acted upon, proxies will be voted by those named in the applicable proxy form in their sole discretion, including with respect to any amendments or variations to the matters identified in this Circular, to the extent permitted by Law.

THE ARRANGEMENT

Overview

The Arrangement will be effected pursuant to the terms of the Arrangement Agreement which provides for, among other things, the acquisition by the Purchaser, directly or indirectly, of all of the issued and outstanding Shares other than the Rollover Shares by way of statutory plan of arrangement under Chapter XVI - Division II of the QBCA. Pursuant to the Arrangement Agreement and the Plan of Arrangement, each Public Shareholder will receive $14.50 in cash per Share held, and each Rollover Share held by a Family Shareholder will be transferred by the Family Shareholder pursuant to the Rollover Agreement in exchange for an indirect equity interest in the Purchaser. The purchase of 100% of the equity of Dorel represents a total enterprise value of approximately $935 million, including the assumption of existing indebtedness.

Background to the Arrangement

The following is a summary of the main events that led to the execution of the Arrangement Agreement (including related definitive transaction agreements) and certain meetings, negotiations, discussions and actions of the various parties that preceded the public announcement of the Arrangement.

The Board and senior Management regularly evaluate Dorel's performance, future growth prospects, overall corporate strategy and long-term strategic plans and options with the goal of strengthening the business and maximizing value for Shareholders, including in light of the challenges Dorel has faced over the short and long term. Since 2016, the EBITDA of the Corporation has declined significantly, Dorel has struggled to meet its financial covenants under its credit facilities during several quarters and was forced to cut and suspend its dividend and reduce its capital expenditures to manage cash flow. In light of these issues, the Board has considered a number of alternatives for the Corporation on a regular basis, including the potential sale of divisions and the refinancing of the balance sheet. In the view of the Board, the alternatives explored proved difficult to execute on terms that would reasonably be likely to strengthen the prospects of the Corporation going forward.

In December 2019, given the lack of trading support for the Shares on the market, the limited liquidity available for Shareholders and the difficulty of executing on any alternatives as a public company, the Family Executives informed the Board of their intention to initiate a process to seek a financial partner for a potential privatization of Dorel. Such privatization would be in partnership with the Family Shareholders who would roll their entire equity ownership into the privatized company and retain senior Management positions and governance rights. The Family Executives also advised the Board that they were 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 independent directors of Dorel had several substantive discussions with the Family Executives and satisfied themselves with respect to the Family Executives' intentions and commitment to proceeding with a potential privatization. On December 19, 2019, in response to the request of the Family Executives to use Dorel's confidential data and information to approach potential financial partners and consistent with best governance practices, the Board approved the formation and appointment of the Special Committee comprised of Norman M. Steinberg (Chair), Alain Benedetti, Dian Cohen, Brad A. Johnson, Sharon Ranson and Maurice Tousson, being all the independent directors of Dorel. The formation of the Special Committee at the outset of the process was deemed warranted by non-conflicted members of the Board to ensure appropriate governance and to integrate a framework of price discovery in the proposed privatization transaction.

The Special Committee was mandated to, among other things: (i) review and supervise the privatization process including the preparation of materials and information to be used to solicit proposals, (ii) supervise, review and assist in the approach to potential financial partners by the Family Shareholders and the negotiations of the terms of proposals, if any, leading to the privatization (iii) retain, as and when appropriate, an independent valuator to prepare a formal valuation in accordance with *Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions* ("**MI 61-101**") and supervise the preparation of such formal valuation; (iv) carry out a review of the strategic alternatives available to Dorel, in the context of Dorel being controlled by the Family Shareholders, including the privatization of Dorel or maintaining the *status quo*; and (v) if deemed advisable, provide a recommendation to the Board as to whether any potential transaction would be in the best interests of Dorel and should be pursued and recommended for approval by the Shareholders. At this time, the Special Committee retained McCarthy Tétrault LLP ("**McCarthy Tétrault**") to act as its independent legal counsel. Appropriate procedures were implemented among the Special Committee, the Family Executives and the Corporation's advisors with respect to collaboration in identification of potential sponsors and access to and provision of information to any potential sponsors throughout the process.

On February 6, 2020, Dorel formally retained BMO Capital Markets as financial advisor to assist the Corporation and the Family Executives in identifying potential financial buyers and, if deemed appropriate, to structure a process that would allow a maximization of the purchase price in the circumstances. The potential participation of Bank of Montreal, of which BMO Capital Markets is a wholly-owned subsidiary, as lender to any potential financial sponsor was discussed and duly considered and the non-conflicted members of the Board were satisfied that the confidentiality screens and procedures described and represented by BMO Capital Markets were adequate in the circumstances to allow for such potential participation by Bank of Montreal, especially in light of the fact that the Special Committee would eventually have its own independent financial advisor. Over the course of the first quarter of 2020, BMO Capital Markets contacted 18 potential financial sponsors based on several criteria including interest in the opportunity, prior experience, overall compatibility and propensity to consummate a transaction. During this initial outreach period, under the supervision and with the approval of the Special Committee, 14 sponsors executed non-disclosure and confidentiality agreements, twelve sponsors met with representatives of the Family Shareholders, ten sponsors were granted access to a virtual data room and two sponsors submitted initial non-binding expressions of interest and, following review by the Special Committee of their offers, advanced to the second phase of the process, which consisted of access to additional financial and operational materials and meetings with and presentations by Management and management of each of Dorel's business segments (the "**Second Phase**"). As a result of the uncertainty caused by the COVID-19 pandemic, many of the sponsors contacted decided to withdraw from the privatization process or pause their analysis of a potential transaction.

In March and April 2020, the Class B Subordinate Voting Shares traded at historical lows and Dorel's financial situation was seriously impacted by the onset of the COVID-19 pandemic. On March 9, 2020, Dorel amended and restated its revolving bank loans and term loan agreement to amend the quarterly financial covenants set out therein in order to facilitate Dorel's compliance with such covenants based on the quarterly forecasted projections for 2020 at that time, as further described in Dorel's management discussion and analysis of financial conditions and results of operations for the three-month period ended March 31, 2020. At that time, while Management expected that Dorel would be able to meet its amended quarterly financial covenants for 2020, the uncertainty of the COVID-19 pandemic threatened Dorel's ability to achieve its expected financial results.

During the second quarter of 2020, under the supervision and with the approval of the Special Committee, BMO Capital Markets broadened the pool of potential financial sponsors who could participate in a privatization by contacting parties potentially interested in distressed companies or restructuring transactions in light of Dorel's difficult financial situation. The two sponsors who initially submitted an initial non-binding expression of interest pursued their analysis of Dorel and, following additional due diligence, withdrew from the privatization process. By the end of July 2020, in aggregate, 29 sponsors had been contacted, 21 sponsors had executed non-disclosure and confidentiality agreements, 18 sponsors had met with representatives of the Family Shareholders, 16 sponsors had been granted access to a virtual data room, two sponsors had submitted initial non-binding expressions of interest and had advanced to the Second Phase but then withdrew from the process, and four sponsors, including Cerberus, had subsequently submitted initial non-binding expressions of interest and had advanced to the Second Phase. These six non-binding expressions of interest ranged from $5.83 to $9.00 in cash per Share.

On June 4, 2020, at the request of the Special Committee, BMO Capital Markets presented to the Board a preliminary view of certain financing alternatives and its financial perspectives on possible alternatives to a privatization. BMO Capital Markets reviewed the financial perspectives and the reasonableness of the implementation of the following alternatives: (i) complete an equity or quasi-equity financing, (ii) increase debt financing, (iii) sell one of the business segments, and (iv) maintain the *status quo*. At that time, in June 2020, in light of (1) the interest shown by certain sponsors, (2) perceived challenges in implementing the alternatives available to Dorel as presented by BMO Capital Markets, and (3) the indicative terms set forth in the non-binding expressions of interest received to that date, the Special Committee determined that Dorel's best option was to pursue the privatization process.

On July 31, 2020, BMO Capital Markets shared with the four remaining sponsors who had advanced to the Second Phase a process letter which set forth the requirements for their revised proposals. Revised non-binding expressions of interest were to be submitted by sponsors by August 26, 2020. At the end of such Second Phase, following financial and operational due diligence conducted by, and discussions with, the interested sponsors, two sponsors decided to withdraw from the process and two sponsors, including Cerberus, submitted revised non-binding expressions of interest, each for a purchase price of $12.50 in cash per Share, other than in respect of Shares held by the Family Shareholders. The Special Committee and the Family Shareholders carefully reviewed and considered these two expressions of interest, and considered a number of factors including any applicable regulatory issues, their relative chances of completion, experience with similar situations and the potential positive impact on Dorel and its stakeholders. Based on the consideration of such factors, the Special Committee informed the Family Shareholders that, subject to its continuing review of the proposals, the Special Committee would be supportive of the Family Shareholders further exploring a potential transaction with such sponsors. The Family Shareholders granted a 30-day exclusivity period to Cerberus on September 4, 2020 in order to complete the due diligence process and negotiate the terms of the transaction documentation. The exclusivity period granted by the Family Shareholders to Cerberus was extended on October 2, 2020 for an additional 30 days.

On September 4, 2020, the Buyer Group submitted to the Special Committee an initial non-binding expression of interest for the purchase of all of the issued and outstanding Class A Multiple Voting Shares and Class B Subordinate Voting Shares of Dorel not currently held by the Family Shareholders at a purchase price of $12.50 in cash per Share (the "**September 4 Proposal**"). The September 4 Proposal also included a request that Dorel grant the Buyer Group a 30-day period of exclusivity to complete due diligence and negotiate transaction documents. The Special Committee met on September 6, 2020 with BMO Capital Markets and McCarthy Tétrault to review the September 4 Proposal. After considering a number of factors, including the likelihood of completion, the strategic alternatives available to the Corporation and the potential positive impact on Dorel and its stakeholders, the Special Committee agreed to move forward with the September 4 Proposal, but declined to grant exclusivity to the Buyer Group, notably because in the absence of a completed financial analysis by its advisors, the Special Committee had not yet formed a view on the fairness of the proposed purchase price.

On September 11, 2020, the Special Committee retained TD Securities as independent financial advisor and independent valuator pursuant to MI 61-101. The Special Committee is satisfied that both at the time it retained the services of TD Securities and at the time TD Securities delivered its Formal Valuation, immediately prior to the announcement by the Corporation of the Arrangement Agreement, TD Securities was qualified and competent to provide the services under its engagement agreement and independent within the meaning of MI 61-101.

On September 21, 2020, an initial draft of the Arrangement Agreement was provided by Cerberus' counsel to McCarthy Tétrault and Fasken Martineau DuMoulin LLP, counsel to the Corporation ("**Fasken**").

During the period from September 6, 2020 to November 12, 2020, the parties, together with Dorel's legal and financial advisors and the Special Committee's legal and financial advisors, negotiated the terms and conditions of the Arrangement Agreement and other definitive agreements relating to the transaction. The Special Committee met formally on 15 occasions during that period and held informal meetings and participated in discussions with its advisors and BMO Capital Markets to receive updates and to provide guidance on the negotiations of the transaction documents. Among other things, the Special Committee received advice from McCarthy Tétrault on its legal duties and responsibilities in connection with the proposed transaction, met on several occasions with TD Securities to obtain updates on, review and supervise the valuation analysis TD Securities was undertaking, reviewed and provided comments on the Arrangement Agreement, Plan of Arrangement and related agreements, and sought input and clarification from Dorel's and its legal advisors on certain matters and, where relevant, comparative information from precedent transactions.

On October 14, 2020, the Special Committee met with BMO Capital Markets, TD Securities and McCarthy Tétrault to receive an update on certain aspects of the proposed transaction and the status of discussions with the Buyer

Group. TD Securities provided an update on its progress and confirmed its preliminary valuation analysis. The Special Committee concluded that the proposed purchase price of $12.50 was inadequate and would need to be increased. The Special Committee instructed BMO Capital Markets to revert to the Buyer Group to negotiate a higher price.

On October 16, 2020, the Buyer Group tabled a revised proposal (the "**Revised Proposal**") reiterating its intention to purchase of all of the issued and outstanding Class A Multiple Voting Shares and Class B Subordinate Voting Shares of Dorel not currently held by the Family Shareholders at a revised purchase price of $14.00 in cash per Share. The Revised Proposal also contemplated the execution of an exclusivity agreement with Dorel for a period ending on November 3, 2020 and the issuance of a press release disclosing the non-binding proposal. The Special Committee met that day with BMO Capital Markets, TD Securities, McCarthy Tétrault and Fasken to discuss the Revised Proposal. During such meeting, the Special Committee considered the Revised Proposal in light of, among other things, TD Securities' preliminary valuation analysis, the current trading price of the Shares and the alternatives available to Dorel. The Special Committee concluded that the revised purchase price of $14.00 remained inadequate and would need to be increased. The Special Committee again instructed BMO Capital Markets to revert to the Buyer Group to negotiate a higher purchase price that could be supported by the Special Committee.

On October 18, 2020, BMO Capital Markets informed the Special Committee that Cerberus had refused to increase its price and had ended discussions.

On October 31, 2020, the Buyer Group submitted a second revised proposal (the "**Second Revised Proposal**") reiterating its intention to purchase all of the issued and outstanding Class A Multiple Voting Shares and Class B Subordinate Voting Shares of Dorel not currently held by the Family Shareholders at a revised price of $14.50 in cash per Share. The revised price of $14.50 in cash Share represents a 32% premium to the $11.01 closing price of the Class B Subordinate Voting Shares on the TSX on September 4, 2020, the date on which the Family Shareholders granted exclusivity to the Buyer Group, and for the periods ended October 30, 2020, being the last trading day prior to announcement by Dorel that it had reached an agreement in principle for the Arrangement with the Buyer Group, a 19% premium to the 60-day VWAP and a 7% premium to the 30-day VWAP of Dorel's Class B Subordinate Voting Shares on the TSX. The Second Revised Proposal also contemplated the execution of an exclusivity agreement with Dorel for a period ending on November 10, 2020 and the issuance of a press release disclosing the non-binding proposal. BMO Capital Markets notified the Special Committee of the Second Revised Proposal during the Special Committee meeting held at 8:00 p.m. that day. During the meeting, the Special Committee considered the Second Revised Proposal in light of, among other things, TD Securities' preliminary valuation analysis, the current trading price of the Shares and the alternatives available to Dorel. BMO Capital Markets and TD Securities commented on the Second Revised Proposal and shared their respective preliminary views as to the financial fairness of the consideration offered. After discussions, due consideration and with the advice of BMO Capital Markets, TD Securities and McCarthy Tétrault, the Special Committee accepted the Second Revised Proposal for a number of reasons, as more fully described under "*The Arrangement – Reasons for the Determinations and Recommendations of the Special Committee and the Board*".

On November 1, 2020, the Special Committee met with BMO Capital Markets, TD Securities, McCarthy Tétrault and Fasken to approve granting exclusivity to the Buyer Group until November 10, 2020 and to approve a press release announcing an agreement in principle for the acquisition 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 at a price of $14.50 per Share. The press release was issued on November 2, 2020 prior to the opening of the markets.

The Special Committee met on November 9 and November 10, 2020 to receive an update and to review the resolution of the issues which remained outstanding with respect to the definitive documentation.

The Special Committee met on November 12, 2020 to review the final terms of the definitive documentation. During the meeting, TD Securities provided an oral opinion that, based on and subject to the scope of review, assumptions and limitations to be set out in TD Securities' written valuation and fairness opinion, as of the date thereof, the Consideration under the Arrangement was fair from a financial point of view to the Shareholders, other than the Family Shareholders, and the fair market value of the Shares ranged between $14.00 and $17.00 per Share. BMO Capital Markets provided an oral opinion that, based on and subject to the assumptions and limitations to be set out in BMO Capital Markets' written fairness opinion, as of the date thereof, the Consideration under the Arrangement was fair from a financial point of view to the Shareholders, other than the Family Shareholders.

Following these presentations and further discussions, the unanimous determination of the Special Committee was that (a) the Arrangement is fair to the Shareholders, other than the Family Shareholders, and the Arrangement is in the best interests of Dorel, taking into account the relevant stakeholders thereof; and (b) approval of the Arrangement should be recommended to the Board and the Board should recommend that the Shareholders vote in favour of the Arrangement Resolution.

The Board held a meeting immediately after the conclusion of the Special Committee meeting. At the commencement of the Board meeting, the Family Executives recused themselves from the meeting. Following their recusal, the Chair of the Special Committee presented the recommendations of the Special Committee to the Board. The Board then unanimously determined that: (a) the Arrangement is fair to the Shareholders, other than the Family Shareholders; (b) the Arrangement is in the best interests of Dorel; and (c) the unanimous recommendation of the Board to the Shareholders is that they vote in favour of the Arrangement Resolution. Accordingly, the Board authorized and approved the entering into by Dorel of the Arrangement Agreement.

Following the conclusion of the Board meeting, the Arrangement Agreement and the other definitive transaction documents were executed during the evening of November 12, 2020, and Dorel announced by press release the execution of the Arrangement Agreement and ancillary documents before the opening of markets on November 13, 2020.

Reasons for the Determinations and Recommendations of the Special Committee and the Board

The Special Committee and the Board, with the assistance of financial and legal advisors, carefully reviewed the proposed Arrangement and the terms and conditions of the Arrangement Agreement and all related agreements and documents, and in making their respective determinations and recommendations, the Special Committee and the Board considered and relied upon a number of substantive factors, including the factors discussed below.

Premium to Trading Price

The value of the Consideration offered to Public Shareholders represents a premium of 32% to the $11.01 closing price of the Class B Subordinate Voting Shares on the TSX on September 4, 2020, the date on which the Family Shareholders granted exclusivity to the Buyer Group, and for the periods ended October 30, 2020, being the last trading day prior to announcement by Dorel that it had reached an agreement in principle for the Arrangement with the Buyer Group, a 19% premium to the 60-day VWAP and a 7% premium to the 30-day VWAP of Dorel's Class B Subordinate Voting Shares on the TSX.

Certainty of Value and Liquidity

The Consideration to be paid to the Public Shareholders pursuant to the Arrangement is all cash, which provides Public Shareholders with certainty and immediate liquidity. By contrast, Dorel has historically experienced limited trading liquidity, which makes it difficult for Public Shareholders to realize meaningful liquidity through the public markets on which the Shares trade.

Fairness Opinions

Each of BMO Capital Markets and TD Securities provided an opinion to the effect that, as of November 12, 2020 and subject to the scope of review, assumptions and limitations set out in their respective opinions, the Consideration to be received by the Public Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders. The full texts of the Fairness Opinions, setting out the scope of review, assumptions made, matters considered and limitations on the review undertaken in connection with such Fairness Opinions, are annexed as Appendix F (Formal Valuation and TD Securities Fairness Opinion) and Appendix G (BMO Fairness Opinion) to this Circular. The summary of the Fairness Opinions in this Circular is qualified in its entirety by reference to the full texts of the Fairness Opinions. Neither of the Fairness Opinions is a recommendation as to whether or not Shareholders should vote in favour of the Arrangement. See "*The Arrangement – Determinations and Recommendations of the Special Committee and the Board*".

Formal Valuation

TD Securities also provided the Special Committee with the Formal Valuation dated November 12, 2020, which was completed under the supervision of the Special Committee. In the Formal Valuation, TD Securities determined that as of November 12, 2020, and subject to the scope of review, assumptions and limitations contained therein, the fair market value of the Shares ranged from $14.00 to $17.00 per Share. The full text of the Formal Valuation, setting out the scope of review, assumptions made, matters considered and limitations on the review undertaken in connection therewith, is annexed as Appendix F to this Circular. The summary of the Formal Valuation in this Circular is qualified in its entirety by reference to the full text of the Formal Valuation. The Formal Valuation is not a recommendation as to whether or not Shareholders should vote in favour of the Arrangement.

Procedural Safeguards for Public Shareholders

The Arrangement was negotiated by the Special Committee, which is comprised solely of directors who are unrelated to the Family Shareholders or Management, and which was advised by experienced, qualified and independent financial and legal advisors. The Arrangement is subject to the following Shareholder and Court approvals, which provide additional protection to Shareholders:

(a) the Arrangement Resolution must be approved by at least two-thirds (66⅔%) of the votes cast by Shareholders present in person or represented by proxy at the Meeting and entitled to vote;

(b) the Arrangement Resolution must be approved by a majority (50% + 1) of the votes cast by the holders of Class B Subordinate Voting Shares present in person or represented by proxy at the Meeting and entitled to vote, other than the Family Shareholders; and

(c) the Arrangement must also be approved by the Court, which will consider, among other things, the fairness and reasonableness of the Arrangement to Public Shareholders.

Attractive Transaction Relative to Status Quo

The Special Committee, with the assistance of its financial and legal advisors, and based upon its collective knowledge of the business, affairs, operations, assets, liabilities, financial condition, results of operations and prospects of Dorel and the current and prospective environment in which Dorel operates (including global tariffs and the current global economic and market conditions, notably in the context of the COVID-19 pandemic), believes that the Arrangement is an attractive proposition for Shareholders relative to the *status quo*.

Challenges Presented by Operational, Financial and Share Price Performance

Dorel's Shares have historically traded at a notable discount to those of its peers and currently trade at a large discount to their previous trading levels. The Share price has declined significantly over the last five years, with a Share price decrease of approximately 53% for a variety of reasons, including concerns about global tariffs, the COVID-19 pandemic, Dorel's volatile margins and financial situation as well as its mixed track record of delivering on an operational and financial level. The Special Committee believes that this dynamic is likely to continue, rendering the all-cash consideration offered by the Buyer Group attractive for Public Shareholders.

Extensive Process

BMO Capital Markets conducted a comprehensive process, contacting more than 25 potential financial sponsor partners over a period of eleven months leading up to the Arrangement. The Arrangement Agreement is the result of extensive arm's-length negotiations between Dorel and the Buyer Group, with the oversight and participation of the Special Committee, which received independent legal and financial advice throughout the process; the Consideration of $14.50 per Share represents the highest proposal received as part of the process.

Ability to Respond to Superior Proposals

Under the Arrangement Agreement, the Board, in certain circumstances prior to Required Shareholder Approval being obtained, is able to consider, accept and enter into a definitive agreement with respect to a Superior Proposal, or withdraw, modify or amend its recommendation that Shareholders vote to approve the Arrangement Agreement. In the view of the Special Committee, the Termination Fee potentially payable by the Corporation to the Purchaser under the Arrangement Agreement in certain circumstances, would not preclude a third party from making a Superior Proposal. In addition, the Supporting D&Os have entered into customary Voting Support Agreements with the Buyer Group that provide that the Supporting D&Os may vote for, support or participate in a superior proposal. However, the limitations contained in the Voting Support Agreements entered into by the Family Executives in favour of the Purchaser restrict the ability of the Family Executives to vote for, support or participate in a superior proposal. This may discourage other parties from offering to acquire Dorel's Shares. See "*Summary of the Arrangement Agreement - Covenants*".

Arm's Length Negotiations and Oversight

The Arrangement Agreement is the result of robust, arm's-length negotiations between Dorel and the Buyer Group. Extensive financial, legal and other advice was provided to the Special Committee and the Board. This advice included detailed financial advice from highly-qualified financial advisors, including with respect to Dorel remaining an independent publicly-traded company and continuing to pursue Dorel's business plan on a stand-alone basis as well as a formal valuation of the Shares. The Special Committee believes that the representations, warranties and covenants of the Parties and the restrictions on the conduct of Dorel's business until the completion of the Arrangement are reasonable, and that he conditions of the respective obligations of the Parties and the amount of the Termination Fee are fair to Dorel.

Limited Conditions to Closing

The Buyer Group's obligation to complete the Arrangement is subject to a limited number of customary conditions that the Special Committee and the Board believe are reasonable in the circumstances. The completion of the Arrangement is not subject to any financing condition.

Family Shareholders' Intentions

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.

Reverse Termination Fee

The Purchaser has agreed to pay the Corporation the Reverse Termination Fee of approximately $23.6 million if the Arrangement is not completed in certain circumstances.

Significant Shareholder Support

In connection with the proposed Arrangement, the Family Executives have entered into irrevocable Voting Support Agreements and the Supporting D&Os have entered into Voting Support Agreements pursuant to which they have agreed to support the Arrangement and vote all of their Shares in favour of the Arrangement Resolution and against any resolution submitted by any Shareholder that is inconsistent therewith. Consequently, the Supporting Shareholders beneficially owning Shares to which there are attached 60.20% of the votes attached to all outstanding Shares have agreed to vote, or cause to be voted, their Shares in favour of the Arrangement Resolution.

Dissent Rights

Registered Shareholders, other than holders of Shares who have failed to exercise all the voting rights carried by the Shares held by such Shareholders against the Arrangement Resolution, and other than Family Shareholders, have the ability to exercise the right to demand the repurchase of their Shares and be paid the fair value for their Shares, as determined by the Court.

Sources of Funds for the Arrangement

The total amount of funds required to complete the Arrangement will be provided through a combination of the Debt Financing and Equity Financing.

Other Relevant Factors

In addition to the above-mentioned factors, the Special Committee and the Board also considered the following factors:

(a) the confirmation provided by the Family Shareholders to the Board to the effect that they were not prepared to pursue or support any transaction in which they would sell or otherwise dispose of any of their interests in the Corporation to a party other than Cerberus;

(b) the Special Committee's assessment of the current and anticipated future opportunities and risks associated with the business, operations, assets, financial performance and condition of the Corporation should it continue as a stand-alone entity, including the evolving competitive environment in the Corporation's key markets;

(c) the value of the Consideration payable under the Arrangement, the premium to recent trading prices of the Shares on the TSX which the purchase price represents, the irrevocable Voting Support Agreements entered into by the Family Executives and the Voting Support Agreement entered into by the Supporting D&Os in support of the Arrangement, and the benefits of the Arrangement to the Corporation and other stakeholders of the Corporation; and

(d) the Special Committee's assessment, after consultation with its legal and other advisors, that the required Regulatory Approvals, including the Key Regulatory Approvals, is likely to be obtained on terms and conditions satisfactory to the Corporation and the Purchaser and within the timeframe set out in the Arrangement Agreement, including the Outside Date of March 12, 2021, or such later date as may be determined in accordance with the Arrangement Agreement.

In making its determinations and recommendations, the Special Committee and the Board also observed that a number of procedural safeguards were and are present to allow the Special Committee and the Board to effectively represent the interests of Dorel and the Public Shareholders, including, among others:

(a) the Special Committee conducted arm's-length negotiations with the Buyer Group and the Family Shareholders of the key financial terms of the Arrangement and oversaw the negotiation of other material terms of the Arrangement Agreement and the Arrangement;

(b) the Special Committee concluded, after extensive negotiations with the Buyer Group and the Family Shareholders, that the Consideration agreed to, which represented a significant increase from the consideration initially proposed by the Buyer Group and the Family Shareholders, was the highest price that could be obtained and that further negotiation could have caused Cerberus and the Family Shareholders to withdraw the proposal, which would have deprived Shareholders of the opportunity to evaluate and vote in respect of the Arrangement;

(c) the Board retains the ability, in certain circumstances, to consider, accept and enter into a definitive agreement with respect to a Superior Proposal, provided that the Corporation pays the Termination Fee;

(d) in the Special Committee's view, the Termination Fee would not preclude a third party from making a potential unsolicited Superior Proposal in respect of the Corporation;

(e) the appropriateness of the Termination Fee and the Purchaser's right to match as an inducement to the Purchaser to enter into the Arrangement Agreement; and

(f) Shareholders will have an opportunity to vote on the Arrangement, and the Arrangement is subject to a determination of the Court that the Arrangement is fair and reasonable, both procedurally and substantively, to holders of securities of the Corporation.

The Special Committee and the Board also considered a number of potential risks and potentially negative factors relating to the Arrangement, including:

(a) the risks to the Corporation if the Arrangement is not completed, including the costs to the Corporation in pursuing the Arrangement, the diversion of Management's attention away from conducting the Corporation's business in the ordinary course and the potential impact on the Corporation's current business relationships (including with current, future and prospective employees, customers, suppliers and partners);

(b) the risk that the conditions set out in the Debt Commitment Letter, the Preferred Equity Commitment Letter or the Equity Commitment Letter will not be satisfied or that other events arise which would prevent the Purchaser from consummating the Arrangement, which risk is partly mitigated by the Reverse Termination Fee;

(c) the conditions to the Purchaser's obligation to complete the Arrangement and the right of the Purchaser to terminate the Arrangement Agreement under certain limited circumstances;

(d) the risk that the limitations contained in the irrevocable Voting Support Agreements entered into by the Family Executives in favour of the Purchaser which restrict the ability to vote for, support or participate in a Superior Proposal, may discourage other parties from offering to acquire the Shares;

(e) the risk that the limitations contained in the Arrangement Agreement on Dorel's ability to solicit additional interest from third parties, the required parameters for a Superior Proposal, the Buyer Group's right to match a Superior Proposal and the requirement to pay the Termination Fee, may discourage other parties from offering to acquire the Shares;

(f) the risk that if the Arrangement Agreement is terminated and Dorel decides to seek another acquisition transaction, assuming support by the Family Shareholders, there can be no assurance that Dorel will be able to find a party willing to pay an equivalent or more attractive price than the Consideration;

(g) the restrictions imposed pursuant to the Arrangement Agreement on the conduct of the Corporation's business during the period between the entering into of the Arrangement Agreement and the consummation of the Arrangement; and

(h) the fact that the Arrangement will be a taxable transaction and, as a result, Public Shareholders will generally be required to pay taxes on any gains that result from their receipt of the consideration pursuant to the Arrangement.

Finally, the Special Committee and the Board considered and evaluated:

(a) current industry, economic and market conditions and trends, including the impact of the COVID-19 pandemic; and

(b) other stakeholders, including creditors, employees, customers and the communities in which Dorel operates, and noted in this regard the longer-term perspective of Cerberus whose financial and strategic resources are well-suited to the underlying nature of Dorel's business.

The foregoing summary of the information and factors considered by the Special Committee and the Board is not intended to be exhaustive of the factors considered by the Special Committee and the Board in reaching their respective conclusions and making their respective recommendations, but includes the material information, factors and analysis considered by the Special Committee and the Board in reaching such conclusions and making such recommendations. The members of the Special Committee and the Board evaluated the various factors summarized above in light of their own knowledge of the business of Dorel and the industry in which Dorel operates and of the Corporation's financial condition and prospects and were assisted in this regard by Management and legal and financial advisors, and in the case of members of the Special Committee, the Special Committee's legal and financial advisors. In view of the numerous factors considered in connection with their respective evaluations of the Arrangement, the Special Committee and the Board did not find it practicable to, and did not, quantify or otherwise attempt to assign relative weight to specific factors in reaching their respective decisions. In addition, individual members of the Special Committee and the Board may have given different weights to different factors. The respective conclusions and unanimous recommendations of the Board, with the Family Executives having recused themselves from the Board meeting, and the Special Committee were made after considering all of the information and factors involved.

Determinations and Recommendations of the Special Committee and the Board

Having undertaken a thorough review of, and carefully considered, information concerning the Corporation, the Purchaser, Cerberus, the Family Shareholders, the Arrangement, the alternatives available to the Corporation, including the *status quo* alternative, the Special Committee and the Board, with the Family Executives, as interested parties, having recused themselves from the Board meeting, have **UNANIMOUSLY** determined, after receiving legal and financial advice, that the Arrangement is in the best interests of the Corporation and is fair to Public Shareholders, and recommends that Shareholders vote **FOR** the Arrangement Resolution. See "*The Arrangement – Reasons for the Determinations and Recommendations of the Special Committee and the Board*".

Fairness Opinions and Formal Valuation

In deciding to approve the Arrangement, the Special Committee and the Board considered, among other things, the Fairness Opinions of BMO Capital Markets and TD Securities, respectively, and the Formal Valuation delivered by TD Securities. The Fairness Opinions established that, as at the date thereof, subject to the scope of review, assumptions and limitations set out therein, the Consideration to be received by the Public Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders. The Formal Valuation determined that, as of November 12, 2020, and subject to the scope of review, assumptions and limitations set out therein, the fair market value of the Shares was in the range of $14.00 to $17.00 per Share.

The following summary of the Formal Valuation and the Fairness Opinions is qualified in its entirety by reference to the full texts of the Formal Valutation and Fairness Opinions annexed to this Circular as Appendix F (Formal Valuation and TD Securities Fairness Opinion) and Appendix G (BMO Fairness Opinion). You are encouraged to read the Formal Valuation and Fairness Opinions in their entirety. The

Formal Valuation and Fairness Opinions are not recommendations as to how any Shareholder should vote with respect to the Arrangement or any other matter.

MI 61-101 regulates certain types of special transactions to ensure equality of treatment among security holders and may require enhanced disclosure, approval by a majority of security holders, excluding interested or related parties, independent valuations and, in certain instances, approval and oversight of certain transactions by a special committee of independent directors. The protections afforded by MI 61-101 apply to, among other transactions, "business combinations", as defined in MI 61-101, in which the interest of holders of equity securities may be terminated without their consent and where a "related party" (as defined in MI 61-101) (i) would, as a consequence of the transaction, directly or indirectly acquire the issuer or the business of the issuer, or combine with the issuer, through an amalgamation, arrangement or otherwise, whether alone or with joint actors, (ii) is a party to a "connected transaction", as defined in MI 61-101, to the transaction, or (iii) is entitled to receive a consideration per equity security that is not identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class or a collateral benefit. The Arrangement is a business combination within the meaning of MI 61-101.

Pursuant to MI 61-101, a formal valuation of the Shares is required since the Arrangement is a "business combination" within the meaning of MI 61-101 and "interested parties", including Family Shareholders who are directors or officers of the Corporation, will as a consequence of the Arrangement, directly or indirectly, acquire Dorel or the business of Dorel, or combine with Dorel, through an amalgamation, arrangement or otherwise, whether alone or with joint actors. Consequently, the Special Committee retained TD Securities to provide the Special Committee with a formal valuation of the fair market value of the Shares in accordance with the requirements of MI 61-101.

Mandate and Engagement of TD Securities and Professional Fees

Pursuant to an engagement letter dated September 11, 2020, the Special Committee retained TD Securities to prepare, under the supervision of the Special Committee, the Formal Valuation in accordance with MI 61-101. TD Securities was also requested by the Special Committee to provide an opinion as to the fairness, from a financial point of view, of the Consideration to be received by the Public Shareholders pursuant to the Arrangement (the "**TD Securities Fairness Opinion**").

The engagement letter with TD Securities provides that TD Securities will receive a fee of $1.1 million for its services, which fees are not contingent, either in whole or in part, on the conclusions reached by TD Securities in the Formal Valuation and TD Securities Fairness Opinion or the completion of the Arrangement. In addition, Dorel agreed to reimburse TD Securities for reasonable expenses incurred in performing its services and to indemnify TD Securities, in certain circumstances, against certain expenses, losses, claims, actions, damages and liabilities incurred in connection with the provision of its services.

Valuation under MI 61-101 and Fairness Opinion of TD Securities

TD Securities delivered the Formal Valuation and TD Securities Fairness Opinion to the Special Committee.

The Formal Valuation dated November 12, 2020 determined that, as of November 12, 2020, and subject to the scope of review, assumptions and limitations set out therein, the fair market value of the Shares was in the range of $14.00 to $17.00 per Share.

The TD Securities Fairness Opinion is to the effect that, as of November 12, 2020, subject to the scope of review, assumptions and limitations set out therein, the Consideration to be received by the Public Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders.

A copy of the Formal Valuation and TD Securities Fairness Opinion is annexed as Appendix F to this Circular.

Valuation Methodologies

In preparing the Formal Valuation, TD Securities primarily considered two methodologies:

1. discounted cash flow ("**DCF**") analysis; and

2. comparable precedent transactions analysis.

In addition, TD Securities reviewed the results of a market trading multiples analysis for Dorel but did not rely on this analysis to arrive at its conclusion regarding the fair market value of the Shares.

Discounted Cash Flow Analysis

TD Securities applied the DCF methodology to Dorel in order to arrive at its conclusion regarding fair market value of the Shares. The DCF methodology reflects the growth prospects and risks inherent in Dorel's business by taking into account the amount, timing and relative certainty of projected free cash flows expected to be generated by Dorel. The DCF approach requires that certain assumptions be made regarding, among other things, future free cash flows, discount rates, and terminal values. The possibility that some of the assumptions will prove to be inaccurate is one factor involved in the determination of the discount rates to be used in establishing a range of values. TD Securities' DCF analysis involved discounting to a present value Dorel's projected unlevered after-tax free cash flows from October 1, 2020 until December 31, 2024 under the Dorel Management Forecast and the Adjusted Forecast (as such terms are defined in the Formal Valuation), including terminal values determined as at December 31, 2024, using an appropriate weighted average cost of capital as the discount rate.

Comparable Precedent Transactions Analysis

TD Securities applied the comparable precedent transactions methodology to Dorel in order to arrive at its conclusion regarding the fair market value of the Shares. TD Securities identified and reviewed 24 precedent transactions involving Home, Juvenile, and Sports comparable companies which had been concluded and for which there was sufficient public information to derive valuation multiples. Ideally, comparable precedent transactions considered would be comparable in terms of operating characteristics, growth prospects, risk profile and size. TD Securities considered enterprise value to earnings before interest, taxes, depreciation, and amortization (EBITDA) to be the primary valuation multiple when applying the precedent transactions methodology to Dorel.

Valuation Conclusion

Subject to the scope of review, assumptions and limitations set out in the Formal Valuation and TD Securities Fairness Opinion, TD Securities is of the opinion that, as of November 12, 2020, the fair market value of the Shares is in the range of $14.00 to $17.00 per Share.

Fairness Considerations of TD Securities

In considering the fairness of the Consideration to be received by the Shareholders in connection with the Arrangement, other than any consideration to be received by the Family Shareholders in exchange for the Rollover Shares, TD Securities principally considered and relied upon a comparison of the Consideration to the fair market value of the Shares as determined in the Formal Valuation.

Credentials and Independence of TD Securities

The Special Committee selected TD Securities based on TD Securities' qualifications, expertise and reputation and its experience with MI 61-101 valuations. TD Securities is a Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment management and investment research. TD Securities has participated in a significant number of transactions involving public and private companies and has extensive experience in preparing valuations and fairness opinions, including various transactions that were subject to the requirements of MI 61-101.

The Formal Valuation and TD Securities Fairness Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Investment Industry Regulatory Organization of Canada, but the latter was not involved in the preparation or review of the Fairness Valuation and TD Securities Fairness Opinion.

The Special Committee determined that TD Securities is qualified and competent to provide the services under its engagement letter and is independent of all interested parties (as defined in MI 61-101) in the Arrangement within the meaning of MI 61-101 and is an independent valuator (as defined in MI 61-101) as required by MI 61-101 based, in part, on representations made to it by TD Securities and on the following factors:

(i) TD Securities is not an associated or affiliated entity or issuer insider (as such terms are defined in MI 61-101) of Dorel, Cerberus, the Family Shareholders or any of their respective associates or affiliates (for the purposes of this section "*Credentials and Independence of TD Securities*", collectively, the "**Interested Parties**") and TD Securities is independent of the Interested Parties in accordance with the requirements set out in Section 6.1(3) of MI 61-101;

(ii) TD Securities is not an advisor to any of the Interested Parties in connection with the Arrangement or a member of a soliciting dealer group for the Arrangement; and

(iii) neither TD Securities nor any affiliated entity (a) has any interest or relationship which is set out in Section 5.2(a) or (c), respectively, of *Companion Policy 61-101CP*, and (b) during the 24 months prior to the date on which TD Securities was first contacted for the purposes of the Arrangement, had any relationship which is set out in Section 5.2(b) of *Companion Policy 61-101CP* with any Interested Party.

In June 2019, TD Securities participated as co-lead arranger and joint-bookrunner for a US$175 million 7.5% senior unsecured loan for Dorel. In March 2019, the Toronto-Dominion Bank, the parent financial institution of TD Securities, participated as a non-lead lender in a lending syndicate for a US$507 million credit facility for Dorel.

Having regard to the nature of TD Securities' roles in the matters described above and the factors specified in *Companion Policy 61-101CP*, the Special Committee was satisfied that TD Securities is an independent valuator.

TD Securities may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for Dorel or any other Interested Party. Toronto-Dominion Bank and TD Securities may in the future, in the ordinary course of their respective businesses, provide banking services or credit facilities to Dorel or any other Interested Party.

Mandate and Fairness Opinion of BMO Capital Markets

Following the formation of the Special Committee in December 2019, the Corporation contacted BMO Capital Markets regarding a potential transaction ultimately leading to the Arrangement. BMO Capital Markets was formally engaged by the Corporation pursuant to an agreement dated February 6, 2020. Under the terms of the engagement agreement, BMO Capital Markets agreed to provide the Corporation and the Board with various advisory services in connection with the Arrangement including, among other things, the provision of its fairness opinion (the "**BMO Fairness Opinion**"). Prior to the engagement of BMO Capital Markets, the potential participation of Bank of Montreal, of which BMO Capital Markets is a wholly-owned subsidiary, as lender to any potential financial sponsor was discussed and duly considered and the non-conflicted members of the Board were satisfied that the confidentiality screens and procedures described and represented by BMO Capital Markets were adequate in the circumstances to allow for such potential participation by Bank of Montreal, especially in light of the fact that the Special Committee would eventually have its own independent financial advisors.

BMO Capital Markets has provided the BMO Fairness Opinion to the effect that, as of the date thereof, the consideration to be received by the Shareholders (other than the Family Shareholders, solely in respect of the Rollover Shares to be transferred and assigned by the Family Shareholders to the Purchaser pursuant to the Rollover Agreement) pursuant to the Arrangement is fair from a financial point of view to the Shareholders.

BMO Capital Markets will receive a fixed fee for rendering the BMO Fairness Opinion and for the announcement of the Arrangement. BMO Capital Markets will also receive certain fees for its advisory services under its engagement agreement, a substantial portion of which is contingent upon the successful completion of the Arrangement. The Corporation has also agreed to reimburse BMO Capital Markets for its reasonable out-of-pocket expenses and to indemnify BMO Capital Markets against certain liabilities that might arise out of its engagement. The payment by the Corporation of the fee for rendering the BMO Fairness Opinion, the announcement of the Arrangement and of the expenses of BMO Capital Markets is not dependent on the completion of the Arrangement or the conclusions reached in the BMO Fairness Opinion.

The BMO Fairness Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Investment Industry Regulatory Organization of Canada, but the latter has not been involved in the preparation or review of the BMO Fairness Opinion.

BMO Capital Markets has not been asked to prepare and has not prepared a formal valuation or appraisal of the securities or assets of the Corporation or of any of its affiliates, and the BMO Fairness Opinion should not be construed as such. A copy of the BMO Fairness Opinion is annexed as Appendix G to this Circular.

Approach to Fairness and Analysis

BMO Capital Markets performed various analyses in connection with rendering the BMO Fairness Opinion. In arriving at its conclusion, BMO Capital Markets did not attribute any particular weight to any specific approach or analysis, but rather developed qualitative judgments on the basis of its experience in rendering such opinions and the information presented as a whole.

In considering the fairness from a financial point of view of the Consideration to be received by the Shareholders (other than the Family Shareholders, solely in respect of the Rollover Shares) pursuant to the Arrangement, BMO Capital Markets considered whether the value of such Consideration fell within a range of fair values for the Shares. To determine a range of fair values for the Shares, BMO Capital Markets considered the following principal methodologies: (i) comparable company trading analysis; (ii) precedent transactions analysis; and (iii) DCF analysis.

Comparable Company Trading Analysis

BMO Capital Markets reviewed publicly-available information for selected publicly-listed entities it considered relevant to each of the Corporation’s individual business segments as well as the consolidated Corporation and applied a range of enterprise values to EBITDA and Price to EPS (earnings per share) multiples considered appropriate in the circumstances to 2021 EBITDA and 2021 EPS estimates to obtain a range of enterprise values for the Corporation. Certain adjustments, including capital structure adjustments, were then made to obtain a range of fair values for the Shares.

Precedent Transactions Analysis

BMO Capital Markets reviewed publicly-available information for selected transactions involving entities it considered relevant to each of the Corporation’s individual business segments and derived a range of enterprise values to trailing twelve months EBITDA. BMO Capital Markets applied the range of multiples for each segment to the segment’s trailing twelve months EBITDA as at September 30, 2020 to obtain a range of enterprise values for the Corporation. Certain adjustments, including capital structure adjustments, were then made to obtain a range of fair values for the Shares.

DCF Analysis

The DCF methodology is a calculation of the present value of the Corporation's projected future cash flows to determine a range of values for the Shares. It involved estimating annual net cash flows, for each of the business segments and for the consolidated Corporation, for each year of the three-year projection period, which was based upon projections for the Corporation provided by Management and discounting them at discount rates BMO Capital Markets determined reasonable. A terminal value was also calculated for the Corporation and was discounted at the same discount rates used for the annual net cash flows in the projection period. As part of the DCF methodology, BMO Capital Markets performed sensitivity analyses on the key factors considered to be primary drivers of the DCF methodology.

The Consideration to be received by the Shareholders (other than the Family Shareholders, solely in respect of the Rollover Shares) pursuant to the Arrangement is consistent with the range of fair values for the Shares generated by the foregoing analyses applying the above-mentioned methodologies.

Credentials and Independence of BMO Capital Markets

BMO Capital Markets is one of North America's largest investment banking firms, with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment research and investment management. BMO Capital Markets has been a financial advisor in a significant number of transactions throughout North America involving public and private companies in various industry sectors and has extensive experience in preparing fairness opinions.

Neither BMO Capital Markets, nor any of its affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) or the rules made thereunder) of the Corporation, the Purchaser, or any of their respective associates or affiliates (for purposes of this section "*Credential and Independence of BMO Capital Markets*", collectively, the "**Interested Parties**").

BMO Capital Markets has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Interested Parties within the past two years, other than: (i) acting as financial advisor to the Corporation pursuant to the engagement agreement; (ii) providing financing services to the Purchaser in connection with the Arrangement; (iii) acting as a financial advisor to Cerberus pursuant to a separate confidential buy-side transaction in a different industry; (iv) providing financing services to Albertsons and CSI, both of which are portfolio companies of Cerberus, in April 2020 and October 2019, respectively; (v) acting as a co-financial advisor to the Corporation pursuant to the issuance of US $125 million senior unsecured notes in June 2019; (vi) acting as a financial advisor to the Corporation on an unsuccessful confidential transaction in 2018-2019, which was terminated; and (vii) providing cash management services, and revolving and term facilities to the Corporation since March 2017.

Other than as set forth above, there are no understandings, agreements or commitments between BMO Capital Markets and any of the Interested Parties with respect to future business dealings. BMO Capital Markets may, in the future, in the ordinary course of business, provide financial advisory, investment banking, or other financial services to one or more of the Interested Parties from time to time. BMO Capital Markets or one or more of its affiliates may provide financing services to the Purchaser in connection with the Arrangement, for which services BMO Capital Markets or such affiliate would receive compensation.

BMO Capital Markets and certain of its affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of one or more of the Interested Parties and, from time to time, may have executed or may execute transactions on behalf of one or more Interested Parties for which BMO Capital Markets or such affiliates received or may receive compensation. As investment dealers, BMO Capital Markets and certain of its affiliates conduct research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to one or more of the Interested Parties or the Arrangement. In addition, Bank of Montreal, of which BMO Capital Markets is a wholly-owned subsidiary, or one or more affiliates of Bank of Montreal, may provide banking or other financial services to one or more of the Interested Parties in the ordinary course of business.

Restrictions, Limitations and Assumptions

The full texts of the Formal Valuation and Fairness Opinions set out the scope of review, assumptions made, matters considered and limitations on the review undertaken in connection with the Formal Valuation and Fairness Opinions. Shareholders are urged to read the Formal Valuation and Fairness Opinions carefully and in their entirety.

Required Shareholder Approval

At the Meeting, pursuant to the Interim Order, Shareholders will be asked to vote to approve the Arrangement Resolution. The Arrangement Resolution must be passed by at least (i) two-thirds (66⅔%) of the votes of the Shareholders present in person or represented by proxy at the Meeting and entitled to vote, voting in accordance with the Interim Order and Dorel's Articles, and (ii) a majority (50% +1) of the votes cast by the holders of Class B Subordinate Voting Shares present in person or represented by proxy at the Meeting and entitled to vote, other than the Family Shareholders. The Shares beneficially owned or controlled by the Family Shareholders which will be excluded from the calculation of the majority vote required under (ii) above represent, to the knowledge of Dorel, an aggregate of 2,573,503 Class B Subordinate Voting Shares, representing 9.09% of the issued and outstanding Class B Subordinate Voting Shares, as set out in the table below:

Name	Number of Class A Multiple Voting Shares beneficially owned or controlled	Percentage of Class A Multiple Voting Shares	Number of Class B Subordinate Voting Shares beneficially owned or controlled	Percentage of Class B Subordinate Voting Shares
Martin Schwartz	1,054,160	25.17	593,031	2.09
Alan Schwartz	1,060,160	25.31	396,378	1.40
Jeffrey Schwartz	1,054,160	25.17	631,980	2.23
Jeff Segel	831,480	19.85	610,250	2.16
Other family members	9,450	0.23	341,864	1.21
Total:	**4,009,410**	**95.73**	**2,573,503**	**9.09**

Voting Support Agreements

The Supporting Shareholders entered into Voting Support Agreements with the Purchaser in connection with the Arrangement. The Supporting Shareholders are the beneficial owners of an aggregate of 4,001,261 Class A Multiple Voting Shares and 2,249,789 Class B Subordinate Voting Shares (collectively, the "**Supporting Shares**"), representing 60.20% of the votes attached to all outstanding Shares, and have agreed, subject to the terms of the Voting Support Agreements, to vote, or cause to be voted, such Supporting Shares held by them in favour of the Arrangement Resolution.

The Voting Support Agreements entered into between the Purchaser and each of the Family Executives can be found under the Corporation's issuer profile on SEDAR at www.sedar.com. The following is only a summary of the Voting Support Agreements and is qualified in its entirety by reference to the full text of each of the Voting Support Agreements.

Voting Support Agreements of the Supporting Shareholders

Under their respective Voting Support Agreements, each Supporting Shareholder has agreed, *inter alia*:

(a) that the Supporting Shareholder will not, and will ensure that none of his or her affiliates will, directly or indirectly:

(i) without having first obtained the prior written consent of the Purchaser, sell, transfer, gift, assign, convey, tender, hedge, pledge, hypothecate, create or suffer to exist any Liens, option or otherwise dispose of any right or interest in any of his or her Supporting Shares or enter into any agreement, arrangement, commitment or understanding in connection therewith, other than pursuant to the Arrangement or to one or more corporations directly or indirectly wholly-owned by the Supporting Shareholder without affecting beneficial ownership or control or direction over the Supporting Shares;

(ii) other than as set forth in the Voting Support Agreement, grant or agree to grant any proxies or powers of attorney, deliver any VIF, deposit any Supporting Shares into a voting trust or pooling agreement, or enter into a voting agreement, commitment, understanding or arrangement, oral or written, with respect to the voting of any Supporting Shares;

(iii) requisition or join in the requisition of any meeting of any of the securityholders of the Corporation for the purpose of considering any resolution; or

(iv) take any action, or allow any other Person to take any action, that would cause any of the representations and warranties in the Voting Support Agreement to become untrue or incorrect in any material respect;

(b) to cause to be counted as present for purposes of establishing quorum and to vote (or to cause to be voted) all the Supporting Shares:

(i) at any meeting of any of the securityholders of the Corporation at which the Supporting Shareholder is entitled to vote, including the Meeting; and

(ii) in any action by written consent of the securityholders of the Corporation,

in favour of the approval, consent, ratification and adoption of the Arrangement Resolution and the transactions contemplated by the Arrangement Agreement (and any actions required for the consummation of the transactions contemplated by the Arrangement Agreement);

(c) to not take, nor permit any of his or her affiliates or any Person on his or her behalf to take, any action to withdraw, amend or invalidate any proxy or VIF deposited.

(d) to cause to be counted as present for purposes of establishing quorum and to vote (or cause to be voted) the Supporting Shares against any proposed action by the Corporation, any Shareholders, any of the Subsidiaries or any other Person:

(i) in respect of any Acquisition Proposal or Superior Proposal or other merger, take-over bid, amalgamation, plan of arrangement, business combination, reorganization, recapitalization, dissolution, liquidation, winding up or similar transaction involving the Corporation or any Subsidiary, other than the Arrangement;

(ii) which would reasonably be regarded as being directed towards or likely to prevent, delay or reduce the likelihood of the successful completion of the Arrangement, including without limitation any amendment to the articles or by-laws of the Corporation or any of its subsidiaries or their respective corporate structures or capitalization; or

(iii) any action or agreement that would result in a breach of any representation, warranty, covenant or other obligation of the Corporation under the Arrangement Agreement if such breach requires Shareholder approval.

The Voting Support Agreements entered into by the Family Executives will terminate upon the earliest to occur of: (a) the mutual agreement in writing of the parties thereto; (b) written notice by the Purchaser to the Family Executive if: (i) any representation or warranty of the Family Executive under the Voting Support Agreement is untrue or incorrect in any material respect; or (ii) the Family Executive has not complied in any material respect with his covenants contained therein and such default has not been cured within five business days of written notice of such default being given by the Purchaser to the Family Executive; provided that at the time of such termination, the Purchaser is not in material default in the performance of its obligations under the Voting Support Agreement, and provided, further, that any such termination shall not prejudice the rights of a party as a result of any breach by any other party of its obligations thereunder; (c) the termination of the Rollover Agreement in accordance with its terms; (d) the Effective Time; and (e) September 30, 2021.

The Voting Support Agreements entered into by the Family Executives provide that, subject to the terms of the Rollover Agreement, nothing in the Voting Support Agreement shall restrict or limit the Family Executive from taking any action to the extent required to be taken in the discharge of his fiduciary duty as a director or officer of the Corporation or that is otherwise permitted by, and done in compliance with, the terms of the Arrangement Agreement, in each case acting upon the advice of outside counsel, provided that the Family Executive agrees and acknowledges that the Voting Support Agreement may not be terminated by the Family Executive in the event of the termination of the Arrangement Agreement (including pursuant to the section "*Superior Proposal*" thereof) and the performance of such duties as a director or officer shall not impact the Family Executive's obligations under the Voting Support Agreement, including his covenants thereunder, or otherwise entitle the Family Executive to terminate the Voting Support Agreement in the event of the termination of the Arrangement Agreement (including pursuant to the section "*Superior Proposal*" thereof). The Purchaser further agreed that the Family Executive is not making any agreement or understanding under the Voting Support Agreement in any capacity other than in his capacity as a Shareholder of the Corporation.

The Voting Support Agreements entered into by the Supporting D&Os will terminate upon the earliest to occur of: (a) the mutual agreement in writing of the parties thereto; (b) written notice by the Purchaser to the Supporting D&O if: (i) any representation or warranty of the Supporting D&O under the Voting Support Agreement is untrue or incorrect in any material respect; or (ii) the Supporting D&O has not complied in any material respect with his or her covenants contained therein and such default has not been cured within five business days of written notice of such default being given by the Purchaser to the Supporting D&O; provided that at the time of such termination, the Purchaser is not in material default in the performance of its obligations under the Voting Support Agreement; (c) written notice by the Supporting D&O to the Purchaser if: (i) any representation or warranty of the Purchaser under the Voting Support Agreement is untrue or incorrect in any material respect; or (ii) the Purchaser has not complied in any material respect with its covenants contained therein and such default has not been cured within five business days of written notice of such default being given by the Supporting D&O to the Purchaser; provided that at the time of such termination, the Supporting D&O is not in material default in the performance of his or her obligations under the Voting Support Agreement; (d) the Effective Time; and (e) the termination of the Arrangement Agreement in accordance with its terms.

The Voting Support Agreements entered into by the Supporting D&Os provide that nothing therein, including any of the covenants of the Supporting D&O, shall restrict or limit the Supporting D&O from taking any action to the extent required to be taken in the discharge of his or her fiduciary duty as a director or officer of the Corporation or that is otherwise permitted by, and done in compliance with, the terms of the Arrangement Agreement.

Arrangement Mechanics

The Arrangement

The Arrangement will be implemented by way of a statutory plan of arrangement under the QBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

(a) the Court must grant the Interim Order;

(b) the Required Shareholder Approval must be obtained;

(c) the Court must grant the Final Order approving the Arrangement;

(d) all conditions precedent to the Arrangement, as set out in the Arrangement Agreement, must be satisfied or waived (if permitted) by the appropriate party; and

(e) the Articles of Arrangement, prepared in the form prescribed by the QBCA and signed by an authorized director or officer of the Corporation, must be filed with the Enterprise Registrar and a Certificate of Arrangement issued related thereto.

Steps to Implementing the Arrangement and Timing

Under the Plan of Arrangement, the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five-minute intervals starting at the Effective Time:

Director Deferred Share Units

Each director deferred share unit ("**DDSU**") issued in accordance with the terms of the Corporation's 2004 Directors' Deferred Share Unit Plan dated as of April 28, 2005, as amended (the "**DDSU Plan**"), outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the DDSU Plan, shall, without any further action by or formality on behalf of a holder of DDSUs, be deemed to be assigned and transferred by its holder to the Corporation in exchange for a cash payment from the Corporation equal to the Consideration, less applicable withholdings, in full satisfaction of the Corporation's obligations with respect to each surrendered DDSU and each such DDSU shall immediately be cancelled and all of the Corporation's obligations with respect to such DDSU shall be deemed to be fully satisfied.

Executive Deferred Share Units

Each executive deferred share unit ("**EDSU**") issued in accordance with the terms of the Corporation's 2009 Executive Deferred Share Unit Plan dated as of March 11, 2009 (the "**EDSU Plan**"), outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the EDSU Plan, shall, without any further action by or on behalf of a holder of EDSUs, be deemed to be assigned and transferred by its holder to the Corporation in exchange for a cash payment from the Corporation equal to the Consideration, less applicable withholdings, in full satisfaction of the Corporation's obligations with respect to each surrendered EDSU and each such EDSU shall immediately be cancelled and all of the Corporation's obligations with respect to such EDSU shall be deemed to be fully satisfied.

Restricted Share Units

Each award of restricted share units ("**RSUs**") issued in accordance with the terms of the Corporation's Restricted Share Unit Plan dated as of June 5, 2017 (the "**RSU Plan**") outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action by or on behalf of a holder of RSUs, be deemed to be assigned and transferred by its holder to the Corporation in exchange for a cash payment from the Corporation equal to the Consideration multiplied by the number of Class B Subordinate Voting Shares covered by such award of RSUs that are deemed to have vested under the RSU Plan or applicable award agreement for each such award of RSUs, less applicable withholdings, in full satisfaction of the Corporation's obligations with respect to each surrendered award of RSUs and each such award of RSUs shall immediately be cancelled (including any portion of such award of RSUs that remains unvested, which shall be cancelled for no consideration) and all of the Corporation's obligations with respect to such award of RSUs shall be deemed to be fully satisfied.

Performance Share Units

Each award of performance share units ("**PSUs**") issued in accordance with the terms of the Corporation's Performance Share Unit Plan dated as of June 25, 2014 (the "**PSU Plan**") outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action by or on behalf of the holder of PSUs, be deemed to be assigned and transferred by such holder to the Corporation in exchange for a cash payment from the Corporation equal to the Consideration multiplied by the number of Class B Subordinate Voting Shares covered by such award of PSUs deemed to have vested in accordance with the PSU Plan or applicable award agreement for each such award of PSUs, less applicable withholdings, in full satisfaction of the Corporation's obligations with respect to each surrendered award of PSUs and each such award of PSUs shall immediately be cancelled (including any portion of such award of PSUs that remains unvested, which shall be cancelled for no consideration) and all of the Corporation's obligations with respect to such award of PSUs shall be deemed to be fully satisfied.

Share Appreciation Rights

Each award of share appreciation rights ("**SARs**") issued in accordance with the terms of the Corporation's Share Appreciation Rights Plan dated as of June 25, 2014, as amended (the "**SAR Plan**") outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action by or on behalf of the holder of SARs, be deemed to be assigned and transferred by such holder to the Corporation in exchange for:

(a) in respect of each award of SARs outstanding at the Effective Time that has a grant price that is less than the Consideration, a cash payment from the Corporation equal to the amount by which the Consideration exceeds the grant price thereof multiplied by the number of Class B Subordinate Voting Shares covered by such award of SARs, less applicable withholdings; and

(b) in respect of each award of SARs outstanding at the Effective Time that has a grant price (as defined in the SAR Plan) that is equal to or greater than the Consideration, no consideration,

and each such award of SARs shall be cancelled by the Corporation and all of the Corporation's obligations with respect to such award of SARs shall be deemed to be fully satisfied.

Incentive Plans

(i) Each holder of DDSUs, EDSUs, RSUs, PSUs and SARs (collectively, the "**Incentive Securities**") shall cease to be a holder thereof, (ii) such holder's name shall be removed from each applicable register, (iii) the DDSU Plan, EDSU Plan, RSU Plan, PSU Plan and SAR Plan and all agreements relating thereto shall be terminated and shall be of no further force and effect, and (iv) such holder shall thereafter have only the right to receive the consideration to which such holder is entitled pursuant to the applicable terms of the Plan of Arrangement, and the Corporation shall take all actions as are necessary to effectuate each of the foregoing items.

Dissent Shares

Each of the Shares held by Dissenting Shareholders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under the "Rights of Dissent" section of the Plan of Arrangement, and:

(a) such Dissenting Shareholders shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid fair value by the Purchaser for such Shares as set out in Section 3.1 of the Plan of Arrangement;

(b) such Dissenting Shareholders' names shall be removed as the holders of such Shares from the registers of Shares maintained by or on behalf of the Corporation; and

(c) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all liens, and shall be entered in the register of Shares maintained by or on behalf of the Corporation.

Shares (other than Rollover Shares and Dissent Shares)

Each of the Shares outstanding immediately prior to the Effective Time, other than the (i) Shares held by the Dissenting Shareholders and (ii) Rollover Shares (which Shares shall not be exchanged under the Agreement), will, without any further action by or on behalf of a holder of such Shares, be deemed to be assigned and transferred by the holder thereof to, and acquired by, the Purchaser in exchange for a cash payment equal to the Consideration, and

(a) the former Shareholders of such Shares shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid the applicable Consideration by the Purchaser in accordance with this Plan of Arrangement;

(b) in respect of each such Share transferred and assigned pursuant to this provision, each former Shareholder will cease to be the holder of such Shares so exchanged and such holders' names shall be removed from the register of the Shares maintained by or on behalf of the Corporation at such time; and

(c) the Purchaser shall be deemed to be the transferee of such Shares (free and clear of all liens) on the Effective Date and shall be entered in the register of the Shares maintained by or on behalf of the Corporation as the registered holder of the Shares so transferred and shall be deemed the legal and beneficial owner thereof.

This description of the steps is qualified in its entirety by the full text of the Plan of Arrangement annexed as Appendix A to this Circular.

Cancellation of Rights After Six Years

In accordance with the Plan of Arrangement, after the Effective Time and until surrendered as contemplated in Section 4.1 of the Plan of Arrangement, each certificate, agreement or other instrument (as applicable) that immediately prior to the Effective Time represented outstanding Shares (other than the Rollover Shares) shall be deemed, immediately after the Effective Time, to represent only the right to receive the consideration to which the holder of such Share (other than a Rollover Share) is entitled in accordance with the Plan of Arrangement, less any amounts withheld pursuant to the Plan of Arrangement. Any such certificate, agreement or other instrument (as applicable) formerly representing Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Shares of any kind or nature against or in the Corporation or the Purchaser. On such date, all consideration to which such former holder was entitled under the Plan of Arrangement shall be deemed to have been surrendered to the Purchaser or the Corporation, as applicable, together with all entitlements to dividends, distributions and interest thereon held for such former holder, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

Any payment made by way of cheque by the Depositary or the Corporation, as applicable, pursuant to the Plan of Arrangement that has not been deposited or has been returned to the Depositary or the Corporation, as applicable, or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Shares, DDSUs, EDSUs, RSUs, PSUs and SARs pursuant to the Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Corporation, as applicable, for no consideration.

Rollover Agreement

The Family Executives have entered into an agreement with the Purchaser pursuant to which the Rollover Shares held by the Family Shareholders will be transferred in exchange for an indirect equity interest in the Purchaser representing, in the aggregate, approximately 26.7% of the common equity in the Purchaser immediately upon closing of the Arrangement and the transactions contemplated by the Rollover Agreement.

Expenses of the Arrangement

Dorel estimates that expenses in the aggregate amount of approximately $6.3 million will be incurred by it in connection with the Arrangement, including legal, financial advisory and accounting fees, filing and printing costs, the cost of preparing this Circular and mailing it to certain Shareholders, costs with respect to the Meeting, and fees in respect of the Fairness Opinions and the Formal Valuation.

All fees, costs and expenses incurred in connection with the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement shall be paid by the Party incurring such fee, cost or expense, whether or not the Arrangement is consummated, provided that the Purchaser shall pay any filing or similar fee and applicable Taxes payable to a Governmental Entity in connection with a Regulatory Approval. Notwithstanding the foregoing, upon consummation of the Arrangement, all fees, costs and expenses incurred by either Party in connection with the Arrangement Agreement shall be paid by the Corporation or any successor thereto.

Other than in certain circumstances as set out in the Arrangement Agreement, in the event that (a) the Arrangement Agreement is terminated by either Party in accordance with the terms thereof, and (b) no fee is otherwise immediately payable pursuant to the "*Termination Fees and Expenses*" provisions of the Arrangement Agreement in connection with such termination, then (i) the Corporation will be responsible for paying the Assumed Transaction Expenses, being one-half of the aggregate documented out-of-pocket costs and expenses (including legal fees) incurred or accrued by or on behalf of the Purchaser in connection with the Arrangement Agreement and the transactions contemplated thereby during the period commencing on the date thereof until and through the date of termination up to a maximum of $3.5 million, and (ii) the Corporation shall promptly make arrangements to and shall pay or remit to the Purchaser the amount of the Assumed Transaction Expenses. See "*Summary of the Arrangement Agreement – Expenses and Termination Fee*".

Interest of Certain Persons in the Arrangement

In considering the determinations and recommendations of the Special Committee and the Board with respect to the Arrangement, Shareholders should be aware that certain directors and officers of Dorel have interests or benefits in connection with the Arrangement, including those referred to below, that may present them with actual or potential conflicts of interest in connection with the Arrangement.

The Family Executives have entered into the Rollover Agreement with the Purchaser pursuant to which the Rollover Shares held by the Family Shareholders will be exchanged for an indirect equity interest in the Purchaser representing, in the aggregate, approximately 26.7% of the common equity in the Purchaser. See "*The Arrangement – Rollover Agreement*". Following completion of the Arrangement and the transactions contemplated by the Rollover Agreement, the Family Executives are expected to enter into an agreement with the Buyer Group in respect of their investment, which is expected to provide, among other things, the Family Executives with certain governance rights in respect of the business and the opportunity to increase their indirect ownership in the common equity of the Purchaser to approximately 31.5% in the event certain conditions are satisfied. Each of the Family Executives and Frank Rana, Senior Vice-President, Finance of the Corporation, is expected to enter into a new employment agreement following Closing.

As at November 20, 2020, to the knowledge of Dorel, the directors and executive officers of Dorel owned, directly or indirectly, an aggregate of 4,001,261 Class A Multiple Voting Shares and 2,249,789 Class B Subordinate Voting Shares, representing 60.20% of the votes attached to all outstanding Shares, as set out below.

Name	**Number of Class A Multiple Voting Shares beneficially owned or controlled**	**Percentage of the issued and outstanding Class A Multiple Voting Shares**	**Number of Class B Subordinate Voting Shares beneficially owned or controlled**	**Percentage of the issued and outstanding Class B Subordinate Voting Shares**
Martin Schwartz(1)	1,054,160	25.17%	593,031	2.09%
Alan Schwartz(2)	1,060,160	25.31%	396,378	1.40%
Jeffrey Schwartz(3)	1,054,160	25.17%	631,980	2.23%
Jeff Segel(4)	831,480	19.85%	610,250	2.16%
Alain Benedetti(5)	-	-	-	-
Dian Cohen(6)	-	-	500	0.002%
Brad A. Johnson(7)	-	-	-	-
Sharon Ranson(8)	-	-	-	-
Norman M. Steinberg(9)	-	-	2,200	0.008%
Maurice Tousson(10)	1,301	0.31%	-	-
Frank Rana(11)	-	-	14,850	0.052%
Ed Wyse(12)	-	-	600	0.002%
Total	**4,001,261**	**95.53%**	**2,249,789**	**7.95%**

(1) Martin Schwartz also holds 15,351 PSUs under the PSU Plan, 12,600 RSUs under the RSU Plan and 50,193 SARs under the SAR Plan.
(2) Alan Schwartz also holds 3,711 EDSUs under the EDSU Plan, 15,351 PSUs under the PSU Plan, 12,600 RSUs under the RSU Plan and 50,193 SARs under the SAR Plan.
(3) Jeffrey Schwartz also holds 20,134 EDSUs under the EDSU Plan, 15,351 PSUs under the PSU Plan, 12,600 RSUs under the RSU Plan and 50,193 SARs under the SAR Plan.
(4) Jeff Segel also holds 15,867 EDSUs under the EDSU Plan, 15,351 PSUs under the PSU Plan, 12,600 RSUs under the RSU Plan and 50,193 SARs under the SAR Plan.
(5) Alain Benedetti also holds 36,669 DDSUs under the DDSU Plan.
(6) Dian Cohen also holds 31,952 DDSUs under the DDSU Plan.
(7) Brad A. Johnson also holds 11,294 DDSUs under the DDSU Plan.
(8) Sharon Ranson also holds 11,294 DDSUs under the DDSU Plan.
(9) Norman M. Steinberg also holds 23,849 DDSUs under the DDSU Plan.
(10) Maurice Tousson also holds 46,248 DDSUs under the DDSU Plan.
(11) Frank Rana also holds 12,156 EDSUs under the EDSU Plan, 8,984 PSUs under the PSU Plan, 6,942 RSUs under the RSU Plan, and 26,172 SARs under the SAR Plan.
(12) Ed Wyse also holds 7,083 EDSUs under the EDSU Plan, 2,067 PSUs under the PSU Plan, 2,278 RSUs under the RSU Plan and 3,817 SARs under the SAR Plan.

Under each of the PSU Plan, RSU Plan and SAR Plan, the Arrangement is a "Material Transaction" as defined therein. As a result:

(a) under the PSU Plan, as of the closing date of the Arrangement, all unvested PSUs will be deemed to have attained 100% of the relevant performance objective(s) and to have vested on a *pro rata* basis (that is, vesting of a portion of each grant of unvested PSUs equal to the number of PSUs in such grant multiplied by a fraction, the numerator of which is the number of days elapsed from January 1 of the year of the grant to the closing date of the Arrangement, and the denominator of which is 1,095, minus any vested PSUs in such grant, and forfeiture of remaining unvested PSUs);

(b) under the RSU Plan, as of the closing date of the Arrangement, all unvested RSUs will be deemed to have vested on a *pro rata* basis as described in paragraph (a) above; and

(c) under the SAR Plan, the Board will accelerate vesting of all unvested SARs, with effect as of the Effective Date.

Except as disclosed in this Circular, to the knowledge of the directors and officers of the Corporation, after reasonable inquiry, no securities are owned, directed or controlled by any associates or affiliates of insiders of the Corporation, any associates or affiliates of the Corporation, any insiders of the Corporation (other than a director or officer) or any person or company acting jointly or in concert with the Corporation.

All directors and executive officers of Dorel who are not Family Executives will receive, for each Share held by them, the Consideration on the same terms and conditions as all other Public Shareholders, as will their respective associates and affiliates. The section entitled "*The Arrangement – Effect of the Arrangement*" contains a general description of the impact of the Arrangement on the outstanding Incentive Securities. The following table sets out the cash payments that are expected to be made to each director and executive officer of Dorel in consideration for his or her Incentive Securities under the Arrangement based on his or her holdings of such Incentive Securities as of the Record Date.

Name	**Consideration in respect of DDSUs**	**Consideration in respect of EDSUs**	**Consideration in respect of RSUs**	**Consideration in respect of PSUs**	**Consideration in respect of SARs**	**Total**
Martin Schwartz	-	-	$162,324	$258,670	-	$420,994
Alan Schwartz	-	$53,808(2)	$162,324	$258,670	-	$474,802
Jeffrey Schwartz	-	$291,947(2)	$162,324	$258,670	-	$712,941
Jeff Segel	-	$230,074(2)	$162,324	$258,670	-	$651,068
Alain Benedetti	$531,700(1)	-	-	-	-	$531,700
Dian Cohen	$463,304(1)	-	-	-	-	$463,304
Brad A. Johnson	$163,748(1)	-	-	-	-	$163,748
Sharon Ranson	$163,748(1)	-	-	-	-	$163,748
Norman M. Steinberg	$345,810(1)	-	-	-	-	$345,810
Maurice Tousson	$670,596(1)	-	-	-	-	$670,596
Frank Rana	-	$176,266(2)	$88,239	$144,640	-	$409,145
Ed Wyse	-	$102,708(2)	$28,605	$37,059	-	$168,372

(1) DDSUs held by the six independent directors were awarded to them after their election to receive a percentage of their respective annual directors' fees in the form of DDSUs in lieu of cash payments.

(2) EDSUs held by the five executive officers were awarded to them after their election to receive a percentage of their respective annual salary and bonus in the form of EDSUs in lieu of cash payments.

The benefits of the type to be received by the directors and executive officers as described above in respect of their Incentive Securities are customary in public-company acquisitions, including acquisitions that are not "business combinations" for the purposes of MI 61-101. The cash amounts to be received by directors and executive officers as set out in the table above are a direct result of their holdings of Incentive Securities and would be received in any change of control transaction involving Dorel.

The Special Committee and the Board are aware of these interests and considered them along with the other matters described under "*The Arrangement – Background to the Arrangement*".

Change of Control Benefits

As disclosed by the Corporation since 2017 in management information circulars prepared in connection with the Corporation's annual meetings and available on SEDAR, Frank Rana, Senior Vice-President, Finance, entered into a Capital Appreciation Bonus Agreement dated December 1, 2016 with the Corporation which provides for a lump-sum payment to Mr. Rana in the event of a "material transaction", as defined therein. In such event, Mr. Rana will be entitled to a bonus payment in an amount equal to 1.15% of the difference, if any, between the value of the Corporation on the effective date of such transaction, as determined by the Board based on the recommendation of the Chief Executive Officer and Chief Financial Officer, acting together and in their discretion, and the value of the Corporation as set out in the Capital Appreciation Bonus Agreement. It is expected that the Corporation and Mr. Rana will amend or terminate the Capital Appreciation Bonus Agreement after the Closing.

Insurance and Indemnification

Prior to the Effective Date, the Corporation shall, in reasonable consultation with the Purchaser, purchase customary "tail" or "run off" policies of directors' and officers' liability insurance providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date for six years from the Effective Date; provided that the cost of such policies shall not exceed 200% of the current annual premium for the Corporation directors' and officers' insurance. See "*Summary of the Arrangement Agreement – Covenants – Covenants Relating to Insurance and Indemnification*".

Intention of Dorel's Directors and Executive Officers and of the Family Shareholders

The Family Executives as well as the Supporting D&Os have entered into the Voting Support Agreements with the Purchaser. The Supporting Shareholders beneficially own an aggregate of 4,001,261 Class A Multiple Voting Shares and 2,249,789 Class B Subordinate Voting Shares, representing 60.20% of the votes attached to all outstanding Shares. The Supporting Shareholders have agreed, subject to the terms of the Voting Support Agreements, to vote, or cause to be voted, their respective Supporting Shares in favour of the Arrangement Resolution.

Sources of Funds for the Arrangement

The total amount of funds required to complete the Arrangement will be provided through a combination of the Debt Financing and Equity Financing.

Debt Financing

Debt Commitment Letter

On November 12, 2020, the Purchaser entered into the Debt Commitment Letter with the Commitment Parties pursuant to which (i) the Initial ABL Lenders severally, and not jointly, committed to provide a non-amortizing asset-based revolving credit facility in an aggregate principal amount equal to US $400 million (as described in Exhibit B of the Debt Commitment Letter), (ii) the Initial Term Loan Lenders severally, and not jointly, committed to provide a senior secured first-lien U.S. dollar term loan facility (as defined in Exhibit C of the Debt Commitment Letter) in an aggregate principal amount of US $250 million.

The obligations of the Commitment Parties to provide the financing contemplated by the Debt Commitment Letter are subject to customary conditions, including, but not limited to, the following:

(a) the execution of definitive documentation giving effect to the Debt Financing;

(b) the Arrangement shall have been, or shall be consummated substantially concurrently with, the initial borrowing under the facilities;

(c) since the date of the Arrangement Agreement, there shall not have occurred and be continuing any Material Adverse Effect; and

(d) each of the following shall have occurred prior to, or substantially concurrently with, the initial borrowing under the facilities: (i) the repayment in full of the existing debt of the Corporation, and (ii) Cerberus and KED shall have made cash equity investments in the form of common and preferred equity, respectively, in an affiliate of the Purchaser, subject to the applicable conditions set forth in the Equity Commitment Letter and the Preferred Equity Commitment Letter, respectively.

Equity Financing

Equity Commitment Letter

On November 12, 2020, the Purchaser entered into the Equity Commitment Letter with the Investors pursuant to which the Investors agreed to purchase securities of the Purchaser in order to contribute to the Purchaser's sources of funds for the Arrangement, at the Closing, in accordance with the terms set forth in the Equity Commitment Letter, directly or indirectly, in an amount equal to the Aggregate Commitment Amount, representing the aggregate of each Investor's Commitment Amount.

The obligations of the Investors to provide the Aggregate Commitment Amount on the terms outlined in the Equity Commitment Letter are subject to, among other things, (i) the terms of the Equity Commitment Letter; (ii) the valid execution of the Arrangement Agreement by all parties; (iii) the satisfaction in full or waiver of all the conditions to the Purchaser's obligations to effect the Closing under the Arrangement Agreement; (iv) no party having validly terminated the Arrangement Agreement in accordance with its terms; (v) the transactions contemplated by the Rollover Agreement having been consummated in accordance with the terms of the Rollover Agreement; and (vi) the Debt Financing having been funded in accordance with the terms thereof or the Financing Sources having irrevocably confirmed in writing that such Debt Financing will be funded at the Closing if the Equity Financing is contemporaneously funded at the Closing, each prior to or substantially contemporaneously with each of the Investors funding its applicable Commitment Amount.

The Equity Commitment Letter and the commitments made thereunder are being provided by the Investors severally (but not jointly and not jointly and severally) solely for the benefit of the Purchaser.

The Aggregate Commitment Amount, and the obligations of each Investor to fund its applicable Commitment Amount, will immediately terminate automatically, and will cease to be of any further force or effect, without the need for any further action on the part of any person, on the earliest to occur of (i) the Closing; (ii) the valid expiration or termination of the Arrangement Agreement in accordance with its terms; (iii) the date upon which the Corporation or any of its respective affiliates or Representatives, or any Person who is at the date of the Equity Commitment Letter or thereinafter becomes an equity holder of the Corporation or any of its affiliates, or who purports or seeks to make any claim by, on behalf of or through the Corporation or any of its affiliates, files or otherwise initiates certain legal proceedings; or (iv) the occurrence of any event which, by the terms of the Limited Guaranty, is an event which terminates any Guarantor's obligations or liabilities under the Limited Guaranty.

Limited Guaranty

On November 12, 2020, the Corporation entered into the Limited Guaranty with the Guarantors pursuant to which each of the Guarantors severally (and not jointly and not jointly and severally), absolutely, irrevocably, and unconditionally guarantees as a primary obligation of such Guarantor to the Corporation the payment of its Commitment Amount (as defined in the Limited Guaranty), which represents its commitment percentage of (i) the obligations of Purchaser under the section "*Injunctive Relief*" of the Arrangement Agreement, (ii) up to $1,000,000 of any amounts due to the Corporation and/or its affiliates under the section "Assistance with Purchaser Financing" of the Arrangement Agreement, and (iii) up to $500,000 of any amounts due to the Corporation and/or its affiliates in connection with the Pre-Acquisition Reorganization, to the Corporation as and when required by, (A) and to the extent awarded to the Corporation pursuant to a final non-appealable order of a court of competent jurisdiction, (B) a final written settlement signed by each of the parties of the Limited Guaranty, or (C) with respect to any individual Guarantor, a final written settlement signed by such Guarantor and the Corporation in regards to such Guarantor's obligations, in each case following certain valid terminations of the Arrangement Agreement ((i)-(iii) collectively, the "**Obligations**").

The total amount paid or payable by any individual Guarantor pursuant to the Limited Guaranty shall not exceed such Guarantor's individual Commitment Amount and the total amount paid or payable by the Guarantors in the aggregate pursuant to the Limited Guaranty shall not exceed the Aggregate Commitment Amount.

The Corporation may make only one claim under the Limited Guaranty, provided that such claim may be made in respect of certain of the Purchaser's obligations under the Arrangement Agreement. In no event shall any Guarantor be obligated to make a payment under both the Limited Guaranty and the Equity Commitment Letter.

The Limited Guaranty may not be revoked or terminated and will remain in full force and effect, and will be binding on each Guarantor until the earliest of: (a) the consummation of the Closing under the Arrangement Agreement or such other date on which all of the Obligations have been satisfied in full; (b) the date on which the Arrangement Agreement is validly terminated in accordance with its terms other than pursuant to Section 7.2(1)(c)(i) or Section 7.2(1)(c)(iii) of the Arrangement Agreement (provided that certain Obligations enumerated in the Limited Guaranty will not terminate until the earlier of (x) the satisfaction of such Obligations, and (y) the date that is 90 days after the date after such termination); (c) the date on which the Aggregate Commitment Amount has been reduced to zero; (d) with respect to a given Guarantor the occurrence of one of the prescribed substitution events set out in the Limited Guaranty; or (e) the date that is 90 days after the date on which the Arrangement Agreement is terminated in accordance with its terms pursuant to Section 7.2(1)(c)(i) or Section 7.2(1)(c)(iii) of the Arrangement Agreement.

Preferred Equity Commitment Letter

On November 12, 2020, the Purchaser entered into the Preferred Equity Commitment Letter with KED pursuant to which KED committed to provide preferred equity financing for an amount, and subject to the terms and conditions, set forth therein.

SUMMARY OF THE ARRANGEMENT AGREEMENT

Dorel entered into the Arrangement Agreement with the Purchaser on November 12, 2020. The Arrangement Agreement and the Plan of Arrangement are the legal documents that govern the Arrangement. The following is a summary of the material terms of the Arrangement Agreement and is subject to, and qualified in its entirety by, the full text of the Arrangement Agreement which is filed on SEDAR under Dorel's issuer profile at www.sedar.com, subject to redaction of certain confidential information in conformity with Securities Laws. The Corporation encourages Shareholders to read the Arrangement Agreement and the Plan of Arrangement in their entirety. The Arrangement Agreement establishes and governs the legal relationship between Dorel and the Purchaser with respect to the transactions described in this Circular. It is not intended to be a source of factual, business or operational information about Dorel or the Purchaser.

Pursuant to the Arrangement Agreement, it was agreed that the Parties would carry out the Arrangement in accordance with the Arrangement Agreement and the Plan of Arrangement. See "*The Arrangement – Arrangement Mechanics – Steps to Implementing the Arrangement and Timing*".

Capitalized terms used in this section "*Summary of the Arrangement Agreement*" which are not otherwise defined herein shall have the respective meanings ascribed thereto in the Arrangement Agreement.

Effective Date of the Arrangement

Unless another time or date is agreed to in writing by the Parties, the Closing, including the filing of the Articles of Arrangement with the Enterprise Registrar, will take place on the third Business Day after the later to occur of (i) the satisfaction, or where not prohibited, the waiver by the applicable Party or Parties in whose favour the condition is, of the conditions set out in the Arrangement Agreement, by electronic document exchange at the Effective Time; and (ii) January 11, 2021.

Covenants

Conduct of Business of the Corporation

During the period following November 12, 2020, when the Arrangement Agreement was signed, until the earlier of the Effective Time and the time that the Arrangement Agreement is terminated in accordance with its terms, except: (i) with the prior written consent of the Purchaser; (ii) as expressly required or permitted by the Arrangement Agreement; (iii) to the extent necessary to comply with Law (including any Law, order or directive by any Governmental Entity in response to COVID-19 (including as required to comply with “quarantine”, “stay at home”, “social distancing” and “travel restrictions” directives)); (iv) as expressly disclosed in Section 4.1(2) of the Corporation Disclosure Letter; or (v) as expressly contemplated by a Pre-Acquisition Reorganization, the Corporation shall, and shall cause each of its Subsidiaries to, (A) conduct its business in the Ordinary Course and in accordance with Laws, and the Corporation shall use all commercially reasonable efforts to maintain and preserve intact its and its Subsidiaries’ business organization, operations, assets, properties, Intellectual Property, Corporation Employees, goodwill, Contracts, Authorizations, licenses and business relationships it currently maintains with customers, suppliers, officers, employees, partners, lessors, licensors, licensees, regulators, creditors, contractors and other Persons with which the Corporation or any of its Subsidiaries has business relations, (B) maintain its existence and the existence of its Subsidiaries in good standing pursuant to applicable Law, (C) maintain its assets in such general state of repair as is reasonably necessary for the conduct of its business consistent with then-present needs and past practices, including replacement in accordance with reasonably prudent business practices of any inoperable, worn out or obsolete assets with assets of a quality consistent with reasonably prudent business practices and then-current needs, (D) maintain its books, accounts and records as they relate to its business in accordance with past custom and practice, and (E) maintain all of its insurance policies that are in effect as of the date of the Arrangement Agreement or obtain reasonable replacement policies therefor.

Without limiting the generality of the foregoing, the Corporation shall not, and shall not permit any of its Subsidiaries to, directly or indirectly:

(a) amend, restate, rescind, or otherwise alter all or any portion of the Corporation’s Constating Documents or the articles, notice of articles, articles of incorporation, articles of arrangement, articles of amalgamation, articles of continuance, partnership agreement, by-laws or similar organizational documents of any Subsidiary;

(b) adjust, split, combine or reclassify any shares of capital stock or other equity or voting interests of the Corporation or of any Subsidiary;

(c) redeem, repurchase, or otherwise acquire or offer to redeem, repurchase or otherwise acquire any shares of capital stock of the Corporation or any of its Subsidiaries;

(d) issue, grant, deliver, exchange, amend, modify, accelerate, sell, pledge or otherwise subject to any Lien (other than Permitted Liens), or authorize (i) any securities of the Corporation or any of its Subsidiaries, (ii) any options, warrants or similar rights exercisable or exchangeable for or convertible into any securities of the Corporation or any of its Subsidiaries, or any share appreciation rights, phantom stock awards or other rights that are linked to the price or the value of Shares; or (iii) any rights that are linked in any way to the price of any shares of, or to the value of or of any part of, or to any dividends or distributions paid on any shares of, the Corporation or any of its Subsidiaries (including Incentive Securities), in each case other than (A) the issuance of Shares issuable upon the exercise, vesting or redemption, as applicable, of Incentive Securities outstanding on the date hereof in accordance with the terms of the applicable Incentive Plan, or granted after the date hereof, or (B) the issuance of Class B Subordinate Voting Shares upon the automatic conversion of Class A Multiple Voting Shares into Class B Subordinate Voting Shares, in accordance with the Corporation's Constating Documents;

(e) make, declare, set aside or pay any dividend or any other distribution (in cash, securities or other property) on, or purchase, redeem, repurchase or otherwise acquire, any class of securities of the Corporation or any of its Subsidiaries;

(f) (i) invest or acquire an interest in (by amalgamation, merger, consolidation, exchange, purchase of securities, contributions to capital to purchase, lease or license of assets or otherwise), directly or indirectly, in one transaction or in a series of related transactions, any Person or any equity interests therein, or any assets, securities, properties, interests or businesses having a cost, on a per transaction basis, in excess of a prescribed dollar amount individually and a prescribed dollar amount in the aggregate for all such transactions or (ii) enter into any joint venture, legal partnership, limited liability corporation or similar arrangement with any third Person;

(g) (i) sell, lease, license, assign, let lapse, abandon, exchange, mortgage, pledge, swap, voluntarily lose the right to use, in whole or in part, or subject to any Lien (other than Permitted Liens), or otherwise transfer or dispose of, directly or indirectly, in one transaction or in a series of related transactions, any of the Corporation's or its Subsidiaries assets, tangible or intangible, (A) in the case of tangible property, which have a value greater than a prescribed dollar amount in the aggregate, other than inventory sold in the Ordinary Course and obsolete inventory, and (B) in the case of intangible property consisting of material Intellectual Property, other than non-exclusive licenses granted to customers or distributors in the Ordinary Course; or (ii) waive, cancel, release or assign to any Person (other than the Corporation and its Subsidiaries) any material right or claim (including indebtedness owed to the Corporation and its Subsidiaries);

(h) (i) authorize, or make any commitment with respect to, any single capital expenditure that is in excess of a prescribed dollar amount or capital expenditures that are, in the aggregate in excess of a prescribed dollar amount other than capital expenditures contemplated by the CapEx Budget or (ii) fail to timely make budgeted capital expenditures contemplated by the CapEx Budget;

(i) reorganize, restructure, recapitalize, amalgamate or merge the Corporation or any Subsidiary;

(j) reduce the stated capital of any of the shares in the capital of the Corporation;

(k) adopt a plan of complete or partial liquidation, arrangement, dissolution, merger, consolidation, restructuring, recapitalization, winding-up or other reorganization of the Corporation or any of its Subsidiaries (other than the Arrangement Agreement and the transactions contemplated by the Arrangement Agreement), or file a petition in bankruptcy under any applicable Law on behalf of the Corporation or any of its Subsidiaries, or consent to the filing of any bankruptcy petition against the Corporation or any of its Subsidiaries under any applicable Law;

(l) enter into any new line of business or discontinue any existing line of business;

(m) (i) make any change in the Corporation's accounting or financial accounting policies, practices, principles, methods or procedures, or (ii) revalue any of its properties or assets, including writing-off notes or accounts receivable, other than in the Ordinary Course, in each case, except as required by applicable Law or as required or permitted by IFRS;

(n) except as required by applicable Law: (i) make, amend, rescind or change any material Tax election, information schedule, Tax Return or designation, (ii) settle or compromise any material Tax claim, assessment, reassessment, liability, proceeding or controversy, (iii) file any material amended Tax Return, (iv) enter into any material agreement with a Governmental Entity with respect to Taxes, (v) enter into or change any material Tax sharing, Tax advance pricing agreement, Tax allocation or Tax indemnification agreement that is binding on the Corporation or its Subsidiaries, (vi) surrender any right to claim a material Tax abatement, reduction, deduction, exemption, credit or refund, (vii) consent to the extension or waiver of the limitation period applicable to any material Tax matter, (viii) make a request for a material Tax ruling to any Governmental Entity or (ix) materially amend or change any of its methods for reporting income, deductions or accounting for income Tax purposes;

(o) prepay any indebtedness before its scheduled maturity, or increase, create, incur, assume or otherwise become liable, in one transaction or in a series of related transactions, with respect to any long-term or short-term indebtedness for borrowed money or guarantees thereof, any equity commitment or otherwise become liable with respect of the liabilities of any Person, in an amount, on a per transaction or series of related transactions basis other than (i) indebtedness owing by one wholly-owned Subsidiary to the Corporation or another wholly-owned Subsidiary or by the Corporation to another wholly-owned Subsidiary, (ii) in connection with the scheduled repayment of indebtedness outstanding on the date of the Arrangement Agreement in the Ordinary Course, or (iii) in connection with advances under the Corporation's or any Subsidiary's existing credit facilities in the Ordinary Course;

(p) make any loans, advances or capital contributions to, or investments in, or acquire any interest in (by amalgamation, merger, consolidation, exchange, purchase of securities, contributions to capital or purchase, lease or license of assets or otherwise) any other Person, or any property or assets, except for (i) extensions of credit to customers in the Ordinary Course; and (ii) loans, advances or capital contributions to, or investments in, direct or indirect wholly-owned Subsidiaries;

(q) grant any increase in, or materially decrease, the rate of wages, salaries and bonuses or other compensation or remuneration of Corporation employees or directors, except (i) as may be required by applicable Law, the terms of Contracts or a Collective Agreement (in each case, which exists prior to and as in effect as of the date of the Arrangement Agreement); (ii) in connection with any new employee hires in the Ordinary Course that are not material in the aggregate, and consistent with past practice and whose annual salary is less than a prescribed dollar amount (as applicable); (iii) for increases in annual salary or wages for employees whose annual salary or wages is less than a prescribed dollar amount (as applicable) to the extent that such increases are in the Ordinary Course and consistent with past practice; (iv) as otherwise contemplated in the Corporation Disclosure Letter; provided that notwithstanding the foregoing, the Corporation shall not grant any increase in the rate of wages, salaries and bonuses or other compensation or remuneration of any executive officers or directors of the Corporation or otherwise amend, change or other modify the terms of employment, including any employment agreements, with any executive officers of the Corporation in a manner adverse to the Corporation or any of its Subsidiaries;

(r) enter into, establish, adopt, amend or terminate any Employee Plan (or any plan, Contract, program, policy, trust, fund or other arrangement that would be an Employee Plan if it were in existence as of the date of the Arrangement Agreement), or amendment or modification of an existing Employee Plan or pay any benefit not required by (or accelerate or increase the amount or time of payment, vesting or funding of, any payment becoming due under) any Employee Plan as in effect of the date of the Arrangement Agreement;

(s) commence, waive, release, assign, settle or compromise any litigation, proceedings or governmental investigations (i) that involve the payment of monetary damages (net of any payments or proceeds received through insurance) in excess of a prescribed dollar amount in the aggregate (ii) that involve the payment of immaterial non-monetary compensation, in each case without any admission of wrongdoing by the Corporation or any of its Subsidiaries, or the imposition of any material restrictions (including through the granting of equitable relief) on the business and operations of the Corporation or any of its Subsidiaries; or (iii) which would reasonably be expected to impede, prevent or delay the consummation of the transactions contemplated by the Arrangement Agreement; provided that the Corporation shall not waive, release, assign, settle or compromise the litigation matters listed in the Corporation Disclosure Letter without the prior written consent of the Purchaser, unless the same does not require or include the payment of any settlement amounts, the admission of any liability or the imposition of material restrictions on the Corporation or any of its Subsidiaries;

(t) (i) amend or modify in any material respect, renew, terminate or waive any material right under any Material Contract except for immaterial amendments in the Ordinary Course; or (ii) enter into any Contract or agreement that would be a Material Contract if in effect on the date of the Arrangement Agreement except (A) Leases with annual payments of less than a prescribed dollar amount; (B) any Contract for the sale or procurement of goods, inventory or services in the Ordinary Course or services entered into on arm's length terms with a customer, dealer or supplier of the Corporation or any Subsidiary in the Ordinary Course; or (C) a Contract for a material acquisition of inventory provided such Contract is made in the Ordinary Course;

(u) grant any material refunds, credits, rebates or other allowances to any end user, customer, reseller or distributor, in each case other than in the Ordinary Course;

(v) except as contemplated in the Arrangement Agreement, amend, modify, terminate, cancel or let lapse any material insurance (or re-insurance) policy of the Corporation or any Subsidiary in effect on the date of the Arrangement Agreement, unless simultaneously with such termination, cancellation or lapse, replacement policies underwritten by insurance and re-insurance companies of nationally recognized standing providing coverage equal to or greater than the coverage under the terminated, cancelled or lapsed policies for substantially similar premiums are in full force and effect, and provided that no such termination, cancellation or lapse causes the Corporation or such Subsidiary to be in material default of any Material Contract or Authorization to which it is a party or by which it is bound;

(w) amend any existing Authorization of the Corporation or any of its Subsidiaries, or abandon or fail to diligently pursue any application for any Authorizations, leases, permits or registrations or take any action, or fail to take any action, that could lead to or expected to lead to the termination of, or imposition of conditions on, any Authorizations, leases or registrations of the Corporation or any of its Subsidiaries; or

(x) authorize, agree, offer, resolve or otherwise commit, whether or not in writing, to do any of the foregoing.

Additional Covenants of the Corporation Relating to the Arrangement

The Corporation shall perform, and shall cause its Subsidiaries to perform, all obligations required to be performed by the Corporation or any of its Subsidiaries under the Arrangement Agreement, co-operate with the Purchaser in connection thereof, and do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limiting the generality of the foregoing, the Corporation shall and, where appropriate, shall cause each of its Subsidiaries to:

(a) use all commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set out in the Interim Order and Final Order applicable to it and comply promptly with all requirements imposed by Law on it or its Subsidiaries with respect to the Arrangement Agreement or the Arrangement;

(b) use all commercially reasonable efforts to provide, obtain and maintain all third party or other notices, consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations that are required or reasonably requested by the Purchaser in connection with the transactions contemplated by the Arrangement Agreement (including those required under the any Material Contracts or required in order to maintain the Material Contracts in full force and effect following completion of the Arrangement), in each case, on terms that are satisfactory to the Purchaser, acting reasonably and without paying, and without committing itself or the Purchaser to pay, any consideration or incurring any liability or obligation without the prior written consent of the Purchaser;

(c) use all commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from the Corporation and its Subsidiaries relating to the Arrangement;

(d) use all commercially reasonable efforts to, upon reasonable consultation with the Purchaser, oppose, lift or rescind any injunction, restraining or other order, decree, writ or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or the Arrangement Agreement;

(e) use all commercially reasonable efforts not to take any action, to refrain from taking any action, or to permit any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement; provided that the Corporation shall give the Purchaser the opportunity to participate in, but not control, at its own costs, the defense or settlement of any shareholder litigation against the Corporation relating to the Arrangement or the Arrangement Agreement, and no such settlement of any shareholder litigation against the Corporation shall be agreed without the Purchaser's prior written consent, such consent not to be unreasonably withheld, conditioned or delayed; and

(f) prior to Closing, implement and complete each of the measures set forth in the Corporation Disclosure Letter and use reasonable best efforts in consultation with the Purchaser to implement and complete each of the measures set forth the Corporation Disclosure Letter, in each case, except as may be modified by mutual agreement between the Purchaser and the Corporation.

The Corporation shall promptly notify the Purchaser in writing of:

(a) any Material Adverse Effect;

(b) any notice or other communication from any Person alleging that the consent (or waiver, permit, exemption, order, approval, agreement, amendment or confirmation) of such Person (or another Person) is or may be required in connection with the transactions contemplated by the Arrangement Agreement;

(c) any notice or other communication from a Governmental Entity in connection with the transactions contemplated by the Arrangement Agreement (and, subject to Law, contemporaneously provide a copy of any such written notice or communication to the Purchaser);

(d) any shareholder litigation against the Corporation or, to the knowledge of the Corporation, any of its directors or officers relating to the Arrangement Agreement or the Arrangement, and in any event within 48 hours of when the Purchaser receives notice of the commencement of any such litigation, and thereafter keep the Purchaser reasonably informed of the status of such shareholder litigation;

(e) any filings, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened by, against, relating to or involving the Corporation or any of its Subsidiaries or that relate to the transactions contemplated by the Arrangement Agreement or the Arrangement; or

(f) the receipt of any offer to the Corporation to acquire any of the Corporation's business segments or any part thereof and contemporaneously provide a copy of any such offer or communication to the Purchaser.

Covenants of the Purchaser Regarding the Arrangement

The Purchaser shall perform all obligations required to be performed by it under the Arrangement Agreement, co-operate with the Corporation in connection therewith, and, subject to the terms and conditions of the Arrangement Agreement, do all such other acts and things as may be necessary or desirable in order to consummate and make effective, as soon as reasonably practicable, the transactions contemplated by the Arrangement Agreement and, without limiting the generality of the foregoing, the Purchaser shall:

(a) use all commercially reasonable efforts to satisfy all conditions precedent in the Arrangement Agreement and take all steps set out in the Interim Order and Final Order applicable to the Purchaser and comply promptly with all requirements imposed by Law on the Purchaser with respect to the Arrangement Agreement or the Arrangement;

(b) use all commercially reasonable efforts to provide, obtain and maintain all third party or other notices, consents, waivers, permits, exemptions, orders, approvals, agreements, amendments or confirmations, to the extent applicable to the Purchaser, that are required or reasonably requested by the Corporation in connection with the transactions contemplated by the Arrangement Agreement, in each case, on terms that are satisfactory to the Corporation, acting reasonably and without paying or guaranteeing, and without committing itself or the Corporation to pay or guarantee, any consideration or incurring any liability or obligation of the Corporation without the prior written consent of the Corporation;

(c) use all commercially reasonable efforts to effect all necessary registrations, filings and submissions of information required by Governmental Entities from the Purchaser relating to the Arrangement;

(d) use all commercially reasonable efforts to, upon reasonable consultation with the Corporation, oppose, lift or rescind any injunction, restraining or other order, decree, writ or ruling seeking to restrain, enjoin or otherwise prohibit or adversely affect the consummation of the Arrangement to the extent applicable to the Purchaser, and defend, or cause to be defended, any proceedings to which it is a party or brought against it or its directors or officers challenging the Arrangement or the Arrangement Agreement; and

(e) not take any action, or refrain from taking any action, or permitting any action to be taken or not taken, which would reasonably be expected to prevent, materially delay or otherwise impede the consummation of the Arrangement or the transactions contemplated by the Arrangement Agreement, including, for the avoidance of doubt, the taking of any action or the entering into of any transaction, including any merger, acquisition, joint venture, disposition, lease or contract that would reasonably be expected to prevent, delay or impede the obtaining of, or increase the risk of not obtaining, any Regulatory Approval or otherwise prevent, delay or impede the consummation of the transactions contemplated by the Arrangement Agreement.

The Purchaser shall promptly notify the Corporation in writing of any filings, actions, suits, claims, investigations or proceedings commenced or, to its knowledge, threatened against, relating to or involving the Purchaser that relate to the transactions contemplated by the Arrangement Agreement or the Arrangement.

Payment of the Consideration

The Purchaser shall, by no later than the Closing and in any event prior to the filing by the Corporation of the Articles of Arrangement with the Enterprise Registrar, transfer or cause to be transferred to the Depositary sufficient funds to be held in escrow in order to satisfy the aggregate Consideration payable to the Shareholders (other than the Family Shareholders) as provided for in the Plan of Arrangement.

Covenants Relating to Regulatory Approval

Each of the Purchaser and the Corporation shall, as soon as reasonably practicable and in any event within ten Business Days following the date of the Arrangement Agreement or such other period of time as may be agreed to by the Parties file a premerger notification and report form pursuant to the United States *Hart-Scott-Rodino Antitrust Improvements Act of 1976* (the "**HSR Act**") in relation to the transactions contemplated by the Arrangement Agreement (which shall request the early termination of any waiting period applicable to the transactions contemplated by the Arrangement Agreement under the HSR Act).

The Parties shall as soon as reasonably practicable and in any event within ten Business Days following the date of the Arrangement Agreement or such other period of time as may be agreed to by the Parties, file any filings or notifications (or where applicable, drafts thereof) that the Purchaser and the Corporation agree are required or appropriate to obtain the Other Regulatory Approvals; and cooperate with each other to provide such information in their possession or control as may be reasonably required by the Parties to make the necessary filings.

Each of the Purchaser and the Corporation shall use its reasonable best efforts to obtain the Regulatory Approvals at the earliest possible date.

Each of the Purchaser and the Corporation shall promptly provide all information, documents and data to Governmental Entities as may be requested, required or ordered pursuant to statutory and non-statutory requests for information, supplemental information requests and any court orders in connection with the Required Regulatory Approvals.

The Purchaser and the Corporation will exchange advance drafts of all submissions, material correspondence (including emails), filings, presentations, applications, undertakings, consent agreements and other material documents made or submitted to or filed with any Governmental Entity in respect of the Arrangement Agreement or the Arrangement, will consider in good faith any suggestions made by the other Party and its counsel and will provide the other Party and its counsel with final copies of all such material submissions, correspondence (including emails), filings, presentations, applications, undertakings, consent agreements and other material documents, and all pre-existing business records or other documents, submitted to or filed with any Governmental Entity in respect of the Arrangement Agreement or the Arrangement; provided, however, no lawyer/attorney-client privilege is undermined or otherwise affected as a result of such exchange of information and that competitively sensitive information, including proposed and final undertakings, may be provided only to the external legal counsel and external experts of the Parties. The Purchaser and the Corporation will keep the other Party and its counsel fully apprised of all material written (including email) and oral communications and all meetings with any Governmental Entity, and their staff, in respect of the Arrangement Agreement or the Arrangement including providing copies of all material written (including email) communications on a timely basis, and will not participate in such material communications or meetings without giving the other Party and its counsel the opportunity to participate therein, except to the extent that competitively sensitive information may be discussed, in which case the Purchaser and the Corporation will allow external legal counsel for the other Party to participate.

If any objections are asserted with respect to the transactions contemplated by the Arrangement Agreement under any Law, or if any proceeding is instituted or threatened by any Governmental Entity challenging or which could lead to a challenge of any of the transactions contemplated by the Arrangement Agreement as not in compliance with Law or as not satisfying any applicable legal text under a Law necessary to obtain the Regulatory Approvals, the Purchaser and the Corporation shall use reasonable best efforts to resolve such objection or proceeding so as to allow the Effective Time to occur prior to the Outside Date.

The Purchaser shall pay all filing fees incurred in connection with Required Regulatory Approvals.

Covenants Relating to Financing

The Purchaser shall use reasonable best efforts to take or cause to be taken all actions and to do, or cause to be done, all things necessary, proper or advisable to arrange and obtain the proceeds of the Financing on the terms and conditions described in the Financing Commitments by no later than the Closing, and shall not permit, without the prior written consent of the Corporation, such consent not to be unreasonably withheld, conditioned or delayed, any amendment or modification to be made to, or any waiver or release of any provision or remedy to be made under, the Financing Commitments or any definitive agreement or documentation in connection therewith if such amendment, modification, waiver or release would (i) reduce the aggregate amount of the Financing to an amount below that which would be required for the Purchaser to pay the Required Amount on the Effective Date (after giving effect to any corresponding increase in any portion of the Equity Financing), (ii) impose new or additional conditions precedent to the availability of the Financing that would reasonably be expected to prevent, impede or materially delay the funding of the Financing or (iii) adversely impact the ability of the Purchaser to enforce its rights against the other parties to the External Financing Commitments or any definitive agreements or documentation with respect thereto. The Purchaser shall be permitted to assign its rights and obligations under the External Financing Commitments to certain wholly-owned Subsidiaries of the Purchaser to the extent permitted by the External Financing Commitments (provided that any such assignment shall not affect the liabilities or obligations of the Purchaser thereunder and the Purchaser shall cause any such assignee to perform any such obligations to the extent necessary to preserve the original intent of the parties thereunder). Without the prior written consent of the Corporation, the Purchaser may amend the External Financing Commitments to add lenders, lead arrangers, bookrunners, investors or other Persons that have not executed the Debt Commitment Letter or the Preferred Equity Commitment Letter. The Purchaser shall not release or consent to the termination of the obligations of the parties to the External Financing Commitments, except for assignments and replacements of a party thereto under the terms of, and only in connection with, the arrangement of the Debt Financing pursuant to the External Financing Commitments and except in connection with the substantially concurrent entry into any alternative financing that satisfies the requirements of the Arrangement Agreement or to the extent the Equity Financing is increased by a corresponding amount.

The Purchaser shall use reasonable best efforts to: (i) maintain in effect the Financing Commitments in accordance with the terms and subject to the conditions thereof until the transactions contemplated by the Arrangement Agreement are consummated or the Arrangement Agreement is terminated in accordance with its terms; (ii) satisfy (or obtain a waiver) all conditions in the Financing Commitments (and any definitive documentation related thereto) that are within the Purchaser's control at or prior to the Closing; (iii) enter into definitive agreements and documentation with respect to the Financing on the terms and conditions contemplated by the Financing Commitments (or on other terms acceptable to the Purchaser which would not (x) reduce the aggregate amount of the Debt Financing unless the Equity Financing is increased by a corresponding amount or (y) impose new or additional conditions precedent to the receipt of the Debt Financing that would reasonably be expected to prevent or materially delay the consummation of the Arrangement or the transactions contemplated thereby); (iv) consummate the Financing on or prior to the Effective Date and in any event prior to the Closing; and (v) enforce its rights under the Financing Commitments (or such lesser amount as may be required to constitute the Required Amount).

Upon request, the Purchaser will keep the Corporation reasonably informed with respect to the Purchaser's material efforts to arrange and obtain the Financing and will give the Corporation reasonably prompt notice: (i) of any material breach or default (or any event or circumstance that, with or without notice, lapse of time or both, would reasonably be expected to give rise to any material breach or default) by any party to any Financing Commitment or definitive document related to the Financing of which the Purchaser becomes aware; (ii) of the receipt of any notice or other communication from any Person party to any Financing Commitment or any definitive document related to the Financing with respect to any actual or potential material breach, default, termination or repudiation by any party to any Financing Commitment or any definitive document related to the Financing or a request for amendments or waivers thereto that are or would reasonably be expected to be materially adverse to the timely completion of the Financing; (iii) of the occurrence of any event or development that the Purchaser believes in good faith would reasonably be expected to adversely impact the ability of the Purchaser to obtain all or any portion of the Financing contemplated by any Financing Commitment to the extent such portion is necessary to satisfy the Required Amount, including if the Purchaser reasonably believes that it will be unable to satisfy (or obtain a waiver), any condition of any Financing Commitment; and (iv) if any Financing Commitment, to the extent such portion is necessary to satisfy the Required Amount, expires or is terminated for any reason. As soon as reasonably practicable, but in any event within three Business Days after the date the Corporation delivers to the Purchaser a written request, the Purchaser shall provide any information reasonably requested by the Corporation relating to any circumstance referred to in clause (i), (ii), (iii) or (iv) above.

If any portion of the Financing becomes unavailable (other than as a result of a breach by the Corporation of the Arrangement Agreement) on the terms and subject only to the conditions in the Financing Commitments, unless such portion of the Financing is not reasonably required to consummate the transactions contemplated by the Arrangement Agreement, other than any portion of the External Financing that is substantially concurrently replaced with alternative financing that satisfies the requirements of the Arrangement Agreement, the Purchaser shall use reasonable best efforts to arrange and obtain, as promptly as practicable following the occurrence of such event, alternative financing from the same or alternative sources in an amount sufficient to consummate the transactions contemplated by the Arrangement Agreement and the Plan of Arrangement on a basis unless otherwise agreed by the Purchaser that is not materially less favourable in the aggregate to the Purchaser than the terms and conditions contained in the Financing Commitments and deliver to the Corporation true, correct and complete copies of such alternative commitments when available. Upon obtaining such alternative commitments, such commitments shall be deemed to constitute the External Financing and External Financing Commitments hereunder.

The Purchaser acknowledges and agrees that the Purchaser obtaining financing is not a condition to any of its obligations under the Arrangement Agreement, regardless of the reasons why financing is not obtained or whether such reasons are within or beyond the control of the Purchaser.

Covenants Relating to Access to Information and Confidentiality

From the date of the Arrangement Agreement until the earlier of the Effective Time and the termination of the Arrangement Agreement, subject to Law and the terms of any existing Contract, the Corporation shall, and shall cause its Subsidiaries to, and shall use all commercially reasonable efforts to cause its and its Subsidiaries' Representatives to: (i) give to the Purchaser and its Representatives reasonable access to the offices, properties, facilities, personnel (including but not limited to officers, employees and independent auditors), books and records of the Corporation and its Subsidiaries during normal business hours; and (ii) furnish to the Purchaser and its Representatives such financial and operating data and other information as such Persons may reasonably request.

Investigations made by or on behalf of the Purchaser will not waive, diminish the scope of, or otherwise affect any representation or warranty made by the Corporation in the Arrangement Agreement.

For greater certainty, the Purchaser shall treat, and shall cause its representatives to treat, all information furnished to the Purchaser or any of its representatives in connection with the transactions contemplated by the Arrangement Agreement or pursuant to the terms of the Arrangement Agreement in accordance with the terms of the Confidentiality Agreement. Without limiting the generality of the foregoing, the Purchaser acknowledges and agrees that the Corporation Disclosure Letter and all information contained in it is confidential and shall be treated in accordance with the terms of the Confidentiality Agreement, provided that the Purchaser may disclose such information to the Financing Sources and parties to the Equity Commitment Letter provided such Persons are bound by confidentiality covenants that are substantially similar to the covenants contained in the Confidentiality Agreement.

Covenants Relating to the Pre-Acquisition Reorganization

The Corporation agrees that, upon the reasonable request by the Purchaser, the Corporation shall use all reasonable best efforts to, and shall use all reasonable best efforts to cause its Subsidiaries to: (a) effect such transactions and reorganizations of the Corporation's or any of its Subsidiaries' capital structure, corporate structure, business, operations and assets or such other transactions as the Purchaser may request, acting reasonably, and that in the opinion of the Corporation after consultation with its outside legal counsel, is not prejudicial to the Corporation, any of its Subsidiaries or the Shareholders (other than the Family Shareholders) (each a "**Pre-Acquisition Reorganization**"); (b) co-operate with the Purchaser and its advisors in order to determine the nature of any Pre-Acquisition Reorganization that might be undertaken and the manner in which any Pre-Acquisition Reorganization might most effectively be undertaken; and (c) co-operate with the Purchaser and its advisors in order to obtain any consents or waivers which are considered by the Purchaser or the Corporation, each acting reasonably, to be required in order to effect the Pre-Acquisition Reorganization; provided that any Pre-Acquisition Reorganization: (i) is not prejudicial to the Corporation or its securityholders in any material respect; (ii) does not impair, prevent or delay the consummation of the Arrangement or the ability of the Purchaser to obtain any financing required by it in connection with the transactions contemplated by the Arrangement Agreement; (iii) is effected as close as reasonably practicable prior to the Effective Time; (iv) does not result in any breach by the Corporation or any of its Subsidiaries of any Contract, Authorization, organizational documents or Law; and (v) shall not become effective unless the Purchaser has waived or confirmed in writing the satisfaction of all conditions in its favour under the Arrangement Agreement and shall have confirmed in writing that each of them is prepared, and able, to promptly and without condition proceed to effect the Arrangement. The Purchaser waives any breach of a representation, warranty or covenant by the Corporation, to the extent such breach is a result of an action taken by the Corporation or a Subsidiary pursuant to a request by the Purchaser in accordance with the Arrangement Agreement. The Purchaser shall provide written notice to the Corporation of any proposed Pre-Acquisition Reorganization at least ten Business Days prior to the Effective Time. Upon receipt of such notice, the Purchaser and the Corporation and their respective Representatives shall work co-operatively and use their best efforts to prepare prior to the Effective Time all documentation necessary and do all such other acts and things as are reasonably necessary, including making amendments to the Arrangement Agreement or the Plan of Arrangement, to give effect to such Pre-Acquisition Reorganization. If the Arrangement Agreement is terminated, the Purchaser (x) shall forthwith reimburse the Corporation for all costs and expenses, including legal fees and disbursements, incurred by the Corporation and its Subsidiaries in connection with any proposed Pre-Acquisition Reorganization; and (y) indemnifies and holds harmless the Corporation from and against any and all liabilities, losses, damages, claims, costs, expenses, interest, awards, judgements and penalties suffered or incurred in connection with or as a result of any Pre-Acquisition Reorganization, or to reverse or unwind any Pre-Acquisition Reorganization. Notwithstanding the foregoing and to the extent possible, none of the transactions and reorganizations contemplated by the Pre-Acquisition Reorganization shall be effected prior to the approval of the Arrangement Resolution by the Shareholders, unless expressly approved in writing by the Corporation.

Covenants Relating to Public Communications

The Parties shall co-operate in the preparation of presentations, if any, to Shareholders regarding the Arrangement. Except as required by Law, a Party shall not issue any press release or make any other public statement, filing or disclosure with respect to the transactions contemplated by the Arrangement Agreement without the consent of the other Party (which consent shall not be unreasonably withheld, conditioned or delayed); provided that any Party that, in the opinion of its outside legal counsel, is required to make disclosure by Law shall use its reasonable best efforts to give the other Party prior oral or written notice and a reasonable opportunity to review and comment on the disclosure. The Party making such disclosure shall give good faith consideration to any comments made by the other Party or its counsel. The Parties agree to jointly issue a press release with respect to the Arrangement Agreement as soon as practicable after its due execution. None of the foregoing shall prevent the Corporation from having discussions with Shareholders, financial analysts and other stakeholders so long as such discussions are limited to and consistent in all material respects with the most recent press releases, public disclosures or public statements made by the Corporation, provided the Corporation shall not, and shall cause its Subsidiaries to not, make any broad-based announcements or disclosures regarding the transactions contemplated by the Arrangement Agreement to any of the Corporation's or any of its Subsidiaries' employees, customers, suppliers or other business partners without the prior written consent of Purchaser. The Parties consent to the Arrangement Agreement being filed on SEDAR as soon as practicable after the public announcement of the transactions contemplated thereby with any confidential information to be redacted as agreed to by the Parties, acting reasonably, subject to Securities Laws.

Notice and Cure Provisions

Each Party shall promptly notify the other Party of the occurrence, or failure to occur, of any event or state of facts which occurrence or failure would, or would be reasonably likely to:

(a) cause any of the representations or warranties of such Party contained in the Arrangement Agreement to be untrue or inaccurate in any material respect at any time from the date of the Arrangement Agreement to the Effective Time if such failure to be true or accurate would cause any condition in Corporation Representations and Warranties Conditions or Purchaser Representations and Warranties Conditions, as applicable, to not be satisfied; or

(b) result in the failure to comply with any covenant or agreement to be complied with by such Party under the Arrangement Agreement if such failure to comply would cause any condition in Corporation Covenants Condition or Purchaser Covenants Condition not to be satisfied.

Notification provided under the Arrangement Agreement will not affect the representations, warranties, covenants, agreements or obligations of the Parties (or remedies with respect thereto) or the conditions to the obligations of the Parties under the Arrangement Agreement.

The Purchaser may not elect to exercise its right to terminate the Arrangement Agreement and the Corporation may not elect to exercise its right to terminate the Arrangement Agreement, unless the Party seeking to terminate the Arrangement Agreement (the "**Terminating Party**") has delivered a written notice ("**Termination Notice**") to the applicable other Party (the "**Breaching Party**") specifying in reasonable detail all breaches of covenants, representations and warranties or other matters which the Terminating Party asserts as the basis for termination. After delivering a Termination Notice, provided the Breaching Party is proceeding diligently to cure such matter and such matter is capable of being cured prior to the Outside Date, the Terminating Party may not exercise such termination right until the earlier of (a) the Outside Date, and (b) the date that is 30 days following receipt of such Termination Notice by the Breaching Party, if such matter has not been cured by such date; provided that, for greater certainty, if such matters are not capable of being cured by the Outside Date or, at any time following receipt of a Termination Notice, the Breaching Party fails to diligently proceed to cure all breaches and failures to perform, the Terminating Party may immediately exercise the applicable termination right. If the Terminating Party delivers a Termination Notice prior to the date of the Corporation Meeting, unless the Parties mutually agree otherwise, the Corporation shall postpone or adjourn the Corporation Meeting to the earlier of (a) five Business Days prior to the Outside Date, and (b) the date that is ten days following receipt of such Termination Notice by the Breaching Party.

Covenants Relating to Insurance and Indemnification

Prior to the Effective Date, the Corporation shall, in reasonable consultation with the Purchaser, purchase customary "tail" or "run off" policies of directors' and officers' liability insurance providing protection no less favourable in the aggregate than the protection provided by the policies maintained by the Corporation and its Subsidiaries which are in effect immediately prior to the Effective Date and providing protection in respect of claims arising from facts or events which occurred on or prior to the Effective Date and the Purchaser will, or will cause the Corporation and its Subsidiaries to maintain such tail policies in effect without any reduction in scope or coverage for six years from the Effective Date; provided that the cost of such policies shall not exceed 200% of the current annual premium for the Corporation directors and officers insurance.

The Purchaser shall cause the Corporation and its Subsidiaries to, from and after the Effective Time, honour all rights to indemnification or exculpation now existing in favour of present and former employees, officers and directors of the Corporation and its Subsidiaries to the extent that they are disclosed in the Corporation Disclosure

Letter, and acknowledges that such rights, to the extent that they are disclosed in the Corporation Disclosure Letter, shall survive the completion of the Plan of Arrangement and shall continue in full force and effect in accordance with their terms for a period of not less than six years from the Effective Date.

If the Purchaser, the Corporation or any of its Subsidiaries or any of their respective successors or assigns (i) consolidates with or merges into any other Person and is not a continuing or surviving corporation or entity of such consolidation or merger, or (ii) transfers all or substantially all of its properties and assets to any Person, then, and in each such case, proper provisions shall be made so that the successors and assigns and transferees of the Purchaser or the Corporation, as the case may be, shall assume all of the obligations set forth in the Arrangement Agreement.

Covenants Relating to TSX Delisting

Each of the Corporation and the Purchaser agrees to cooperate with the other Party in taking, or causing to be taken, all actions necessary to delist the Shares from the TSX as promptly as practicable following the Effective Time (including, if requested by the Purchaser, such items as may be necessary to delist the Shares on the Effective Date).

Covenants Relating to Payoff Letters

No later than three Business Days prior to the Effective Date, the Corporation shall, unless otherwise instructed in writing by the Purchaser, deliver to the Purchaser complete and correct customary payoff letters, in a form reasonably acceptable to the Purchaser, with respect to the indebtedness of the Corporation set forth in the Corporation Disclosure Letter (including under the Credit Facilities), reflecting all amounts required to be paid in respect thereof in order to discharge such indebtedness in full and providing for the release of all Liens securing such indebtedness upon the payment in full thereof, together with customary Lien release documentation related thereto.

Additional Covenants Regarding Non-Solicitation

Non-solicitation

Except as expressly provided for in the Arrangement Agreement, the Corporation shall not, and none of its Subsidiaries nor any of its or its Subsidiaries' directors and officers shall, and the Corporation shall instruct its and its Subsidiaries' consultants, agents, investments bankers, attorneys, accountants and other advisors or representatives not to (and shall not authorize or give permission to its or their respective Representatives to), directly or indirectly:

(a) solicit, assist, initiate, encourage or otherwise facilitate, (including by way of furnishing or providing copies of, access to, or disclosure of, any confidential information, properties, facilities, books or records of the Corporation or any Subsidiary or entering into any form of agreement, arrangement or understanding) any inquiry, proposal, request or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal;

(b) continue, enter into or otherwise engage or participate in any discussions or negotiations with, furnish any information relating to the Corporation or any Subsidiary or offer or provide access to the business, properties, assets, books or records of the Corporation or any Subsidiary or otherwise cooperate in any way with any Person (other than with the Purchaser or affiliate of the Purchaser) regarding any inquiry, proposal, request or offer that constitutes or may reasonably be expected to constitute or lead to, an Acquisition Proposal; provided that, for greater certainty, the Corporation shall be permitted to: (i) provide a written response (with a copy to the Purchaser) to any Person who submits an Acquisition Proposal solely for the purposes of clarifying the express terms of such Acquisition Proposal; (ii) advise any Person of the restrictions of the Arrangement Agreement; and (iii) advise any Person making an Acquisition Proposal that the Board has determined that such Acquisition Proposal does not constitute a Superior Proposal, in each case, if, in so doing, no other information that is prohibited from being communicated under the Arrangement Agreement is communicated to such Person;

(c) make a Change in Recommendation;

(d) accept, approve, endorse or recommend, or propose to accept, approve, endorse or recommend, any Acquisition Proposal, or take no position or remain neutral with respect to any publicly announced Acquisition Proposal (it being understood that publicly taking no position or a neutral position with respect to a publicly announced Acquisition Proposal for a period of no more than five Business Days following the public announcement of such Acquisition Proposal will not be considered to be in violation of the Arrangement Agreement provided the Board has rejected such Acquisition Proposal and affirmed the Board Recommendation before the end of such five Business Day period); or

(e) accept, approve, endorse, recommend or execute or enter into, or propose to accept, approve, endorse, recommend or execute or enter into any letter of intent, memorandum of understanding, agreement, Contract, arrangement or understanding (whether or not legally binding) in respect of an Acquisition Proposal.

The Corporation shall, and shall cause its Subsidiaries and its and their respective Representatives to, promptly cease and terminate, and cause to be terminated, any solicitation, encouragement, discussion or negotiation or other activities commenced prior to the date of the Arrangement Agreement with any Person and its Representatives (other than with the Purchaser and its Representatives) with respect to any inquiry, proposal, request or offer that constitutes, or may reasonably be expected to constitute or lead to, an Acquisition Proposal, and in connection therewith, the Corporation will:

(a) immediately discontinue access to and disclosure, of all confidential information, including any data room and any access to the properties, facilities and books and records of the Corporation or of any of its Subsidiaries; and

(b) within two Business Days of the date of the Arrangement Agreement, request and exercise all rights it has to require (i) the return or destruction of all copies of any confidential information regarding the Corporation or any Subsidiary provided to any Person (other than the Purchaser), and (ii) the destruction of all material including or incorporating or otherwise reflecting such confidential information regarding the Corporation or any Subsidiary, in each case using its commercially reasonable efforts to ensure that such requests are fully complied with in accordance with the terms of such rights.

The Corporation represents, warrants, covenants and agrees that (i) it shall use reasonable best efforts to enforce any confidentiality, standstill or similar agreement, restriction or covenant to which the Corporation or any Subsidiary is a party and (ii) neither it nor any of its Subsidiaries or any of their respective Representatives have or will, without the prior written consent of the Purchaser, release any Person from, or waive, amend, suspend or otherwise modify, any Person's obligations respecting the Corporation, or any of its Subsidiaries, under any confidentiality, standstill or similar agreement, restriction or covenant to which the Corporation or any Subsidiary is a party.

Notification of Acquisition Proposals

If the Corporation or any of its Subsidiaries or any of their respective Representatives receives or otherwise becomes aware of any inquiry, proposal, request or offer that constitutes or may reasonably be expected to constitute or lead to an Acquisition Proposal, or any request for copies of, access to, or disclosure of, confidential information relating to the Corporation or any of its Subsidiary outside of the Ordinary Course, including information, access or disclosure relating to the assets, properties, facilities, books or records of the Corporation or any of its Subsidiaries, the Corporation shall promptly (and in any event within 24 hours of the receipt thereof) notify the Purchaser, at first orally, and then in writing, of such Acquisition Proposal, inquiry, proposal, request or offer, including a description of its material terms and conditions, and the identity of all Persons making the Acquisition Proposal, inquiry, proposal, request or offer, and shall provide the Purchaser with copies of all written agreements, documents in respect of such Acquisition Proposal, inquiry, proposal, offer or request, as well as all substantive or material correspondence or other material received from or on behalf of, or sent to any such Person and such other details of such Acquisition Proposal, inquiry, proposal, offer or request as the Purchaser may reasonably request. Without limiting the restrictions and obligations set out in the Arrangement Agreement, the Corporation shall keep the Purchaser fully informed on a reasonably current basis of the status of developments and discussions and negotiations with respect to any Acquisition Proposal, inquiry, proposal, offer or request, including any material changes, modifications or other amendments to any such Acquisition Proposal, inquiry, proposal, offer or request, and shall respond as promptly as practicable to all reasonable inquiries by Purchaser with respect thereto.

Responding to an Acquisition Proposal

If at any time prior to obtaining the approval of the Shareholders of the Arrangement Resolution, the Corporation receives a *bona fide* unsolicited written Acquisition Proposal that the Board first determines in good faith, after consultation with outside legal counsel and financial advisors, constitutes or would reasonably be expected to constitute or lead to a Superior Proposal, the Corporation and its Representatives may engage in discussions or negotiations with such Person regarding such Acquisition Proposal, and, subject to entering into a confidentiality and standstill agreement with such Person on terms no less favourable to the Corporation and no more favourable to such Person than those contained in the Confidentiality Agreement (it being understood and agreed that such confidentiality and standstill agreement need not restrict the making of a confidential Acquisition Proposal and related communications to the Corporation or the Board) and provided that such confidentiality and standstill agreement with such Person does not preclude or prevent the Corporation from fulfilling its notification obligations under the Arrangement Agreement, a copy of which shall be provided to the Purchaser prior to providing such Person with any such copies, access or disclosure, the Corporation and its Representatives may provide copies of, access to or disclosure of information, properties, facilities, books or records of the Corporation or its Subsidiaries (provided that the Corporation shall not provide to any such Person any non-public information or data that has not been provided to Purchaser by the Corporation or its Representatives unless such information or data is material and is as a result of an event, fact or circumstance occurring after the date of the Arrangement Agreement and is substantially contemporaneously provided to the Purchaser), if and only if:

(a) such Acquisition Proposal did not result from a breach by the Corporation of its obligations under the Arrangement Agreement; and

(b) such Person was not restricted from making such Acquisition Proposal pursuant to an existing standstill or similar restriction.

Nothing contained in the Arrangement Agreement shall prohibit the Board from making any disclosure to any securityholders of the Corporation as required by applicable Law (including by responding to an Acquisition Proposal under a directors' circular or otherwise as required by Law); provided that, notwithstanding that the Board or the Corporation shall be permitted to make such disclosure, neither the Board (nor any committee thereof) shall be permitted to make a Change in Recommendation in respect to an Acquisition Proposal other than as permitted by the Arrangement Agreement. In addition, nothing contained in the Arrangement Agreement shall prohibit the Corporation or the Board from calling and/or holding a meeting of Shareholders requisitioned by Shareholders in accordance with the QBCA or taking any other action to the extent ordered or otherwise mandated by a Governmental Entity that was not solicited, supported or encouraged by the Corporation or any of its Representatives.

Right to Match

If the Corporation receives a Superior Proposal prior to the approval of the Arrangement Resolution by the Shareholders, the Board may or may cause the Corporation to, subject to compliance with the terms of the Arrangement Agreement, enter into a definitive agreement with respect to such Superior Proposal, if and only if:

(a) the Person making the Superior Proposal was not restricted from making such Superior Proposal pursuant to an existing standstill or similar restriction;

(b) the Corporation has been, and continues to be, in compliance with the additional covenants regarding non-solicitation;

(c) the Corporation has delivered to the Purchaser the Superior Proposal Notice;

(d) the Corporation has provided to the Purchaser a copy of the proposed definitive agreement for the Superior Proposal and all ancillary materials (including any financial commitments or other documents containing material terms and conditions of such Superior Proposal), including the cash value that the Board has, after consultation with outside financial advisors, determined should be ascribed to any non-cash consideration offered under the Superior Proposal;

(e) at least five full Business Days (the "**Matching Period**") have elapsed from the date that is the later of the date on which the Purchaser received the Superior Proposal Notice and the date on which the Purchaser received a copy of all the materials set forth above;

(f) during any Matching Period, the Purchaser has had the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement in order for such Acquisition Proposal to cease to be a Superior Proposal;

(g) after the Matching Period, the Board has determined in good faith after consultation with its outside legal counsel and financial advisors, that such Acquisition Proposal continues to constitute a Superior Proposal (and, if applicable, compared to the terms of the Arrangement as proposed to be amended by the Purchaser in accordance with the Right to Match); and

(h) prior to or concurrently with entering into any such definitive agreement, the Corporation validly terminates the Arrangement Agreement pursuant to the terms of the Arrangement Agreement, and pays the Termination Fee.

During the Matching Period, or such longer period as the Corporation may approve in writing for such purpose: (a) the Corporation shall, and shall cause its Representatives to, negotiate in good faith with the Purchaser under the Right to Match to amend the terms of the Arrangement Agreement and the Arrangement as would result in the Acquisition Proposal previously determined to constitute a Superior Proposal ceasing to be a Superior Proposal; (b) without limiting the generality of clause (a), the Purchaser shall have the opportunity (but not the obligation) to offer to amend the Arrangement Agreement and the Arrangement; (c) the Corporation shall negotiate in good faith and, in consultation with outside legal counsel and financial advisors, review any offer made by the Purchaser to amend the terms of the Arrangement Agreement and the Arrangement to determine whether the Arrangement Agreement and the Arrangement, as they are proposed to be amended, would, upon acceptance, result in the Acquisition Proposal previously determined to constitute a Superior Proposal ceasing to be a Superior Proposal, and (d) if the Board determines that such Acquisition Proposal would cease to be a Superior Proposal, the Corporation shall promptly so advise the Purchaser and the Corporation and the Purchaser shall amend the Arrangement Agreement to reflect such offer made by the Purchaser, and shall take and cause to be taken all such actions as are necessary to give effect to the foregoing.

Each successive amendment to any Acquisition Proposal that results in an increase in, or modification of, the consideration (or value of such consideration) to be received by the Shareholders or the modification of any other material terms or conditions thereof shall constitute a new Acquisition Proposal for the purposes of the Right to Match and, without limiting the generality of the foregoing, the Purchaser shall be afforded a new Matching Period from the later of the date on which the Purchaser receives a Superior Proposal Notice with respect to such new Superior Proposal and the date on which the Purchaser receives all of the materials set out in the Arrangement Agreement with respect to the new Superior Proposal.

The Board shall promptly affirm the Board Recommendation by press release after any publicly announced Acquisition Proposal is determined not to be a Superior Proposal, or if the Board determines that a proposed amendment to the terms of the Arrangement Agreement and the Arrangement as contemplated under the Right to Match would result in an Acquisition Proposal previously determined to be a Superior Proposal no longer being a Superior Proposal. The Corporation shall provide the Purchaser and its legal counsel with a reasonable opportunity to review the form and content of any such press release and shall make all reasonable amendment to such press release requested by the Purchaser and its legal counsel.

If the Corporation provides a Superior Proposal Notice to the Purchaser on a date that is less than ten Business Days before the Meeting, the Corporation shall either proceed with or shall postpone the Meeting, as directed by the Purchaser acting reasonably, to a date that is not more than ten Business Days after the scheduled date of the Meeting but in any event the Meeting shall not be postponed to a date which would prevent the Effective Date from occurring on or prior to the Outside Date.

Any violation of the restrictions set out in the Right to Match by the Corporation's Subsidiaries or the Corporation's or its Subsidiaries' respective Representatives shall be deemed to be a breach of the Arrangement Agreement by the Corporation. Furthermore, the Corporation shall be responsible for any breach of the Arrangement by its Subsidiaries and its and their respective Representatives.

Representations and Warranties

The Arrangement Agreement contains certain representations and warranties made by the Corporation to the Purchaser relating to the following: organization and qualification; corporate authorization; execution and binding obligation; governmental authorization; non-contravention; capitalization; shareholders' agreements and similar agreements; subsidiaries; securities law matters; financial statements; disclosure controls and internal control over financial reporting; books and records; minute books; auditors; no material undisclosed liabilities; absence of certain changes or events; related party transactions; compliance with Laws; product and regulatory compliance; authorizations and licenses; Material Contracts; customer and supplier relationship; restrictions on conduct of business; no guarantees; personal property; real property; intellectual property; litigation; environmental matters; employees; collective agreements; employee plans; insurance; taxes; money laundering; corrupt practices Legislation; sanctions and trade laws; privacy; opinion of financial advisors; formal valuation; brokers; no "Collateral Benefit"; board and special committee approval; and Investment Canada Act.

The Arrangement Agreement contains certain representations and warranties made by the Purchaser relating to the following: organization and qualification; corporate authorization; execution and binding obligation; governmental authorization; non-contravention; litigation; security ownership; Investment Canada Act, financing, status and brokers.

The representations and warranties of the Corporation contained in the Arrangement Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which the Arrangement Agreement is terminated in accordance with its terms.

The representations and warranties of the Purchaser contained in the Arrangement Agreement shall not survive the completion of the Arrangement and shall expire and be terminated on the earlier of the Effective Time and the date on which the Arrangement Agreement is terminated in accordance with its terms.

Closing Conditions

Mutual Conditions Precedent

Under the terms of the Arrangement Agreement, the Parties are not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions may be waived, in whole or in part, only by the mutual consent of each of the Parties:

(a) the Arrangement Resolution shall have been approved and adopted by the Shareholders at the Meeting in accordance with the Interim Order;

(b) the Interim Order and the Final Order shall each have been obtained on terms consistent with the Arrangement Agreement, and have not been set aside or modified in a manner unacceptable to either the Corporation or the Purchaser, each acting reasonably, on appeal or otherwise;

(c) no Law is in effect that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Corporation or the Purchaser from consummating the Arrangement;

(d) no suit, claim, action, charge, complaint, litigation, arbitration, proceeding (including any civil, criminal, administrative, investigative or appellate proceeding), hearing, audit, inquiry, examination or investigation shall have been commenced by any Governmental Entity against the Corporation, any of its Subsidiaries or the Purchaser that remains pending and would:

  (i) prohibit the consummation of the Arrangement;

  (ii) cease trade, enjoin or prohibit the Purchaser's ability to acquire any Shares upon completion of the Arrangement; or

  (iii) prohibit the ownership or operation by the Purchaser of the business of the Corporation or any of its Subsidiaries or any material portion of the business or assets of the Corporation or any of its Subsidiaries' following completion of the Arrangement;

(e) Each of the Required Regulatory Approvals shall have been obtained and shall be in force and effect.

Additional Conditions Precedent to the Obligations of the Purchaser

The Purchaser is not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions are for the exclusive benefit of the Purchaser and may be waived, in whole or in part, only by the Purchaser in its sole discretion:

(a) (A) The representations and warranties of the Corporation set forth in the following sections of the Arrangement Agreement: "*Organization and Qualification*", "*Corporate Authorization*", "*Execution and Binding Obligation*", "*Non-Contravention*" and "*Brokers*", are true and correct in all material respects as of the date of the Arrangement Agreement and as of the Effective Time as if made at and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date); (B) the representations and warranties of the Corporation set forth in the following sections of the Arrangement Agreement: "*Capitalization*", "*Corrupt Practices Legislation; Sanctions*" and "*Trade Laws and Corrupt Practices Legislation; Sanctions*" and "*Trade Laws*", are true and correct in all respects as of the date of the Arrangement Agreement and as of the Effective Time as if made at and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except for de minimis inaccuracies; and (C) the representations and warranties of the Corporation set forth in the Arrangement Agreement (including in Schedule D thereto) that are not referred to in foregoing clauses(A) and (B) are true and correct as of the date of the Arrangement Agreement and as of the Effective Time as if made at and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except, in each case, to the extent that the failure or failures of such representations and warranties to be so true and correct, individually or in the aggregate, would not have a Material Adverse Effect (and, for this purpose, any reference to "material", "Material Adverse Effect" or other concepts of materiality in such representations and warranties shall be ignored); and the Corporation has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Corporation (in each case without personal liability) addressed to the Purchaser and dated the Effective Date. The Corporation has fulfilled or complied in all material respects with each of the covenants of the Corporation contained in the Arrangement Agreement to be fulfilled or complied with by it on or prior to the Effective Time, and has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Corporation (in each case without personal liability) addressed to the Purchaser and dated the Effective Date.

(b) Since the date of the Arrangement Agreement, there shall not have occurred a Material Adverse Effect, and the Corporation has delivered a certificate confirming same to the Purchaser, executed by two senior officers of the Corporation (in each case without personal liability) addressed to the Purchaser and dated the Effective Date.

(c) Dissent Rights have not been exercised, and not withdrawn or deemed to have been withdrawn, with respect to more than 5% of the issued and outstanding Shares.

(d) The Rollover Agreement has been since the date of execution thereof and continues to remain in full force and effect and enforceable against the parties thereof.

Additional Conditions Precedent to the Obligations of the Corporation

The Corporation is not required to complete the Arrangement unless each of the following conditions is satisfied on or prior to the Effective Time, which conditions are for the exclusive benefit of the Corporation and may only be waived, in whole or in part, by the Corporation in its sole discretion:

(a) (A) The representations and warranties of the Purchaser set forth in the following sections of the Arrangement Agreement: "*Organization and Qualification*", "*Corporate Authorization*", "*Execution and Binding Obligation*" and "*Non-Contravention*", are true and correct in all material respects as of the date of the Arrangement Agreement and as of the Effective Time as if made at and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date); and (B) the representations and warranties of the Purchaser set forth in the Arrangement Agreement (including in Schedule C hereto) that are not referred to in foregoing clause (A) are true and correct as of the date of the Arrangement Agreement and as of the Effective Time as if made at and as of the Effective Time (except for representations and warranties made as of a specified date, the accuracy of which shall be determined as of such specified date), except to the extent that any failure to be so true and correct would not have a material adverse effect on the ability of the Purchaser to consummate the transactions contemplated by the Arrangement Agreement, and the Purchaser has delivered a certificate confirming same to the Corporation, executed by two of its senior officers (in each case without personal liability) addressed to the Corporation and dated the Effective Date.

(b) The Purchaser has fulfilled or complied in all material respects with each of the covenants of the Purchaser contained in the Arrangement Agreement to be fulfilled or complied with it on or prior to the Effective Time, and has delivered a certificate confirming same to the Corporation, executed by two of its senior officers (in each case without personal liability) addressed to the Corporation and dated the Effective Date.

(c) The Purchaser shall have deposited or caused to be deposited with the Depositary, in escrow in accordance with the terms of the Arrangement Agreement, the funds required to effect payment in full of the aggregate cash consideration to be paid pursuant to the Arrangement and the Depositary shall have confirmed to the Corporation in writing the receipt of such funds.

Termination

The Arrangement Agreement may be terminated prior to the Effective Time by:

(a) the mutual written agreement of the Parties; or

(b) either the Corporation or the Purchaser if:

(i) the Meeting is duly convened and held and the Arrangement Resolution is voted on by Shareholders and not approved by the Shareholders as required by the Interim Order;

(ii) after the date of the Arrangement Agreement, any Law is enacted, made, enforced or amended, as applicable, that makes the consummation of the Arrangement illegal or otherwise prohibits or enjoins the Corporation or the Purchaser from consummating the Arrangement, and such Law has, if applicable, become final and non-appealable, provided that the enactment, making, enforcement or amendment of such Law was not primarily due to a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(iii) the Effective Time does not occur on or prior to the Outside Date, provided that a Party may not terminate the Arrangement Agreement if the failure of the Effective Time to so occur has been caused by, or is a result of, a breach by such Party of any of its representations or warranties or the failure of such Party to perform any of its covenants or agreements under the Arrangement Agreement; or

(c) the Corporation if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Purchaser under the Arrangement Agreement occurs that would cause any condition in the Purchaser representations and warranties condition or the Purchaser covenants condition not to be satisfied, and such breach or failure is incapable of being cured or is not cured in accordance with the terms of the Arrangement Agreement; provided that the Corporation is not then in breach of the Arrangement Agreement so as to cause any condition in the Corporation representations and warranties condition or the Corporation covenants condition not to be satisfied;

(ii) prior to the approval by the Shareholders of the Arrangement Resolution (A) the Board authorizes the Corporation, in accordance with and subject to the terms and conditions of the Arrangement Agreement, to enter into a written definitive acquisition agreement with respect to a Superior Proposal, and (B) substantially concurrently with the termination of the Arrangement Agreement, the Corporation entered into a definitive acquisition agreement with respect to such Superior Proposal, provided that (x) the Corporation is then in compliance with the additional covenants regarding non-solicitation in the Arrangement Agreement and (y) prior to or concurrent with such termination (and as a condition to such termination) the Corporation pays the Termination Fee in accordance with the Arrangement Agreement; or

(iii) (A) all of the conditions set out in additional conditions precedent to the obligations of the Purchaser and the Corporation are satisfied or waived by the applicable Party or Parties as of the date on which the Closing should have occurred pursuant to the terms of the Arrangement Agreement (excluding conditions that, by their terms, are to be satisfied at the Closing, each of which is capable of being satisfied assuming the Closing occurred on such date); (B) the Corporation has irrevocably notified the Purchaser in writing that (x) it is ready, willing and able to consummate the Arrangement, and (y) all conditions set out in the additional conditions precedent to the obligations of the Corporation have been and continue to be satisfied or that it is willing to waive any unsatisfied conditions set out in Additional Conditions Precedent to the Obligations of the Corporation; (C) the Corporation has given the Purchaser written notice at least five Business Days prior to such termination stating the Corporation's intention to terminate the Arrangement Agreement; and (D) the Purchaser does not provide, or cause to be provided, the Depositary with sufficient funds to complete the transactions contemplated by the Arrangement Agreement as at the time which the Closing should have occurred pursuant to the terms of the Arrangement Agreement by the expiration of the five Business Day period contemplated by clause (C) hereof; or

(d) the Purchaser if:

(i) a breach of any representation or warranty or failure to perform any covenant or agreement on the part of the Corporation under the Arrangement Agreement occurs that would cause any condition in the Corporation representations and warranties condition or Corporation covenants condition not to be satisfied, and such breach or failure is incapable of being cured or is not cured; provided that the Purchaser is not then in breach of the Arrangement Agreement so as to cause any condition in the Purchaser representations and warranties condition or Purchaser covenants condition not to be satisfied; or

(ii) prior to the approval by the Shareholders of the Arrangement Resolution, (A) the Board (or any committee thereof) fails to unanimously (subject to recusals, as applicable) recommend or withdraws, amends, modifies or qualifies, or proposes to withdraw, amend, modify or qualify, in a manner adverse to the Purchaser, the Board Recommendation, (B) the Corporation fails to include the Board Recommendation in this Circular, (C) the Board (or any committee thereof) fails to publicly reaffirm the Board Recommendation by press release within three Business Days (or in the event that the Meeting is scheduled to occur within such three Business Day period, prior to the Business Day prior to the date of the Meeting) after the Purchaser so requests in writing, (D) the Board (or any committee thereof) accepts, approves, endorses, authorizes or recommends, or publicly proposes to accept, approve, endorse, authorize or recommend, any Acquisition Proposal or takes no position or remains neutral with respect to an Acquisition Proposal for more than three Business Days, (E) the Board (or any committee thereof) accepts, approves, endorses, recommends or authorizes the Corporation or any of its Subsidiaries to enter into, or proposes to accept, approve, endorse, authorize or recommend the Corporation or any of its Subsidiaries to enter into, any agreement, arrangement or understanding in respect of an Acquisition Proposal or (F) the Corporation fails to comply with any additional covenants regarding non-solicitation in the Arrangement Agreement, except if such failure to comply is unintentional and immaterial (together, a "**Change in Recommendation**").

Expenses and Termination Fees

Except as otherwise provided therein, all fees, costs and expenses incurred in connection with the Arrangement Agreement or the transactions contemplated by the Arrangement Agreement shall be paid by the Party incurring such fee, cost or expense, whether or not the Arrangement is consummated; provided that the Purchaser shall pay any filing or similar fee and applicable Taxes payable to a Governmental Entity in connection with a Regulatory Approval . Notwithstanding the foregoing, upon consummation of the Arrangement, all fees, costs and expenses incurred by either Party in connection with the Arrangement Agreement shall be paid by the Corporation or any successor thereto.

Despite any other provision in the Arrangement Agreement relating to the payment of fees and expenses, including the payment of brokerage fees, if a Termination Fee Event occurs, the Corporation shall pay the Purchaser the Termination Fee in accordance with the Arrangement Agreement. For the purposes of the Arrangement Agreement, "**Termination Fee**" means $14.1 million (and in the case of clause (c), $14.1 million net of any and all Assumed Transaction Expenses previously paid or remitted by the Corporation to the Purchaser) and "**Termination Fee Event**" means the termination of the Arrangement Agreement:

(a) by the Purchaser, pursuant to a Change in Recommendation or a wilful breach of the non-solicitation provisions in the Arrangement Agreement;

(b) by the Corporation, pursuant to a Superior Proposal; or

(c) by the Corporation or the Purchaser pursuant to a failure of Shareholders to approve the Arrangement Resolution, the occurrence of the Outside Date or a breach of the Arrangement Agreement by the Corporation if:

(i) following the date of the Arrangement Agreement (and, in the case of a termination pursuant to the section "*Failure of Shareholders to Approve"* therein prior to the Meeting), a *bona fide* Acquisition Proposal involving the Corporation is made to the Corporation or the Shareholders or is publicly announced by any Person or otherwise publicly disclosed by any Person; and

(ii) within twelve months following the date of such termination (A) any Acquisition Proposal is consummated or effected, or (B) the Corporation and/or any of its Subsidiaries, directly or indirectly, in one or more transactions, enters into an agreement, arrangement or other understanding in respect of an Acquisition Proposal and such Acquisition Proposal is later consummated or effected (for greater certainty, whether or not consummated or effected during the twelve months following the date of such termination).

If a Termination Fee Event occurs due to a termination of the Arrangement Agreement by the Corporation pursuant to a Superior Proposal or a wilful breach of the non-solicitation provisions in the Arrangement Agreement, the Termination Fee shall be paid prior to or concurrently with the occurrence of such Termination Fee Event. If a Termination Fee Event occurs due to a termination of the Arrangement Agreement by the Purchaser pursuant to a Change in Recommendation, the Termination Fee shall be paid within two Business Days following such Termination Fee Event. If a Termination Fee Event occurs in the circumstances set out in the Acquisition Proposal Tail, the Termination Fee shall be paid prior to or upon the consummation of the Acquisition Proposal referred to therein. Any Termination Fee shall be paid or caused to be paid by the Corporation to the Purchaser (or another Person as the Purchaser may direct by notice in writing), by wire transfer in immediately available funds to an account designated by the Purchaser. For greater certainty, in no event shall the Corporation be obligated to pay the Termination Fee on more than one occasion.

In the event that (x) the Arrangement Agreement is terminated by either Party in accordance with the terms of the Arrangement Agreement, and (y) no fee is otherwise immediately payable in connection with such termination, then (i) the Corporation shall be responsible for paying one-half of the aggregate documented out-of-pocket costs and expenses (including legal fees) incurred or accrued by or on behalf of the Purchaser in connection with the Arrangement Agreement and the transactions contemplated thereby during the period commencing on the date of the Arrangement Agreement until and through the date of termination (one-half of the aggregate amount of such costs and expenses, the "**Assumed Transaction Expenses**") and (ii) the Corporation shall promptly make arrangements to and shall pay or remit to the Purchaser the amount of the Assumed Transaction Expenses. Notwithstanding the foregoing, in no circumstances will the Corporation be responsible for and pay or remit to the Purchaser more than $3.5 million; provided that any fees payable by the Purchaser to the Corporation pursuant to the sections "*Assistance with Purchaser Financing*" and "*Pre-Acquisition Reorganization*" therein that are not recovered by the Corporation thereunder or pursuant to the Limited Guaranty shall be deducted from the Assumed Transaction Expenses and the $3.5 million limit provided for shall be automatically reduced by the amount thereof (provided that, the amount recoverable by the Corporation under the Limited Guaranty shall also be automatically reduced by the amount so deducted from the Assumed Transaction Expenses and the $3.5 million limit provided for under the Arrangement Agreement).

Despite any other provision in the Arrangement Agreement relating to the payment of fees and expenses, including the payment of brokerage fees, if a Reverse Termination Fee Event occurs, the Purchaser shall pay or cause to be paid to the Corporation, by wire transfer in immediately available funds to an account designated by the Corporation, an amount equal to $23.6 million (the "**Reverse Termination Fee**") within two Business Days following such Reverse Termination Fee Event. For greater certainty, in no event shall the Purchaser be obligated to pay the Reverse Termination Fee on more than one occasion, whether the Reverse Termination Fee may be payable pursuant to one or more than one provision of the Arrangement Agreement at the same or at different times and upon the occurrence of different events. For the purposes of the Arrangement Agreement, "**Reverse Termination Fee Event**" means the termination of the Arrangement Agreement by the Corporation pursuant to the sections "*Financing Failure*" or "*Purchaser Breach*" therein.

Each Party acknowledges that the agreements contained in the Arrangement Agreement are an integral part of the transactions contemplated by the Arrangement Agreement, and that without these agreements the Parties would not enter into the Arrangement Agreement; and each party acknowledges and agrees that the amounts set out in the Arrangement Agreement represent liquidated damages which are a genuine pre-estimate of the damages, including opportunity costs, reputational damages and expenses, which the affected Party or Parties will suffer or incur as a result of the cancellation and termination of the affected Party's or Parties' rights and obligations with respect to the acquisition of the Corporation by the Purchaser, that such payments are not for lost profits or a penalty and that no Party shall take any position inconsistent with the foregoing. Each Party irrevocably waives any right it may have to raise as a defence that any such liquidated damages are excessive or punitive. For the avoidance of doubt, it is agreed that the Corporation and the Purchaser shall be entitled to pursue specific performance or other equitable relief solely as provided in the Arrangement Agreement.

Notwithstanding anything to the contrary set forth in the Arrangement Agreement, but subject to the Corporation's rights set forth in the section "*Injunctive Relief*", in the event of the termination of the Arrangement Agreement by the Corporation in circumstances that constitute a Reverse Termination Fee Event, the receipt of the Reverse Termination Fee (and any other amounts required to be paid by the Purchaser pursuant to the sections "*Financing Failure*" or "*Purchaser Breach*" therein) by the Corporation (including as a consequence of payment thereof by the Guarantors pursuant to the Guaranty) shall be the sole and exclusive remedy (including damages, specific performance and injunctive relief) of the Corporation and its affiliates against the Purchaser, the Financing Sources, the Guarantors and any of their respective affiliates and any of their respective former, current or future directors, officers, employees, consultants, affiliates, general or limited partners, shareholders, managers, members, representatives or agents (collectively, the "**Purchaser Related Parties**") in respect of the Arrangement Agreement, any agreement executed in connection herewith (including the Financing Commitments), all breaches of the Arrangement Agreement, the failure of the transactions contemplated therein to be consummated (including with respect to any loss suffered as a result of the failure of the Arrangement to be consummated or for a breach or failure to perform hereunder, in any case whether willfully, intentionally, unintentionally or otherwise) or the termination of the Arrangement Agreement, and upon receipt of the Reverse Termination Fee by the Corporation and the payment by the Purchaser of any amounts required to be paid pursuant to the sections "*Financing Failure*" or "*Purchaser Breach*" therein, (x) none of the Purchaser Related Parties will have any further liability or obligation to the Corporation relating to or arising out of the Arrangement Agreement, any agreement executed in connection herewith (including the Financing Commitments) or the transactions contemplated thereby and thereby or any matters forming the basis for such termination (except that the Parties will remain obligated with respect to, and the Corporation and its Subsidiaries may be entitled to remedies with respect to, the Confidentiality Agreement, the sections "*Access to Information; Confidentiality*", "*Pre-Acquisition Reorganization*" and "*Termination Fees and Expenses*" therein); and (y) neither the Corporation nor any other Person will be entitled to bring or maintain any actions, claims or proceedings (whether in Contract or in tort, in Law or in equity or otherwise, or granted by statute or otherwise, whether by or through attempted piercing of the corporate, limited partnership or limited liability Corporation veil or any other theory or doctrine, including alter ego or otherwise) against the Purchaser or any other Purchaser Related Party that may be based upon, in respect of, arise under, out of or by reason of, be connected with, or relate to in any matter to the Arrangement Agreement, any agreement executed in connection herewith (including the Financing Commitments) or any transactions contemplated thereby and thereby or any matters forming the basis for such termination (except that the Parties will remain obligated with respect to, and the Corporation and its Subsidiaries may be entitled to remedies with respect to, the Confidentiality Agreement, the sections "*Access to Information; Confidentiality*", "*Assistance with Purchaser Financing*", "*Pre-Acquisition Reorganization*" and "*Termination Fees and Expenses*" therein). Notwithstanding anything contained in the Arrangement Agreement, under no circumstances will the collective monetary damages payable by the Purchaser or any of their affiliates for breaches under the Arrangement Agreement, the Guaranty or the Financing Commitments (taking into account the payment of the Reverse Termination Fee pursuant to the Arrangement Agreement) exceed an amount equal to the Reverse Termination Fee, plus the amount of any indemnification or reimbursement obligations pursuant to the sections "*Financing Failure*" or "*Purchaser Breach*" therein for all such breaches (such aggregate amount, the "**Purchaser Liability Limitation**"). In no event will any of the Corporation Related Parties seek or obtain, nor will they permit any of their representatives or any other Person acting on their behalf to seek or obtain, nor will any Person be entitled to seek or obtain, any monetary recovery, fee or award in excess of the Purchaser Liability Limitation against any of the Purchaser Related Parties, and in no event will the Corporation or any of its Subsidiaries be entitled to seek or obtain any monetary damages of any kind, including consequential, special, indirect or punitive damages, in excess of the Purchaser Liability Limitation against the Purchaser Related Parties for, or with respect to, the Arrangement Agreement, the Financing Commitments, the Guaranty or the transactions contemplated thereby and thereby (including any breach by the Guarantors or the Purchaser), the termination of the Arrangement Agreement, the failure to consummate the Arrangement or any claims or actions under applicable Law arising out of any such breach, termination or failure. Other than the Guarantors' obligations under the Equity Commitment Letter and the Guaranty and other than the obligations of the Purchaser to the extent expressly provided in the Arrangement Agreement, notwithstanding anything to the contrary set forth in the Arrangement Agreement, in no event will any Purchaser Related Party or any other Person other than the Purchaser including in each case any shareholder, director, officer, employee, agent, consultant or representative of such party, and no Financing Source or no other Person, including in each case any shareholder, director, officer, employee, agent, consultant or representative of such party, will have any personal liabilities or obligations (whether in Contract or in tort, in Law or in equity or otherwise, or granted by statute or otherwise, whether by or through attempted piercing of the corporate, limited partnership or limited liability Corporation veil or any other theory or doctrine, including alter ego or otherwise), have any liability for monetary damages any claims, causes of action, obligations or liabilities arising under, out of, in connection with or related in any manner to the preceding, to the Corporation or any other Person relating to or arising out of the Arrangement Agreement or the Arrangement.

Notwithstanding anything to the contrary set forth in the Arrangement Agreement, but subject to the Purchaser's rights set forth in the section "*Injunctive Relief*", in the event of the termination of the Arrangement Agreement by the Purchaser or the Corporation in circumstances that constitute a Termination Fee Event, the receipt of the Termination Fee by the Purchaser shall be the sole and exclusive remedy (including damages, specific performance and injunctive relief) of the Purchaser and its affiliates against the Corporation, its affiliates and any of their respective former, current or future directors, officers, employees, affiliates, shareholders, managers, members or agents (collectively, the "**Corporation Related Parties**") in respect of the Arrangement Agreement, any agreement executed in connection herewith, all breaches of the Arrangement Agreement, the failure of the transactions contemplated therein to be consummated (including with respect to any loss suffered as a result of the failure of the Arrangement to be consummated or for a breach or failure to perform hereunder, in any case whether willfully, intentionally, unintentionally or otherwise) or the termination of the Arrangement Agreement, and upon receipt of the Termination Fee by the Purchaser, (x) none of the Corporation Related Parties will have any further liability or obligation to the Purchaser relating to or arising out of the Arrangement Agreement, any agreement executed in connection herewith or the transactions contemplated thereby and thereby or any matters forming the basis for such termination (except that the Parties will remain obligated with respect to, and the Purchaser may be entitled to remedies with respect to, the Confidentiality Agreement, and Termination Fees and Expenses) and (y) neither the Purchaser nor any other Person will be entitled to bring or maintain any actions, claims or proceedings against the Corporation or any Corporation Related Party arising out of the Arrangement Agreement, any agreement executed in connection herewith, the transactions contemplated thereby and thereby or any matters forming the basis for such termination (except that the Parties will remain obligated with respect to, and the Purchaser may be entitled to remedies with respect to, the Confidentiality Agreement, Termination Fees and Expenses). Notwithstanding anything contained in the Arrangement Agreement, under no circumstances will the collective monetary damages payable by the Corporation or any of its affiliates for breaches under the Arrangement Agreement (taking into account the payment of the Termination Fee and the portion of the Assumed Transaction Expenses payable by the

Corporation pursuant to the Arrangement Agreement) exceed the Termination Fee in the aggregate for all such breaches (the "**Corporation Liability Limitation**").

Injunctive Relief

The Parties agree that irreparable harm would occur for which money damages would not be an adequate remedy at law in the event that any of the provisions of the Arrangement Agreement were not performed in accordance with their specific terms or were otherwise breached. It is accordingly agreed that, subject to the Arrangement Agreement, the Parties shall be entitled to injunctive and other equitable relief to prevent breaches or threatened breaches of the Arrangement Agreement, and to enforce compliance with the terms of the Arrangement Agreement, without any requirement for the securing or posting of any bond in connection with the obtaining of any such injunctive or other equitable relief, this being in addition to any other remedy to which the Parties may be entitled at law or in equity.

Notwithstanding anything to the contrary contained therein, it is explicitly agreed that the Corporation shall be entitled to specific performance of the Purchaser's obligation to cause the Equity Financing to be funded, including by requiring the Purchaser to file one or more lawsuits against the parties to the Equity Commitment Letter to fully enforce such parties' obligations under the Equity Commitment Letter and the Purchaser's rights thereunder, and the Purchaser to fund its obligations pursuant to the Payment of Consideration; provided, however, that such right shall be available only if: (i) all conditions in the sections "*Mutual Conditions Precedent*" and "*Additional Conditions Precedents to the Obligations of the Purchaser*" therein have been satisfied or waived by the applicable Party or Parties (excluding conditions that, by their terms, are to be satisfied on the Effective Date, but are reasonably capable of being satisfied by the Effective Date) and the Purchaser fails to consummate the Arrangement on the date on which the Effective Date should have occurred; (ii) the External Financing provided for by the External Financing Commitments has been funded or will be funded on the Effective Date if the Equity Financing is funded on the Effective Date; and (iii) the Corporation has irrevocably confirmed in writing to the Purchaser that if specific performance is granted and the Equity Financing and External Financing are funded, it is ready, willing and able to consummate the Arrangement. In no event shall the Corporation be entitled to directly or indirectly seek the remedy of specific performance of the Arrangement Agreement or the External Financing Commitments against any Financing Source. The Corporation further agrees that it shall not, and shall cause its Affiliates and its and their direct and indirect equityholders (including the Family Shareholders) and the Board not to, bring or support any action, cause of action, claim, cross-claim or third-party claim of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against any Financing Source in any way relating to the Arrangement Agreement or the transactions contemplated thereby, including any dispute arising out of or relating in any way to the External Financing Commitments or the External Financing.

Each Party agrees not to raise any objections to the availability of the equitable remedies provided for and the Parties further agree that (i) under no circumstances will the Corporation (collectively with all of its affiliates) be entitled to both a grant of specific performance or other equitable remedies of the type described in the section "*Injunctive Relief*" therein and any monetary damages, including all or any portion of Reverse Termination Fee and (ii) nothing set forth in the section "*Injunctive Relief*" therein shall require any Party hereto to institute any proceeding for (or limit any Party's right to institute any proceeding for) specific performance in the section "*Injunctive Relief*" therein prior or as a condition to exercising any termination right under the Arrangement Agreement (and/or receipt of any amounts due in connection with such termination), nor shall the commencement of any legal action or legal proceeding pursuant to the section "*Injunctive Relief*" therein or anything set forth in the section "*Injunctive Relief*" therein restrict or limit any Party's right to terminate the Arrangement Agreement in accordance with the terms thereof.

Amendments

The Arrangement Agreement and the Plan of Arrangement may, at any time and from time to time before or after the holding of the Meeting but not later than the Effective Time, be amended by mutual written agreement of the Parties, without further notice to or authorization on the part of the Shareholders, and any such amendment may, subject to the Interim Order and Final Order and Laws, without limitation:

(a) change the time for performance of any of the obligations or acts of the Parties;

(b) waive any inaccuracies or modify any representation or warranty contained in the Arrangement Agreement or in any document delivered pursuant to the Arrangement Agreement;

(c) modify any of the covenants contained in the Arrangement Agreement and waive or modify performance of any of the obligations of the Parties; and/or

(d) waive compliance with or modify any mutual conditions contained in the Arrangement Agreement.

The Plan of Arrangement may be amended in accordance with the additional covenants regarding non-solicitation in the Arrangement Agreement.

Notwithstanding anything to the contrary contained therein, none of the Financing Source Sections (and any provision of the Arrangement Agreement to the extent an amendment, modification, waiver or termination of such provision would modify the substance of the Financing Source Sections) may be amended, modified, waived or terminated in any manner adverse to the Financing Sources in any respect without the prior written consent of the applicable Financing Sources.

Governing Law

The Arrangement Agreement is governed by and will be interpreted and enforced in accordance with the Laws of the Province of Québec and the federal Laws of Canada applicable therein.

Each Party irrevocably attorns and submits to the non-exclusive jurisdiction of the Québec courts situated in the City of Montréal and waives objection to the venue of any proceeding in such court or that such court provides an inconvenient forum.

Notwithstanding anything to the contrary contained in the Arrangement Agreement, each of the Parties agrees that (i) it will not bring or support an action, cause of action, claim, cross-claim or third-party claim of any kind or description, whether in law or in equity, whether in contract or in tort or otherwise, against the Financing Sources in any way relating to the Arrangement Agreement or any of the transactions contemplated by the Arrangement Agreement, including any dispute arising out of or relating in any way to the External Financing Commitments or the performance thereof, in any forum other than the Supreme Court of the State of New York, County of New York, or, if under applicable Law exclusive jurisdiction is vested in Federal courts, the United States District Court for the Southern District of New York (and appellate courts thereof) and (ii) any such action, cause of action, claim, cross-claim or third-party claim shall be governed by the Laws of the State of New York.

Subject to the rights of the parties to the External Financing Commitments under the terms thereof, none of the Parties, in their capacities as parties to the Arrangement Agreement, shall have any direct or indirect rights or claims against any Financing Source in connection with the External Financing or shall have any direct or indirect rights or claims against any Financing Source in connection with the Arrangement Agreement, the External Financing or the transactions contemplated thereby, whether at law, in contract, in tort or otherwise. For the avoidance of doubt, nothing contained therein shall in any way limit or modify the rights and obligations of the Purchaser or the Financing Sources set forth under the External Financing Commitments, and nothing therein shall restrict the ability of the Corporation to seek specific performance of the Purchaser's obligations hereunder in connection with the Equity Financing pursuant to and in accordance with the section "*Injunctive Relief*" therein.

CERTAIN LEGAL AND REGULATORY MATTERS

Steps to Implementing the Arrangement and Timing

The Arrangement will be implemented by way of a statutory plan of arrangement under the provisions of Chapter XVI - Division II of the QBCA pursuant to the terms of the Arrangement Agreement. The following procedural steps must be taken in order for the Arrangement to become effective:

(a) the Required Shareholder Approval must be obtained;

(b) the Court must grant the Final Order approving the Arrangement;

(c) all conditions precedent to the Arrangement, as set out in the Arrangement Agreement, must be satisfied or waived (if permitted) by the appropriate party; and

(d) the Articles of Arrangement, prepared in the form prescribed by the QBCA and signed by an authorized director or officer of the Corporation, must be filed with the Enterprise Registrar and a Certificate of Arrangement issued related thereto.

Dorel will file the Articles of Arrangement with the Enterprise Registrar within three Business Days following the satisfaction or waiver (if permitted) of the conditions set out in the Arrangement Agreement unless another time or date is agreed to by the Corporation and the Purchaser. See "*Summary of the Arrangement Agreement – Effective Date of the Arrangement*".

If the Key Regulatory Approvals are obtained in a timely manner, it is currently anticipated that the Effective Date will occur in the first quarter of 2021. It is not possible, however, to state with certainty when the Effective Date will occur. The Effective Date could be earlier than anticipated or could be delayed for a number of reasons, including an objection before the Court at the hearing of the application for the Final Order or a delay in obtaining the Key Regulatory Approvals. The Arrangement must be completed on or prior to the Outside Date, subject to the right of either party to extend the Outside Date for up to an additional 60 days in the event the Key Regulatory Approvals are not obtained by such date, subject to the right of either party to extend the Outside Date for up to an additional 60 days in the event the Key Regulatory Approvals are not obtained by such date.

Court Approval and Completion of the Arrangement

Interim Order

An arrangement under the QBCA requires Court approval. Accordingly, on December 3, 2020, Dorel obtained the Interim Order, which provides for, among other things:

(a) the Required Shareholder Approval;

(b) the grant of Dissent Rights to registered Shareholders as contemplated in the Plan of Arrangement;

(c) the notice requirements with respect to the presentation of the application to the Court for the Final Order;

(d) the ability of Dorel to adjourn or postpone the Meeting from time to time in accordance with the terms of the Arrangement Agreement without need for additional approval of the Court; and

(e) that the Record Date for the Shareholders entitled to notice of and to vote at the Meeting will not change in respect of any adjournment(s) of the Meeting, except as required by Law.

A copy of the Interim Order is annexed as Appendix C.

Final Order

The QBCA provides that an arrangement requires Court approval. Subject to the terms of the Arrangement Agreement, if the Interim Order is obtained and the Arrangement Resolution is approved by the Shareholders at the Meeting in the manner required by the Interim Order, the Corporation will take all steps necessary or desirable to submit the Arrangement to the Court and diligently pursue an application for the Final Order pursuant to Chapter XVI – Division II of the QBCA, as soon as reasonably practicable, but in any event not later than three Business Days after the Arrangement Resolution is passed at the Meeting. The application for the Final Order approving the Arrangement is expected to take place before the Commercial Division of the Court, sitting in the district of Montréal, on January 15, 2021, or as soon as counsel may be heard, in room 16.04 of the Montréal Courthouse at 1 Notre-Dame Street East, Montréal, Québec H2Y 1B6, or in such other room or virtual hearing as the Court may determine. See Appendix D for the notice of presentation of the Final Order. At the hearing, any Shareholder and any other interested party who wishes to participate or to be represented or present evidence or argument may do so, subject to filing with the Court and serving upon the Corporation a notice of appearance together with any evidence or materials that such party intends to present to the Court, in the delays and in the manner described in the Interim Order. All persons that file a notice of appearance (answer) in accordance with the procedures set forth in Appendix D will be provided with the coordinates to attend the hearing either in person or virtually.

The Corporation has been advised by Fasken, its counsel, that the Court has broad discretion under the QBCA when making orders with respect to plans of arrangement and that the Court will consider, among other things, the fairness and reasonableness of the Arrangement, both from a substantive and a procedural point of view. The Court may approve the Arrangement either as proposed or as amended in any manner the Court may direct, subject to compliance with such terms and conditions, if any, as the Court deems fit.

Assuming that the Final Order is granted, the Corporation will file with the Enterprise Registrar under the QBCA the Articles of Arrangement as soon as reasonably practicable and in any event within three Business Days after the satisfaction or waiver, if permitted, of the conditions for the completion of the Arrangement to give effect to the Arrangement and the various other documents necessary to consummate the transactions contemplated under the Arrangement Agreement will be executed and delivered.

Securities Law Matters

Formal Valuation

Dorel is a reporting issuer in all of the provinces and territories of Canada and, accordingly, is subject to applicable Securities Laws of such jurisdictions. The securities regulatory authorities in the provinces of Québec, Ontario, Alberta, Manitoba and New Brunswick have adopted MI 61-101 which regulates certain types of special transactions to ensure equality of treatment among security holders and may require enhanced disclosure, approval by a majority of security holders (excluding interested parties or related parties of interested parties), independent valuations and, in certain instances, approval and oversight of certain transactions by a special committee of independent directors. The protections afforded by MI 61-101 apply to, among other transactions, “business combinations”, as defined in MI 61-101, in which the interest of holders of equity securities may be terminated without their consent and where a “related party” (as defined in MI 61-101) (i) would, as a consequence of the transaction, directly or indirectly acquire the issuer or the business of the issuer, or combine with the issuer, through an amalgamation, arrangement or otherwise, whether alone or with joint actors, (ii) is a party to a “connected transaction”, as defined in MI 61-101, to the transaction, or (iii) is entitled to receive a consideration per equity security that is not identical in amount and form to the entitlement of the general body of holders in Canada of securities of the same class or a collateral benefit. The Arrangement is a business combination within the meaning of MI 61-101.

Pursuant to MI 61-101, a formal valuation of the Shares is required since the Arrangement is a “business combination” within the meaning of MI 61-101 and “interested parties”, including the Family Executives, will as a consequence of the Arrangement, directly or indirectly, acquire Dorel or the business of Dorel, or combine with Dorel, through an amalgamation, arrangement or otherwise, whether alone or with joint actors. Consequently, by an engagement letter dated September 17, 2020, the Special Committee retained TD Securities to provide the Special Committee with a formal valuation of the fair market value of the Shares in accordance with the requirements of MI 61-101.

Valuation

The Formal Valuation dated November 12, 2020 determined that, as of November 12, 2020, and subject to the scope of review, assumptions and limitations set out therein, the fair market value of the Shares was in the range of \$14.00 to \$17.00 per Share. A copy of the Formal Valuation and TD Securities Fairness Opinion is annexed as Appendix F to this Circular.

To the knowledge of the directors and officers of the Corporation, after reasonable enquiry, there have been no prior valuations, as defined in MI 61-101, prepared in respect of Dorel within the 24 months preceding the date of this Circular.

Bona Fide Prior Offers

MI 61-101 also requires that any *bona fide* prior offer that relates to the subject matter of or is otherwise relevant to the Arrangement, which offer was received by the Corporation during the 24 months before the Arrangement Agreement was agreed to, and a description of the offer and the background to the offer be disclosed in this Circular. Other than as disclosed in this Circular under "*The Arrangement – Background to the Arrangement*", the Corporation has not received any other *bona fide* prior offers during this time period.

Minority Approval

Under the QBCA and the Interim Order, the approval of the Arrangement Resolution requires the affirmative vote of at least two-thirds (66⅔%) of the votes cast by the Shareholders, voting in accordance with the Interim Order and Dorel's Articles, present in person or represented by proxy at the Meeting and entitled to vote. In addition, MI 61-101 requires that a business combination such as the Arrangement be subject to "minority approval", as defined in MI 61-101, of every class of "affected securities", as defined in MI 61-101, of the issuer, in each case voting separately as a class.

However, under MI 61-101, the Arrangement Resolution is exempt from "minority approval" by the holders of Class A Multiple Voting Shares. Section 4.6(1)(a) of MI 61-101 provides that a business combination such as the Arrangement is not subject to "minority approval" if one or more persons that are interested parties beneficially own, in the aggregate, 90% or more of the outstanding securities of a class of affected securities at the time that the business combination is agreed to, and an appraisal remedy is available to holders of the class of affected securities under the statute under which the issuer is organized or is governed as to corporate law matters. The Family Shareholders are interested parties with respect to the Arrangement and beneficially own an aggregate of 4,009,410 Class A Multiple Voting Shares, representing 95.73% of the issued and outstanding Class A Multiple Voting Shares. Further, holders of Class A Multiple Voting Shares have the Dissent Rights under the QBCA and the Interim Order, which constitute an appraisal remedy within the meaning of MI 61-101. As a result, the Arrangement Resolution is exempt from "minority approval" from the holders of Class A Multiple Voting Shares.

Consequently, pursuant to MI 61-101, the approval of the Arrangement Resolution requires the affirmative vote of a majority (50% +1) of the votes cast by all holders of Class B Subordinate Voting Shares present in person or represented by proxy at the Meeting and entitled to vote, other than the Family Shareholders who are "interested parties", as defined in MI 61-101.

To the knowledge of the directors and executive officers of Dorel, the only Shareholders who are "interested parties" are the Family Shareholders. Accordingly, to the knowledge of the directors and executive officers of Dorel, after reasonable inquiry, the 2,573,503 Class B Subordinate Voting Shares beneficially owned by the Family Shareholders, representing 9.09% of the issued and outstanding Class B Subordinate Voting Shares, are the only Class B Subordinate Voting Shares that will be excluded from the "minority approval" vote described above.

Collateral Benefit

A "collateral benefit", as defined under MI 61-101, includes any benefit that a "related party" of the Corporation, which includes the directors and "senior officers" (as defined under MI 61-101) of the Corporation, is entitled to receive as a consequence of the Arrangement, including, without limitation, an increase in salary, a lump sum payment, a payment for surrendering securities, or other enhancement in benefits related to past or future services as an employee, director or consultant of the Corporation. MI 61-101 excludes from the meaning of "collateral benefit" certain benefits to a "related party" received solely in connection with the related party's services as an employee, director or consultant of an issuer or an affiliated entity of the issuer or a successor to the business of the issuer where, among other things, (a) the benefit is not conferred for the purpose, in whole or in part, of increasing the value of the consideration paid to the related party for securities relinquished under the transaction, (b) the conferring of the benefit is not, by its terms, conditional on the related party supporting the transaction in any manner, (c) full particulars of the benefit are disclosed in the disclosure document for the transaction, and (d)(i) at the time the transaction was agreed to, the related party and its associated entities beneficially own or exercise control or direction, over less than 1% of the outstanding shares of the issuer, or (ii) an independent committee, acting in good faith, determines that the value of the collateral benefit, net of any offsetting costs to the related party, is less than 5% of the value of the consideration the related party expects to receive under the terms of the transaction.

Certain of the directors and senior officers of the Corporation hold Incentive Securities. If the Arrangement is completed, such directors and senior officers will be entitled to receive cash payments in respect of their Incentive Securities at the Effective Time. See "*Interest of Certain Persons in the Arrangement*". Subject to the exclusions set out above, the cash payments in respect of Incentive Securities may be considered to be "collateral benefits" received by the applicable directors and senior officers of the Corporation for the purposes of MI 61-101.

As the Arrangement is a "business combination" for the purposes of MI 61-101, the Corporation is required to obtain "minority approval" for the Arrangement Resolution. Pursuant to MI 61-101, in determining whether "minority approval" for the Arrangement Resolution has been obtained, the Corporation is required to exclude the votes attaching to the Shares beneficially owned or over which control or direction is exercised by "interested parties" and their "related parties" and "joint actors", all as defined in MI 61-101. The Board of Directors has determined that the independent directors and senior officers of the Corporation are not "interested parties" for purposes of the Arrangement in light of the exclusions from the meaning of "collateral benefit" set out above, notably the fact that none of the independent directors or senior officers beneficially own or exercise control or direction over 1% or more of the Corporation's outstanding Shares. As a result, the Class B Subordinate Voting Shares held by the independent directors and senior officers will not be excluded from the "minority approval" vote on the Arrangement Resolution.

Stock Exchange Delisting and Reporting Issuer Status

The Corporation's Class A Multiple Voting Shares and Class B Subordinate Voting Shares are listed and posted for trading on the TSX under the symbols "DII.A" and "DII.B", respectively. It is expected that the Shares will be delisted from the TSX shortly after the completion of the Arrangement, subject to the rules of the TSX. Following the completion of the Arrangement, the Corporation will also seek a ruling of applicable Canadian securities regulators that the Corporation cease to be a reporting issuer under the securities legislation of each of the provinces and territories under which it is currently a reporting issuer.

Regulatory Matters

The following is a summary of the Key Regulatory Approvals required to complete the Arrangement.

HSR Notification

Under the HSR Act, certain transactions may not be completed until each party has filed a Notification and Report Form with the Antitrust Division of the United States Department of Justice (the "**DOJ**") and with the United States

Federal Trade Commission (the "**FTC**") and the applicable waiting period has expired. The transactions contemplated by the Arrangement Agreement are subject to the HSR Act.

The Corporation and the Purchaser made the requisite regulatory filings under the HSR Act on November 25, 2020. The applicable waiting period will expire 30 days after such filings, unless earlier terminated by the DOJ and the FTC, or unless the DOJ or the FTC issues a request for additional information and documentary material (a "**Second Request**") prior to that time. If within the 30-day waiting period, the DOJ or the FTC were to issue a Second Request, the waiting period with respect to the Arrangement would be extended until 30 days following substantial compliance with the Second Request unless the Antitrust Division of the DOJ or the FTC terminates the waiting period prior to its expiration. The expiration or termination of the waiting period does not bar the DOJ or the FTC from subsequently challenging the Arrangement.

Other Regulatory Approvals

European Commission Notification

Under the European Union merger control rules set out in *Council Regulation (EC) No. 139/2004* (the "**EUMR**"), certain transactions with "community dimension" (i.e., exceeding certain turnover thresholds) cannot be completed until (depending on the type of transaction) the parties together have, or the acquirer has, sent notice of the transaction to the European Commission (the "**EC**") using a Form CO or, in transactions eligible for a simplified procedure, a Short Form CO, and obtained clearance by the EC. The transactions contemplated by the Arrangement Agreement are subject to the EUMR.

The Purchaser filed a draft Short Form CO with the EC on November 27, 2020, to commence pre-notification contacts with the EC, which typically last two weeks. After a finalized Short Form CO is submitted, the EC will initiate a Phase I review. The Phase I review period under the simplified process lasts 25 working days from the date on which the EC deems the Short Form CO notification complete, which review period can be extended in certain circumstances. If the Short Form CO filing is accepted by the EC, the review period typically does not extend beyond Phase I. If, however, the EC decides to extend the review of the transactions through a Phase II investigation, the review period is extended for 90 working days from the commencement of the Phase II period, though this Phase II period can also be extended in certain circumstances. Moreover, these review periods can be suspended in certain circumstances. There is no formal process to accelerate these review periods.

Brazil Notification

Under *Law No. 12,529 of 2011* and resolutions issued by the Administrative Council for Economic Defence (the "**CADE**"), certain transactions that produce effects in Brazil cannot be completed until the parties have submitted a notification to CADE and obtained a final decision. The transactions contemplated by the Arrangement Agreement are subject to review by CADE.

The Parties filed a fast-track procedure notification with CADE on November 27, 2020, to commence the notification process. Under *Law No. 12,529 of 2011*, once the notification is accepted by CADE, CADE must complete its review of the transaction within 240 days. This deadline can be extended by an additional 60 to 90 days under certain circumstances, or, at CADE's discretion, it can be shortened to 30 days from filing under a fast-track procedure for simple transactions not raising significant horizontal or vertical concerns. If the transaction is unconditionally cleared by CADE's General-Superintendence (CADE's investigatory unit, in charge of first-level review of merger cases), parties must wait for a regulatory 15-day waiting period, during which third parties may appeal the General-Superintendence decision or CADE's Tribunal may ask to review the case, before closing.

Australia FIRB Notification

Under the *Foreign Acquisitions and Takeovers Act 1975* (the "**FATA**") and the *Foreign Acquisitions and Takeovers Regulation 2015*, notice of certain transactions must be given to the Foreign Investment Review Board (the "**FIRB**") and cannot be completed until the Treasurer of the Commonwealth of Australia issues a statement of no objections or the statutory review period ends. The transactions contemplated by the Arrangement Agreement are subject to review by the FIRB under the FATA.

The Purchaser filed a notification with the FIRB on November 27, 2020, to commerce the statutory review period. The statutory review period includes an initial 30 calendar day examination period and a ten calendar day notification period, but the examination period can be extended. FIRB Guidance Note 53 indicates that the FIRB is committed to meeting commercial deadlines whenever possible during times of economic crises, including in relation to offshore transactions.

Germany Notification

Under Part 1, Chapter 7 of the *Act against Restraints of Competition of 1958* (the "**GWB**"), certain transactions are notifiable to the Bundeskartellamt (Federal Cartel Office – BKartA, or the "**FCO**") and clearance must be obtained before a transaction is completed. KED's acquisition of a minority interest in the Corporation, as part of the transactions, is subject to review by the FCO.

KED filed a notification with the FCO on November 27, 2020. Under the GWB, after the submission of a complete notification or a precautionary notification, there is one month, first phase waiting period, which the FCO can terminate early. Under the GWB, the first phase waiting period can be extended an additional three months if the FCO initiates a Phase II investigation.

Other Regulatory Matters

Competition Act

Counsel for the Corporation and the Purchaser have determined that the Arrangement is not a notifiable transaction under the Competition Act. As a result, it is not necessary for the Purchaser and the Corporation to submit a pre-merger competition filing in Canada.

Investment Canada Act

The Parties have determined that the transaction falls below the prescribed threshold under Part IV of the *Investment Canada Act* and is, therefore, not a reviewable transaction requiring a pre-closing application for review under the *Investment Canada Act*. The Purchaser will file the requisite notification under the *Investment Canada Act*, which may be filed prior to or within 30 days following the implementation of the investment.

PROCEDURE FOR EXCHANGE OF SHARE CERTIFICATES BY SHAREHOLDERS

Enclosed with this Circular is a form of Letter of Transmittal which, when properly completed and duly executed and returned together with the certificate(s) and/or DRS representing Shares, other than Shares held by a Family Shareholder or a Dissenting Shareholder, and all other required documents, will enable each registered Shareholder, other than a Family Shareholder or a Dissenting Shareholder, to obtain the Consideration that such holder is entitled to receive under the Arrangement.

The form of Letter of Transmittal contains instructions on how to exchange certificate(s) and/or DRS representing Shares held by a registered Shareholder, other than a Family Shareholder or a Dissenting Shareholder, for the Consideration under the Arrangement. A Shareholder, other than a Family Shareholder or a Dissenting Shareholder, will not receive the Consideration under the Arrangement until after the Arrangement is completed, provided that such Shareholder has returned properly-completed documents, including the Letter of Transmittal, and the certificate(s) and/or DRS representing such Shareholder's Shares to the Depositary.

Only registered Shareholders, other than Family Shareholders or Dissenting Shareholders, are required to submit a Letter of Transmittal. If registered Shareholders have any questions or require further information about the procedures to complete the Letter of Transmittal, they should contact the Depositary at 1-800-564-6253 (toll-free within North America) or by email at corporateactions@computershare.com. Non-registered Shareholders, other than a Family Shareholder or a Dissenting Shareholder, should contact their Intermediary for instructions and assistance in depositing certificate(s) and/or DRS representing their Shares and carefully follow any instructions provided by such Intermediary.

In accordance with the Plan of Arrangement, after the Effective Time and until surrendered as contemplated in Section 4.1 of the Plan of Arrangement, each certificate, agreement or other instrument (as applicable) that immediately prior to the Effective Time represented outstanding Shares (other than the Rollover Shares) shall be deemed, immediately after the Effective Time, to represent only the right to receive the consideration to which the holder of such Shares (other than a Rollover Share) is entitled to in accordance with the Plan of Arrangement, less any amounts withheld pursuant to the Plan of Arrangement. Any such certificate, agreement or other instrument (as applicable) formerly representing Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Shares of any kind or nature against or in the Corporation or the Purchaser. On such date, all consideration to which such former holder was entitled shall be deemed to have been surrendered to the Purchaser or the Corporation, as applicable, together with all entitlements to dividends, distributions and interest thereon held for such former holder, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

Unless as otherwise specified in the Letter Transmittal and/or unless the registered Shareholder (other than a Family Shareholder or a Dissenting Shareholder) instructs the Depositary otherwise, a cheque (or other form of immediately-available funds) in the amount payable, less any applicable withholdings, to which such former Shareholder (other than a Dissenting Shareholder) who has complied with the procedures set out above will, as soon as practicable after the Effective Date: (i) be forwarded to the holder at the address specified in the Letter of Transmittal by insured first class mail and if no mailing address is indicated, the cheque will be mailed to the address of the holder as it appears on Dorel's shareholder register as maintained by its transfer agent, Computershare, or (ii) be made available at the offices of the Depositary for pick-up by the holder as requested by the holder in the Letter of Transmittal.

Any use of mail to transmit certificate(s) representing Shares and/or DRS and the Letter of Transmittal is at each Shareholder's risk. Dorel recommends that such certificate(s) and/or DRS and other documents be delivered by hand to the Depositary and a receipt therefore be obtained or that registered mail be used (with proper acknowledgment) and appropriate insurance be obtained.

In the event any certificate which immediately prior to the Effective Time represented one or more Shares that were transferred pursuant to the Plan of Arrangement shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed and who was listed immediately prior to the Effective Time as holder thereof on the share register maintained by or on behalf of the Corporation, the Depositary shall issue in exchange for such lost, stolen or destroyed certificate a cheque (or other form of immediately-available funds) representing the Consideration payment to which such holder is entitled to receive for such Shares under the Plan of Arrangement in accordance with such holder's Letter of Transmittal. When authorizing payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such payment is to be delivered shall, as a condition precedent to the delivery of such payment, give a bond satisfactory to the Purchaser and the Depositary, each acting reasonably, in such sum as the Purchaser and the Depositary may direct, or if requested by such holder and approved by the Purchaser and the Corporation, otherwise indemnify the Corporation, the Depositary and the Purchaser in a manner satisfactory to the Corporation, the Depositary and the Purchaser, each acting reasonably, against any claim that may be made against the Corporation, the Depositary or the Purchaser with respect to the certificate alleged to have been lost, stolen or destroyed.

DISSENTING SHAREHOLDERS RIGHTS

A registered Shareholder may exercise Dissent Rights with respect to its Shares pursuant to and in the manner provided in Chapter XIV - Division I of the QBCA, as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court.

Pursuant to the Interim Order, none of the following shall be entitled to Dissent Rights: (i) holders of Shares who have failed to exercise all the voting rights carried by the Shares held by such holders against the Arrangement Resolution; and (ii) Family Shareholders.

The following description of the rights of Dissenting Shareholders is not a comprehensive statement of the procedures to be followed by a Dissenting Shareholder, and is qualified in its entirety by the provisions of Chapter XIV — Division I of the QBCA as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court. Chapter XIV — Division I of the QBCA, the Interim Order and the Plan of Arrangement are annexed to this Circular as Appendix E, Appendix C and Appendix A, respectively. A Dissenting Shareholder who intends to exercise Dissent Rights should carefully consider and comply with the provisions of Chapter XIV — Division I of the QBCA, as modified by the Interim Order, the Plan of Arrangement and any other order of the Court. The statutory provisions covering the right to demand repurchase of shares are technical and complex. Failure to strictly comply with the provisions of Chapter XIV — Division I of the QBCA, as modified by the Interim Order, and to adhere to the procedures established therein may result in the loss of all Dissent Rights.

The Court hearing the application for the Final Order has the discretion to alter the Dissent Rights described herein based on the evidence presented at such hearing.

Under the Interim Order, each registered Shareholder is entitled, in addition to any other rights the holder may have, to exercise Dissent Rights and to be paid by the Purchaser the fair value of the Shares held by the Shareholder, determined, notwithstanding anything to the contrary contained in Chapter XIV of the QBCA, as of the close of business on the day before the Arrangement Resolution was adopted. Only registered Shareholders may exercise Dissent Rights. **Persons who are beneficial owners of Shares registered in the name of an Intermediary who wish to exercise Dissent Rights should be aware that they may do so only through the registered owner of such Shares. Accordingly, a non-registered owner of Shares desiring to exercise Dissent Rights must make arrangements for the Shares beneficially owned by that holder to be registered in the name of the Shareholder prior to the time the Dissent Notice is required to be received by the Corporation or, alternatively, make arrangements for the registered holder of such Shares to exercise Dissent Rights on behalf of the holder. In such case, the Dissent Notice should specify the number of Shares. A Dissenting Shareholder may dissent only with respect to all the Shares held on behalf of any one beneficial owner and registered in the name of the Dissenting Shareholder, subject to such Dissenting Shareholder exercising all the voting rights carried by such Shares against the Arrangement Resolution. Note that Chapter XIV — Division I of the QBCA, the text of which is annexed as Appendix E to this Circular, sets out special provisions which are required to be followed with respect to the exercise of Dissent Rights by non-registered Shareholders**.

A registered Shareholder who wishes to exercise Dissent Rights must send to Dorel a Dissent Notice, which must be received by Dorel at its head office at 1255 Greene Avenue, Suite 300, Westmount, Québec, Canada H3Z 2A4, Attention: Corporate Secretary, with a copy to Fasken Martineau DuMoulin LLP, 800 Square Victoria, Suite 3500, Montréal, Québec, Canada H4Z 1E9, facsimile 514-397-7600, Attention: Neil Wiener, not later than 4:30 p.m. (eastern time) on January 8, 2021, or not later than 4:30 p.m. (eastern time) on the business day that is two Business Days immediately preceding the date that any adjourned or postponed Meeting is reconvened or held, as the case may be.

The giving of a Dissent Notice does not deprive a registered Shareholder of the right to vote at the Meeting; however, Shareholders who do not vote all of their Shares against the Arrangement Resolution shall not be entitled to exercise Dissent Rights with respect to such Shares, subject to sections 393 to 397 of the QBCA, given that Chapter XIV — Division I of the QBCA provides there is no right of partial dissent and, pursuant to the Interim Order, a registered Shareholder may not exercise Dissent Rights in respect of only a portion of such holder's Shares. A vote either in person or by proxy against the Arrangement Resolution will not by itself constitute a Dissent Notice.

It is a condition to the Purchaser's obligation to complete the Arrangement that Shareholders holding no more than 5% of the Shares shall have exercised Dissent Rights that have not been withdrawn as at the Effective Date.

Promptly after the Effective Time, the Purchaser is required to give notice (the "**Repurchase Notice**") to each Dissenting Shareholder, which Repurchase Notice shall mention the repurchase price being offered for the Shares held by all Dissenting Shareholders and an explanation of how such price was determined. Within 30 days after receiving the Repurchase Notice, each Dissenting Shareholder is required, if the Dissenting Shareholder wishes to proceed with exercising Dissent Rights, to deliver to the Purchaser a written statement:

(a) confirming that the Dissenting Shareholder wishes to exercise Dissent Rights and have all of such Dissenting Shareholders' Shares repurchased at the repurchase price indicated in the Repurchase Notice (in such case, a "**Notice of Confirmation**"); or

(b) that the Dissenting Shareholder contests the repurchase price indicated in the Repurchase Notice and demands an increase in the repurchase price offered (in such case, a "**Notice of Contestation**").

Additionally, if it has not been done previously, all certificates representing the Shares in respect of which Dissent Rights were exercised, together with the completed and executed applicable Letter(s) of Transmittal, should be delivered with the Notice of Confirmation or the Notice of Contestation, as applicable. A Dissenting Shareholder who fails to send to the Purchaser, within the required timeframe, a Notice of Confirmation or a Notice of Contestation, as the case may be, shall be deemed to have renounced such Shareholder's Dissent Rights and will be deemed to have participated in the Arrangement on the same basis as Shareholders who did not exercise Dissent Rights.

Upon receiving a Notice of Confirmation within the required timeframe, the Purchaser shall pay the Dissenting Shareholder, within ten days of receiving such Notice of Confirmation, the repurchase price indicated in the Repurchase Notice for all of such Dissenting Shareholder's Shares.

Upon receiving a Notice of Contestation within the required timeframe, the Purchaser may propose an increased repurchase price within 30 days of receiving such Notice of Contestation, which increased repurchase price must be the same for all Shares held by Dissenting Shareholders who duly submitted a Notice of Contestation. If (a) the Purchaser does not follow up on a Dissenting Shareholder's contestation within 30 days after receiving its Notice of Contestation or (b) the Dissenting Shareholder contests the increase in the repurchase price offered by the Purchaser, such Dissenting Shareholder may ask the Court to determine the increase in the repurchase price. However, any such application to the Court must be made within 90 days after receiving the Repurchase Notice. As soon as any such application is filed with the Court by any Dissenting Shareholder, the Purchaser must notify this fact (a "**Notice of Application**") to all the other Dissenting Shareholders who are still contesting the repurchase price, or the increase in the repurchase price, offered by the Purchaser.

All Dissenting Shareholders who received the Notice of Application are bound by the judgment of the Court hearing the application as to the fair value of the Shares, which Court may entrust the appraisal of the fair value to an expert. Within ten days after such Court judgment, the Purchaser must pay the repurchase price determined by the Court to all Dissenting Shareholders who received the Notice of Application, and pay the increase in the repurchase price to all Dissenting Shareholders who submitted a Notice of Contestation but did not contest the increase in the repurchase price offered by the Purchaser. However, if the Purchaser is unable to pay the full increase in the repurchase price because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due, the Purchaser would be required to pay only the maximum amount it may legally pay the relevant Dissenting Shareholder. In such a case, such Dissenting Shareholders remain creditors of the Purchaser for the unpaid balance of the repurchase price and are entitled to be paid as soon as the Purchaser is legally able to do so or, in the event of the liquidation of the Purchaser, are entitled to be collocated after the other creditors but by preference over the other shareholders of the Purchaser.

All Shares held by registered Shareholders who exercise their Dissent Rights in respect of such Shares will, if the holders are ultimately entitled to be paid the fair value thereof, be deemed to be transferred to the Purchaser in exchange for the right to be paid the fair value of their Shares, which fair value, notwithstanding anything to the contrary contained in Chapter XIV of the QBCA, shall be determined as of the close of business on the day before the Arrangement Resolution, and will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had they not exercised their Dissent Rights. If such Shareholders ultimately are not entitled, for any reason, to be paid fair value for such Shares, they shall be deemed to have participated in the Arrangement on the same basis as a non-dissenting holder of Shares.

Registered Shareholders who are considering exercising Dissent Rights should be aware that there can be no assurance that the fair value of their Shares, as determined under Chapter XIV of the QBCA, as modified by the Interim Order, the Plan of Arrangement and any other order of the Court, will be more than or equal to the Consideration payable under the Arrangement.

The above summary does not purport to provide a comprehensive statement of the procedures to be followed by Dissenting Shareholders who seek the repurchase of their Shares. **Chapter XIV — Division I of the QBCA requires adherence to the procedures established therein and failure to do so may result in the loss of all rights thereunder.** Accordingly, each Dissenting Shareholder who is considering exercising Dissent Rights should carefully consider and comply with the provisions of that section, the full text of which is set out in Appendix E to this Circular, as modified by the Interim Order, and consult its own legal advisor as failure to strictly comply with the provisions of the QBCA, as modified or supplemented by the Interim Order, the Plan of Arrangement and any other order of the Court, may prejudice Dissent Rights.

INFORMATION CONCERNING DOREL

General

The Corporation was incorporated on March 5, 1962 pursuant to Part I of the *Companies Act* (Québec) under the name Dorel Co. Ltd. On May 19, 1987, the Corporation was continued under Part IA of the *Companies Act* (Québec), at which time certain changes were effected to its share capital, the "private company" provisions were removed from its Articles and the Corporation's name was changed to Dorel Industries Inc./Les Industries Dorel Inc. On October 26, 1988, the Corporation amalgamated with its wholly-owned subsidiary, Ridgewood Industries Ltd. On September 20, 1991, the Corporation filed Articles of Amendment, effective October 1, 1991, converting each issued and outstanding common share into one half of a Class A Multiple Voting Share carrying ten votes per share and one half of a Class B Subordinate Voting Share carrying one vote per share. The Corporation was automatically continued under the QBCA on February 14, 2011, the date on which that statute came into force. The Corporation's head and registered office is at 1255 Greene Avenue, Suite 300, Westmount, Québec, Canada H3Z 2A4.

Summary Description of Business

The Corporation is a global organization, operating three distinct businesses in home products, juvenile products and bicycles. It operates in three distinct reporting segments: Dorel Home, Dorel Juvenile and Dorel Sports. The Corporation's extensive product offering includes home items such as a wide variety of Ready-to-Assemble (RTA) furniture for home and office use, as well as folding furniture, futons, mattresses, children's furniture, step stools, hand trucks, specialty ladders, outdoor furniture and other imported furniture items; juvenile products such as infant car seats, strollers, high chairs, playpens, swings, developmental toys and infant health and safety aids; and in Dorel Sports, items such as bicycles, children's electric ride-ons, electric bikes and bicycle trailers, as well as related parts and accessories.

Dorel's strength lies in the diversity, innovation and quality of its products as well as the superiority of its brands. Dorel Home, with its comprehensive e-commerce platform, markets a wide assortment of domestically produced and imported furniture. Dorel Juvenile's powerfully-branded products include global brands Maxi-Cosi, Quinny and Tiny Love, complemented by regional brands such as Safety 1st, Bébé Confort, Cosco and Infanti. Dorel Sports brands include Cannondale, Schwinn, GT, Mongoose, Caloi and IronHorse.

As at the date of this Circular, Dorel employs approximately 8,000 people and operates in 25 countries.

For further information regarding Dorel's business, refer to the Corporation's filings with the applicable securities regulatory authorities in Canada which may be obtained under the Corporation's issuer profile on SEDAR at www.sedar.com.

Directors and Executive Officers

The following table sets out the name, municipality and province or state and country of residence of each director of the Corporation, his or her principal occupation and the year in which he or she became a director of the Corporation.

Name and place of residence	Principal occupation	Director since
Martin Schwartz .... Westmount, Québec, Canada	President and Chief Executive Officer of the Corporation	1987
Alan Schwartz .... Montréal, Québec, Canada	Executive Vice-President, Operations of the Corporation	1987
Jeffrey Schwartz .... Toronto, Ontario, Canada	Executive Vice-President, Chief Financial Officer and Secretary of the Corporation	1987
Jeff Segel .... Montréal, Québec, Canada	Executive Vice-President, Sales and Marketing of the Corporation	1987
Alain Benedetti(1)(3) .... Sainte-Anne-des-Lacs, Québec, Canada	Corporate Director	2004
Dian Cohen(1)(3) .... Hatley, Québec, Canada	Corporate Director	2004
Brad A. Johnson(2) .... Kennebunk, Maine, U.S.A.	Visiting Lecturer Babson College	2019
Sharon Ranson(1) .... Toronto, Ontario, Canada	President and Founder The Ranson Group (management consulting firm)	2019
Norman M. Steinberg(2) .... Côte-Saint-Luc, Québec, Canada	Vice-Chair BFL Canada (financial services firm)	2018
Maurice Tousson(2)(3)(4) .... Toronto, Ontario, Canada	Corporate Director	1995

(1) Member of the Audit Committee.
(2) Member of Corporate Governance and Nominating Committee.
(3) Member of the Human Resources and Compensation Committee.
(4) Lead Director.

All members of the Board are Canadian residents with the exception of Brad A. Johnson, who is a resident of the United States. All directors will continue in office until the Meeting. During the past five years, they have all held their current principal occupations with the exception of: Brad A. Johnson, who prior to January 2018 was Vice President, Operations at Wayfair, an online furniture retailer, and Norman M. Steinberg, who from April 2017 to July 2019 was Chair Emeritus of Norton Rose Fulbright Canada, and prior thereto, was Co-Chair and then Chair of Norton Rose Fulbright and its predecessor firm, Ogilvy Renault.

Executive Officers

The following table sets out the name, municipality, province and country of residence, and position of each executive officer of the Corporation.

Name and place of residence	Position with the Corporation
Martin Schwartz .... Westmount, Québec, Canada	President and Chief Executive Officer
Alan Schwartz .... Montréal, Québec, Canada	Executive Vice-President, Operations
Jeffrey Schwartz .... Toronto, Ontario, Canada	Executive Vice-President, Chief Financial Officer and Secretary
Jeff Segel .... Montréal, Québec, Canada	Executive Vice-President, Sales and Marketing
Frank Rana... Laval, Québec, Canada	Senior Vice-President, Finance and Assistant Secretary
Ed Wyse... Côte-Saint-Luc, Québec, Canada	Senior Vice-President, Global Procurement

All of the executive officers are Canadian residents. During the past five years, the executive officers have all held their current position with the Corporation.

As at November 20, 2020, to the knowledge of Dorel, the directors and executive officers of Dorel owned, directly or indirectly, an aggregate of 4,001,261 Class A Multiple Voting Shares, representing 95.53% of the total number of Class A Multiple Voting Shares, and 2,249,789 Class B Subordinate Voting Shares, representing 7.95% of the total number of Class B Subordinate Voting Shares, representing in the aggregate 60.20% of the votes attached to all outstanding Shares.

Market Price and Trading Volume

The Corporation's Class A Multiple Voting Shares are listed for trading on the TSX under the symbol "DII.A". The following table sets out the price range and volume of the Class A Multiple Voting Shares traded on the TSX for the twelve months preceding the date hereof.

Calendar Period	Monthly High Price	Monthly Low Price	Monthly Volume
2019			
December	$7.49	$5.85	6,100
2020			
January	$6.99	$5.81	3,300
February	$6.20	$4.20	2,000
March	$4.26	$1.92	15,000
April	$4.81	$2.00	70,475
May	$6.44	$3.43	24,000
June	$7.02	$5.73	17,700

Calendar Period	Monthly High Price	Monthly Low Price	Monthly Volume
July	$10.00	$5.90	13,800
August	$12.79	$9.00	8,700
September	$13.00	$10.46	12,498
October	$16.58	$12.80	21,200
November	$16.00	$14.30	18,900
December (to December 3)	$14.75	$14.50	1,500

On October 30, 2020, the last trading day prior to public announcement by Dorel that it had reached an agreement in principle for the Arrangement with the Buyer Group, the closing price of the Class A Multiple Voting Shares on the TSX was $16.00.

The Corporation's Class B Subordinate Voting Shares are listed for trading on the TSX under the symbol "DII.B". The following table sets out the price range and volume of the Class B Subordinate Voting Shares traded on the TSX for the twelve months preceding the date hereof.

Calendar Period	Monthly High Price	Monthly Low Price	Monthly Volume
2019			
December	$6.03	$4.91	1,941,829
2020			
January	$6.34	$5.18	1,026,720
February	$5.18	$3.71	1,460,892
March	$3.72	$1.34	2,753,668
April	$3.20	$1.35	2,446,008
May	$5.63	$2.49	4,423,862
June	$6.66	$5.05	3,365,765
July	$9.69	$5.20	2,907,167
August	$11.54	$8.43	2,813,113
September	$12.10	$10.63	3,782,189
October	$15.86	$12.36	4,209,513
November	$15.69	$14.39	6,367,213
December (to December 3)	$14.59	$14.42	354,035

On October 30, 2020, the last trading day prior to public announcement by Dorel that it had reached an agreement in principle for the Arrangement with the Buyer Group, the closing price of the Class B Subordinate Voting Shares on the TSX was $14.39.

Interest of Informed Persons in Material Transactions

To the knowledge of Dorel, other than as disclosed in this Circular or in other continuous disclosure documents made available under the Corporation's issuer profile on SEDAR at www.sedar.com, no informed person, as defined in *National Instrument 51-102 Continuous Disclosure Obligations*, of Dorel, or any associate or affiliate of any informed person, has had any material interest, direct or indirect, in any transaction, or proposed transaction, which has materially affected or would materially affect Dorel or any of its Subsidiaries since the commencement of the most recently completed financial year of Dorel.

Commitments to Acquire Securities of the Corporation

Except as disclosed in this Circular, there are no agreements, commitments or understandings to acquire securities of the Corporation by (a) the Corporation, (b) any directors or officers of the Corporation or (c) to the knowledge of the directors and officers of the Corporation, after reasonable enquiry, by any insider of the Corporation (other than a director or officer) or any associate or affiliate of such insider or any associate or affiliate of the Corporation or any person or company acting jointly or in concert with the Corporation.

Material Changes in the Affairs of the Corporation

Except as disclosed in this Circular, the directors and officers of Dorel are not aware of any plans or proposals for material changes in the affairs of the Corporation.

Prior Sales

The Corporation has not issued any Class A Multiple Voting Shares during the twelve-month period preceeding the date of this Circular. The following table sets out the Class B Subordinate Voting Shares issued by the Corporation during the twelve-month period preceding the date of this Circular.

Date	Number of shares	Issue/Exercise price per share
December 12, 2019	6,210(1)	$5.66
January 23, 2020	7,871(2)	$5.79
September 25, 2020	100(3)	-
October 1, 2020	15,312(2)	$10.93
November 5, 2020	200(3)	-
November 10, 2020	1,703(1)	$15.05

(1) Issued in settlement of EDSUs pursuant to the EDSU Plan.
(2) Issued in settlement of DDSUs pursuant to the DDSU Plan.
(3) Issued upon conversion of an equal number of Class A Multiple Voting Shares.

The Corporation has not purchased any Shares in the twelve-month period preceeding the date of this Circular and will not make any purchases of Shares before the completion of the Arrangement.

The following table sets out securities issued by the Corporation during the twelve-month period preceding the date of this Circular that are convertible into or exchangeable for Class B Subordinate Voting Shares:

Date	Type of security	Number of securities	Issue/Exercise price per Class B Subordinate Voting Share
December 3, 2019 to December 30, 2019	DDSUs(1)	20,890	$5.86
December 5, 2019	Discretionary EDSUs(2)	18,864	$10.34 to $34.95
December 5, 2019	RSUs(3)	85,628	$10.34 to $31.61
December 5, 2019	PSUs(4)	175,092	$10.34 to $34.95

(1) DDSUs granted pursuant to the DDSU Plan. Under the DDSU Plan, upon the end of a director's service with the Corporation, the director will receive either: (a) a cash amount equal to the number of DDSUs in the director's account multiplied by the fair market value of the Class B Subordinate Voting Shares on the date on which a notice of redemption is filed with the Corporation by the director. The fair market value of the Class B Subordinate Voting Shares will be equal to their average closing price on the TSX for the five trading days preceding the redemption date; (b) a number of Class B Subordinate Voting Shares equal to the number of DDSUs in the director's account. Such Class B Subordinate Voting Shares will be purchased by the Corporation on the TSX or issued from treasury; or (c) a combination of cash and Class B Subordinate Voting Shares.

(2) Discretionary EDSUs granted pursuant to the EDSU Plan. Discretionary EDSUs vest in whole after a three-year performance cycle and have performance vesting conditions. The number of discretionary EDSUs that can vest can be up to 1.5 times the number of discretionary EDSUs awarded if exceptional financial performance is achieved. Upon the termination of an executive's service with the Corporation, the executive will receive either: (i) a cash amount equal to the number of EDSUs in the executive's account multiplied by the fair market value of the Class B Subordinate Voting Shares on the date a notice of redemption is filed with the Corporation by the executive. The fair market value of the Class B Subordinate Voting Shares will be equal to their weighted average trading price on the TSX during the five trading days preceding the redemption date; or (ii) a number of Class B Subordinate Voting Shares equal to the number of EDSUs in the executive's account. Such Class B Subordinate Voting Shares will be purchased by the Corporation on the TSX or issued from treasury; or (iii) a combination of cash and Class B Subordinate Voting Shares

(3) RSUs granted pursuant to the RSU Plan. RSUs are settled in cash in an amount equal to the number of Class B Subordinate Voting Shares underlying the vested RSUs multiplied by the weighted average trading price of the Class B Subordinate Voting Shares during the five trading days immediately preceding the vesting date, net of the required statutory deductions. The RSUs vest in whole after three years from the date of the issuance of the award.

(4) PSUs granted pursuant to the PSU Plan. PSUs are settled in cash in an amount equal to the number of vested PSUs multiplied by the fair market value of the Class B Subordinate Voting Shares calculated using their weighted average trading price on the TSX during the five trading days commencing two business days after the day on which the Corporation issues a press release announcing its financial results for its most recently-completed fiscal year. The number of PSUs that can vest can be up to 1.5 times the actual number of PSUs awarded if exceptional financial performance is achieved.

Dividends

On March 14, 2019, Dorel announced that it had adjusted its quarterly dividend from the prior $0.30 per share to $0.15 per share for the upcoming year on each of the Class A Multiple Voting Shares, Class B Subordinate Voting Shares, DDSUs, EDSUs, cash-settled PSUs and cash-settled RSUs. During the first three quarters of 2019, a quarterly dividend of $0.15 per share was declared and paid on the Class A Multiple Voting Shares and Class B Subordinate Voting Shares, for an aggregate amount of $0.45 per share for the year, or $14.6 million. On September 30, 2019, the Board suspended the Corporation's dividends.

The Corporation has paid the following dividends during the 24-month period preceding the date of this Circular.

Record Date	Payment Date	Dividend Paid
November 16, 2018	November 30, 2018	$0.30
March 28, 2019	April 11, 2019	$0.15
May 31, 2019	July 3, 2019	$0.15
August 30, 2019	October 2, 2019	$0.15

The Corporation will not declare or pay dividends or other distributions prior to the completion of the Arrangement.

Auditor

KPMG LLP is the auditor of the Corporation.

Additional Information

Shareholders can obtain copies, free of charge, of Dorel's most recent interim financial statements and management's discussion and analysis by writing to Jeffrey Schwartz, Executive Vice-President, Chief Financial Officer and Secretary of Dorel, at 1255 Greene Avenue, Suite 300, Westmount, Québec, Canada H3Z 2A4. Additional financial information is provided in Dorel's 2019 Consolidated Financial Statements and corresponding Management's Discussion and Analysis for the fiscal year ended December 30, 2019 which along with other documents and additional information relating to Dorel are available under the Corporation's issuer profile on SEDAR at www.sedar.com.

INFORMATION CONCERNING THE PURCHASER AND THE FAMILY SHAREHOLDERS

The information concerning the Purchaser and the Family Shareholders (including information concerning the Family Executives) contained in this Circular has been provided by the Purchaser and the Family Executives, respectively, for inclusion in this Circular. Although Dorel has no knowledge that any statement contained herein taken from, or based on, such information and records or information provided by the Purchaser and the Family Executives are untrue or incomplete, Dorel assumes no responsibility for the accuracy of the information contained in such documents, records or information or for any failure by the Purchaser or the Family Shareholders to disclose events which may have occurred or may affect the significance or accuracy of any such information but which are unknown to Dorel.

Purchaser

The Purchaser was incorporated under the QBCA for the purposes of completing the Arrangement and, as of the date hereof, an affiliate of funds managed by Cerberus owns all of the outstanding securities of the Purchaser. After Closing, all of the securities of the Purchaser will be held indirectly by the Buyer Group and the Family Shareholders. The Purchaser has not engaged in any business other than in connection with the Arrangement.

Cerberus

Founded in 1992, Cerberus is a global leader in alternative investing with more than US $48 billion in assets across complementary credit, private equity, and real estate strategies. Cerberus invests across the capital structure where its integrated investment platforms and proprietary operating capabilities create an edge to improve performance and drive long-term value. Its tenured teams have experience working collaboratively across asset classes, sectors, and geographies to seek strong risk-adjusted returns for its investors.

Family Executives and Family Shareholders

The Family Executives are Martin Schwartz, President and Chief Executive Officer of the Corporation, Alan Schwartz, Executive Vice-President, Operations of the Corporation, Jeffrey Schwartz, Executive Vice-President, Chief Financial Officer and Secretary of the Corporation, and Jeff Segel, Executive Vice-President, Sales and Marketing of the Corporation. Each is also a director of the Corporation.

Martin Schwartz is a co-founder of Ridgewood Industries Ltd., which was merged with several associated companies to create the Corporation, which subsequently went public in 1987. Originally Executive Vice-President of the Corporation, Mr. Schwartz has held the position of President and Chief Executive Officer since 1992.

Alan Schwartz is a co-founder of Ridgewood Industries Ltd. Mr. Schwartz held the position of Vice-President, Operations of the Corporation from 1989 to 2003. In 2003, Mr. Schwartz's title was changed to Executive Vice-President, Operations.

Jeffrey Schwartz, previously Vice-President of the Juvenile Division of the Corporation, was the Corporation's Vice-President, Finance from 1989 to 2003. In 2003, his title was changed to Executive Vice-President, Chief Financial Officer and Secretary. Mr. Schwartz is a graduate of McGill University in Montréal, Québec, in the field of business administration.

Jeff Segel is a co-founder of Ridgewood Industries Ltd. Mr. Segel held the position of Vice-President, Sales and Marketing of the Corporation from 1987 to 2003. In 2003, Mr. Segel's title was changed to Executive Vice-President, Sales and Marketing.

The Family Shareholders are the Family Executives and certain members of their respective immediate families.

CERTAIN CANADIAN FEDERAL INCOME TAX CONSIDERATIONS

In the opinion of Fasken, legal counsel to Dorel, the following is, at the date hereof, a summary of the principal Canadian federal income tax considerations under the Tax Act generally applicable to Shareholders who dispose of their Shares in return for the Consideration pursuant to the Arrangement and who, for the purposes of the Tax Act, and at all relevant times, hold their Shares as capital property and deal at arm's length with, and are not affiliated with, Dorel, the Purchaser or any of their respective affiliates.

Shares will generally be considered to be capital property to a holder thereof provided the holder does not hold its Shares in the course of carrying on a business and has not acquired them in one or more transactions considered to be an adventure or concern in the nature of trade.

This summary is based on the provisions of the Tax Act in force as of the date hereof and counsel's understanding of the current administrative policies and assessing practices of the Canada Revenue Agency published in writing prior to the date hereof. This summary takes into account all specific proposals to amend the Tax Act publicly announced by or on behalf of the Minister of Finance (Canada) prior to the date hereof (the "**Proposed Amendments**") and assumes that all Proposed Amendments will be enacted in the form proposed. However, no assurances can be given that the Proposed Amendments will be enacted as proposed, or at all. This summary does not otherwise take into account or anticipate any changes in law or administrative policy or assessing practices whether by legislative, regulatory, administrative or judicial action nor does it take into account tax legislation or considerations of any province, territory or foreign jurisdiction, which may differ from those discussed herein.

This summary is not applicable to a Shareholder: (i) that is a Family Shareholder; (ii) that is a "financial institution", a "restricted financial institution", a "specified financial institution", an insurer or an "authorized foreign bank", each as defined in the Tax Act; (iii) an interest in which would be a "tax shelter investment" as defined in the Tax Act; (iv) that has elected under the functional currency rules in the Tax Act to determine its "Canadian tax results" as defined in the Tax Act in a currency other than Canadian currency; (v) that is exempt from tax under Part I of the Tax Act; or (vi) that has entered or enters into a "derivative forward agreement" as defined in the Tax Act with respect to the Shares. **Such Shareholders should consult their own tax advisors having regard to their own particular circumstances.**

This summary is not exhaustive of all Canadian federal income tax considerations. It is of a general nature only and is neither intended to be, nor should it be construed to be, legal, business or tax advice or representations to any particular Shareholder. Accordingly, Shareholders should consult their own legal and tax advisors with respect to their particular circumstances.

Shareholders Resident in Canada

This portion of the summary is applicable only to a Shareholder who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, is or is deemed to be resident in Canada (a "**Resident Shareholder**"). Certain Resident Shareholders who might not otherwise be considered to hold their Shares as capital property may, in certain circumstances, be entitled to have them and all other "Canadian securities", as defined in the Tax Act, owned by such Resident Shareholder in the taxation year in which the election is made and in all subsequent taxation years treated as capital property by making the irrevocable election permitted by subsection 39(4) of the Tax Act. **Resident Shareholders whose Shares are not capital property should consult their own tax advisors.**

Disposition of Shares

A Resident Shareholder who disposes of Shares to the Purchaser will realize a capital gain or capital loss to the extent that the proceeds of disposition exceed or are less than the aggregate of the Resident Shareholder's adjusted cost base in its Shares immediately before the disposition and any reasonable costs of disposition. The income tax treatment of any such capital gain or capital loss is discussed below.

Taxation of Capital Gains and Losses

A Resident Shareholder will generally be required to include in its income for the taxation year of the disposition one-half of any capital gain ("**taxable capital gain**") and will be required to deduct one-half of any capital loss ("**allowable capital loss**") against taxable capital gains realized in the year in accordance with the detailed rules in the Tax Act. Allowable capital losses in excess of taxable capital gains realized in a taxation year may be carried back and applied to reduce taxable capital gains in any of the three preceding years or carried forward and applied to reduce taxable capital gains in any subsequent year, subject to and in accordance with the detailed rules contained in the Tax Act.

If the Resident Shareholder is a corporation or a partnership or trust of which a corporation is a partner or a beneficiary, any capital loss realized on the disposition of any Shares may be reduced by the amount of certain dividends which have been received or are deemed to have been received on the Shares in accordance with detailed provisions of the Tax Act.

Dissenting Resident Shareholders

A Resident Shareholder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Resident Shareholder**") will be deemed to have transferred its Shares to the Purchaser and will be entitled to receive a payment from the Purchaser of an amount equal to the fair value of its Dissent Shares. In general, a Dissenting Resident Shareholder will realize a capital gain or capital loss to the extent that such payment, other than any portion thereof that is interest awarded by a court, exceeds or is less than the aggregate of the Dissenting Resident Shareholder's adjusted cost base in its Shares and any reasonable costs of disposition. The tax treatment of capital gains and capital losses discussed above applies to Dissenting Resident Shareholders. See "*Certain Canadian Federal Income Tax Considerations — Shareholders Resident in Canada — Taxation of Capital Gains and Losses*" above.

A Dissenting Resident Shareholder will be required to include in computing its income any interest awarded by a court in connection with the Arrangement.

Dissenting Resident Shareholders should consult their own tax advisors with respect to the Canadian federal income tax consequences of exercising their Dissent Rights.

Refundable Tax and Alternative Minimum Tax

A Resident Shareholder that, throughout the relevant taxation year, is a "Canadian-controlled private corporation", as defined in the Tax Act, may be liable to pay an additional refundable tax on its "aggregate investment income", as defined in the Tax Act, including amounts of interest and taxable capital gains. The realization of a capital gain or capital loss by an individual, including most trusts, may affect the individual's liability for alternative minimum tax under the Tax Act. Such Resident Shareholders should consult their own tax advisors in this regard.

Shareholders Not Resident in Canada

This portion of the summary is generally applicable to a Shareholder who, at all relevant times, for purposes of the Tax Act and any applicable income tax treaty or convention, is not and is not deemed to be resident in Canada and does not use or hold and is not deemed to use or hold the Shares in a business carried on in Canada (a "**Non-Resident Shareholder**").

This summary does not apply to Non-Resident Shareholders that carry on an insurance business in Canada or elsewhere and any such Non-Resident Shareholders should their own tax advisors.

Disposition by Non-Resident Shareholders

A Non-Resident Shareholder will not be subject to tax under the Tax Act on any capital gain realized on the disposition of the Shares as part of the Arrangement, unless the Shares constitute "taxable Canadian property" of the Non-Resident Shareholder for purposes of the Tax Act at the time of the disposition and the Non-Resident Shareholder is not entitled to relief under an applicable income tax treaty or convention between Canada and the country in which the Non-Resident Shareholder is resident. Generally, the Shares will not constitute taxable Canadian property of a Non-Resident Shareholder at the time of their disposition provided that (i) the Shares were listed on a "designated stock exchange" as defined in the Tax Act (which includes the TSX) at that time, and (ii) at no time during the 60-month period immediately preceding that time was it the case that both (A) the Non-Resident Shareholder, persons with whom the Non-Resident Shareholder does not deal at arm's length, a partnership in which the Non-Resident Shareholder or a non-arm's length person holds a membership interest directly or indirectly through one or more partnerships, or the Non-Resident Shareholder together with all such persons or partnerships, owned 25% or more of the issued shares of any class of Dorel, and (B) more than 50% of the fair market value of the Shares was derived directly or indirectly from one or any combination of real or immovable property situated in Canada, "Canadian resource properties", "timber resource properties" (both as defined in the Tax Act), and options in respect of, or interests in, or for civil law, rights in, any such properties, whether or not the property exists. Notwithstanding the foregoing, Shares may be deemed to be taxable Canadian property in certain circumstances specified in the Tax Act.

Even if the Shares are taxable Canadian property of a Non-Resident Shareholder at the time of the disposition, a capital gain realized upon the disposition of such Shares may be exempt from tax under an applicable income tax treaty or convention. In the event that any capital gain realized by a Non-Resident Shareholder on the disposition of Shares as part of the Arrangement is not exempt from tax under the Tax Act by virtue of an applicable income tax treaty or convention, the tax consequences pertaining to capital gains (or capital losses) as described above under "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Taxation of Capital Gains and Losses*" will generally apply. **A Non-Resident Shareholder who disposes of taxable Canadian property should consult its own tax advisors regarding any resulting Canadian reporting requirements.**

Dissenting Non-Resident Shareholders

A Non-Resident Shareholder who validly exercises Dissent Rights under the Arrangement (a "**Dissenting Non-Resident Shareholder**") will realize a capital gain or capital loss in the same manner as a Dissenting Resident Shareholder. See "*Certain Canadian Federal Income Tax Considerations — Shareholders Resident in Canada — Dissenting Resident Shareholders*". The income tax treatment of capital gains and capital losses of a Dissenting Non-Resident Shareholder is discussed above. See "*Certain Canadian Federal Income Tax Considerations — Shareholders Not Resident in Canada — Taxation of Capital Gains and Losses*" above. Any interest awarded by a court to a Dissenting Non-Resident Shareholder in connection with the Arrangement will not be subject to Canadian withholding tax.

RISK FACTORS

In evaluating the Arrangement, Shareholders should carefully consider the following risk factors relating to Dorel and to the Arrangement. The following risk factors are not a definitive list of all risk factors associated with Dorel or the Arrangement.

Completion of the Arrangement is subject to several conditions that must be satisfied or waived

The completion of the Arrangement is subject to a number of conditions precedent, some of which are outside the control of the Corporation and the Purchaser, including receipt of the required Key Regulatory Approvals, Required Shareholder Approval and the granting of the Final Order. In addition, the completion of the Arrangement by the Purchaser is conditional on, among other things, Dissent Rights not having been exercised by the holders of more than 5% of the issued and outstanding Shares and no Material Adverse Effect having occurred since the date of the Arrangement Agreement. There can be no certainty, nor can the Corporation or the Purchaser provide any assurance, that these conditions will be satisfied or, if satisfied, when they will be satisfied. Moreover, a substantial delay in obtaining satisfactory approvals could result in the Arrangement not being completed. If the Arrangement is not completed for any reason, there are risks that the announcement of the Arrangement and the dedication of substantial resources of the Corporation to the completion thereof could have a negative impact on the Corporation's current business relationships, including with future and prospective employees, customers, distributors, suppliers and partners, and could have a material adverse effect on the current and future operations, financial condition and prospects of the Corporation. In addition, failure to complete the Arrangement for any reason could have a material negative impact on the trading price of the Shares. If the Arrangement is not completed and the Board decides to seek an alternative transaction, there can be no assurance that it will be able to find a party willing to pay consideration for the Shares that is equivalent to, or more attractive than, the Consideration payable pursuant to the Arrangement. In accordance with the terms of their irrevocable Voting Support Agreements, the ability of the Family Executives to support an alternative transaction is subject to restrictions. See "*The Arrangement – Voting Support Agreements – Voting Support Agreements of the Supporting Shareholders*".

The Arrangement Agreement may be terminated in certain circumstances

Each of Dorel and the Purchaser has the right, in certain circumstances, in addition to termination rights relating to the failure to satisfy the conditions of Closing, to terminate the Arrangement Agreement. Accordingly, there can be no certainty, nor can Dorel provide any assurance, that the Arrangement Agreement will not be terminated by either Dorel or the Purchaser prior to the completion of the Arrangement. If the Arrangement Agreement is terminated, there is no guarantee that equivalent or greater purchase prices for the Shares will be available from an alternative party.

The Corporation will incur costs and may have to pay the Termination Fee and an expense reimbursement fee

Certain costs relating to the Arrangement, such as legal, accounting and certain financial advisor fees, must be paid by the Corporation even if the Arrangement is not completed. If the Arrangement is not completed, the Corporation may also be required to pay the Termination Fee or an expense reimbursement fee to the Purchaser. If the

Corporation is required to pay the Termination Fee under the Arrangement Agreement, the financial condition of the Corporation could be materially adversely affected.

The Termination Fee may discourage other parties from proposing a significant business transaction with the Corporation

Under the Arrangement, the Corporation is required to pay the Termination Fee in the event that the Arrangement Agreement is terminated in certain circumstances, including circumstances related to a possible alternative transaction to the Arrangement. The Termination Fee may discourage other parties from attempting to propose a business transaction.

While the Arrangement is pending, the Corporation is restricted from taking certain actions

The Arrangement Agreement restricts the Corporation from taking specified actions until the Arrangement is completed without the consent of the Purchaser. These restrictions may prevent the Corporation from pursuing attractive business opportunities that may arise prior to the completion of the Arrangement.

Uncertainty surrounding the Arrangement may cause the Corporation's customers to delay or defer decisions concerning the Corporation

As the Arrangement is dependent upon satisfaction of a number of conditions, its completion is uncertain. In response to that uncertainty, the Corporation's customers may delay or defer decisions concerning the Corporation. Any delay or deferral of those decisions by customers could adversely affect the business and operations of the Corporation, regardless of whether the Arrangement is ultimately completed. Similarly, uncertainty may adversely affect the Corporation's ability to attract or retain key personnel. In the event the Arrangement Agreement is terminated, the Corporation's relationship with customers, suppliers, employees or other shareholders may be materially adversely affected. Changes in such relationships could have a material adverse effect on the business and operations of the Corporation.

Public Shareholders will no longer hold an interest in the Corporation following the Arrangement

Following the Arrangement, Public Shareholders will forego any future increase in value that might result from future growth and the potential achievement of the Corporation's business going forward. A number of positive developments with respect to the Corporation's business may take place after the Meeting and/or the Closing, including with respect to the Corporation's customers, suppliers and its overall business prospects.

Dorel directors and officers may have interests in the Arrangement that are different from those of other Shareholders

In considering the recommendations of the Board (excluding interested directors) to vote in favour of the Arrangement Resolution, Shareholders should be aware that certain members of the Board and Management have agreements or arrangements that provide them with interests in the Arrangement that differ from, or are in addition to, those of Public Shareholders. See "*The Arrangement – Interest of Certain Persons in the Arrangement*".

Whether or not the Arrangement is completed, the Corporation will continue to face many of the risks that it currently faces with respect to its business and affairs.

Whether or not the Arrangement is completed, the Corporation will continue to face many of the risks that it currently faces with respect to its business and affairs. A description of the risk factors (incorporated by reference into this Circular) applicable to the Corporation can be found under the section entitled "*Market Risks and Uncertainties*" in the Corporation's Management's Discussion and Analysis for the fiscal year ended December 30, 2019, under the section entitled "*Risk Factors*" in the Corporation's annual information form for the fiscal year ended December 30, 2019 and in the Corporation's other filings with the Canadian provincial securities commissions.

APPROVAL OF CIRCULAR

The Board approved the contents of this Circular and authorized it to be sent to each Shareholder who is eligible to receive notice of, and to vote at, the Meeting.

Montréal, Québec
December 3, 2020

(signed) Jeffrey Schwartz
Jeffrey Schwartz
Executive Vice-President, Chief Financial Officer and Secretary
Dorel Industries Inc.

GLOSSARY OF TERMS

Unless the context otherwise requires or where otherwise provided, the following words and terms will have the meanings set out below when read in this Circular. Certain of these terms may not conform to defined terms used in the appendices to this Circular.

"**Acquisition Proposal**" means, other than the transactions contemplated by the Arrangement Agreement and other than any transaction involving only the Corporation and/or one or more of its wholly-owned Subsidiaries, any written or oral offer, proposal, request or inquiry (or the public announcement of any of the foregoing) from any Person or group of Persons other than the Purchaser (or an affiliate of the Purchaser) relating to: (i) any direct or indirect sale, disposition, alliance or joint venture (or any lease, license, long-term supply agreement or other arrangement having the same economic effect as a sale or disposition) of 20% or more of any class of voting or equity securities (including securities convertible or exchangeable into or exercisable for voting or equity securities) of the Corporation, any of its Subsidiaries or assets, including shares of one or more Subsidiaries, representing 20% or more of the consolidated assets (measured by the fair market value thereof as of the date of such sale, disposition, lease, license or other arrangement) or contributing 20% or more of the consolidated revenue of the Corporation and its Subsidiaries (based on the most recent annual consolidated financial statements of the Corporation filed); (ii) any direct or indirect purchase, take-over bid, tender offer, exchange offer, treasury issuance of securities or other transaction that, if consummated, would result in a Person or group of Persons beneficially owning 20% or more of any class of voting or equity securities (including securities convertible or exchangeable into voting or equity securities) of the Corporation or any of its Subsidiaries (whether any such voting or equity securities are acquired from the Corporation or any other Person); (iii) any plan of arrangement, merger, amalgamation, consolidation, security exchange, share reclassification, business combination, reorganization, recapitalization, liquidation, dissolution or winding-up, exclusive license or other transaction involving the Corporation or any of its Subsidiaries; (iv) any of its operating divisions; or (v) any other similar transaction or series of transactions involving the Corporation or any of its Subsidiaries, in each case of clauses (i), (ii) and (iii), whether in a single transaction or in a series of related transactions.

"**Acquisition Proposal Tail**" has the meaning ascribed to it under "*Summary - Termination and Termination Fees*".

"**affiliate**" has the meaning ascribed thereto in *National Instrument 45-106 - Prospectus Exemptions* as in effect on the date of the Arrangement Agreement.

"**Aggregate Commitment Amount**" has the meaning ascribed to it under "*Summary – Equity Financing – Equity Commitment Letter".*

"**allowable capital loss**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada - Taxation of Capital Gains and Losses*".

"**Antitrust Division**" means the Antitrust Division of the United States Department of Justice.

"**Arrangement**" means an arrangement under Chapter XVI – Division II of the QBCA on the terms and subject to the conditions set out in the Plan of Arrangement, subject to any amendments or variations to the Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement dated November 12, 2020, a copy of which is filed on SEDAR under Dorel's issuer profile at www.sedar.com, between the Purchaser and the Corporation, including the Schedules thereto, as it may be amended, modified or supplemented from time to time in accordance with its terms.

“**Arrangement Resolution**” means the special resolution approving the Plan of Arrangement to be considered at the Meeting by Shareholders, substantially in the form set out in Appendix B to this Circular.

“**Articles of Arrangement**” means the articles of arrangement of the Corporation in respect of the Arrangement required by the QBCA to be sent to the Enterprise Registrar after the Final Order is made, which shall include the Plan of Arrangement and otherwise be in a form and content satisfactory to the Corporation and the Purchaser, each acting reasonably.

“**Assumed Transaction Expenses**” has the meaning ascribed to it under “*The Arrangement – Closing Conditions – Expenses and Termination Fees*”.

“**Authorization**” means with respect to any Person, any order, permit, approval, consent, waiver, licence, registration or similar authorization of any Governmental Entity having jurisdiction over the Person (including the products and services directly or indirectly provided by such Person).

“**BMO Capital Markets**” means BMO Nesbitt Burns Inc.

“**BMO Fairness Opinion**” means the opinion of BMO Capital Markets to the effect that, as of November 12, 2020, the Consideration to be received by the Public Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders.

“**Board**” means the board of directors of the Corporation as constituted from time to time.

“**Board Recommendation**” means the unanimous recommendation of the Board (excluding interested directors) that the Shareholders vote in favour of the Arrangement Resolution.

“**Breaching Party**” has the meaning ascribed to it under “*Summary of the Arrangement Agreement – Covenants – Notice and Cure Provisions*”.

“**Business Day**” means any day of the year, other than a Saturday, Sunday or any day on which major banks are required to be closed for business in Montréal, Québec or New York, New York.

“**Buyer Group**” means the buyer group led by the Purchaser.

“**CADE**” has the meaning ascribed to it under “*Certain Legal and Regulatory Matters – Regulatory Matters – Other Regulatory Approvals*”.

“**Cerberus**” means Cerberus Capital Management, L.P.

“**Certificate of Arrangement**” means the certificate of arrangement giving effect to the Arrangement to be issued by the Enterprise Registrar in accordance with the QBCA in respect of the Articles of Arrangement.

“**Change in Recommendation**” has the meaning ascribed to it under “*Summary of the Arrangement Agreement – Termination*”.

“**Circular**” means the management information circular dated December 3, 2020 of Dorel.

“**Closing**” means the closing of the Arrangement contemplated by the Arrangement Agreement.

“**Commitment Amount**” has the meaning ascribed to it under “*Summary – Equity Financing – Equity Commitment Letter*”.

“**Commitment Parties**” has the meaning ascribed to it under “*Summary – Sources of Funds for the Arrangement – Debt Financing*”.

"**Competition Act**" means the *Competition Act* (Canada).

"**Computershare**" means Computershare Investor Services Inc.

"**Confidentiality Agreement**" means the non-disclosure letter agreement dated as of June 24, 2020 between the Corporation and an affiliate of the Purchaser in connection with the transactions contemplated by the Arrangement Agreement.

"**Consideration**" means, in respect of Shares not held by the Family Shareholders, $14.50 in cash per Share, without interest.

"**Contract**" means any written or oral agreement, commitment, engagement, contract, licence, lease, obligation, undertaking or joint venture to which the Corporation or any of its Subsidiaries is a party or by which the Corporation or any of its Subsidiaries is bound.

"**Corporation**" means Dorel Industries Inc.

"**Corporation Disclosure Letter**" means the disclosure letter dated November 12, 2020 and all schedules, exhibits and appendices thereto, delivered by the Corporation to the Purchaser with the Arrangement Agreement.

"**Corporation Liability Limitation**" has the meaning ascribed to it under "*The Arrangement* **-** *Closing Conditions –Expenses and Termination Fees*".

"**Corporation Related Parties**" has the meaning ascribed to it under "*The Arrangement – Closing Conditions – Expenses and Termination Fees*".

"**Court**" means the Québec Superior Court.

"**COVID-19**" means SARS-CoV-2 or COVID-19, and any evolutions thereof or related or associated epidemics, pandemic or disease outbreaks.

"**DCF**" means discounted cash flow.

"**DDSUs**" means deferred share units under the DDSU Plan.

"**DDSU Plan**" means the 2004 Directors' Deferred Share Unit Plan of the Corporation.

"**Debt Commitment Letter**" has the meaning ascribed to it under "*Summary – Sources of Funds for the Arrangement – Debt Financing*".

"**Debt Financing**" has the meaning ascribed to it under "*The Arrangement – Sources of Funds for the Arrangement – Debt Financing*".

"**Depositary**" means Computershare or such other Person as the Corporation may appoint to act as depositary for the Arrangement, with the approval of the Purchaser, acting reasonably.

"**Dissent Notice**" has the meaning ascribed to it under "*Summary – Dissent Rights*".

"**Dissent Rights**" means the rights of dissent in respect of the Arrangement described in the Plan of Arrangement.

"**Dissenting Non-Resident Shareholder**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Shareholders Not Resident in Canada – Dissenting Non-Resident Shareholders*".

"**Dissenting Resident Shareholder**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada – Dissenting Resident Shareholders*".

"**Dissenting Shareholder**" means a registered Shareholder, other than a holder of Shares who has failed to exercise all the voting rights carried by the Shares held by such holder against the Arrangement Resolution, or other than a Family Shareholder, that has duly exercised such Shareholder's Dissent Rights and has not renounced or been deemed to have renounced such exercise of Dissent Rights.

"**Dissent Shares**" means the Shares held by a Dissenting Shareholder in respect of which Dissent Rights have been validly exercised.

"**DOJ**" means the United States Department of Justice.

"**Dorel**" means Dorel Industries Inc.

"**DRS**" means Direct Registration System advice(s).

"**EC**" means the European Commission.

"**EDSUs**" means the outstanding deferred share units issued in accordance with the EDSU Plan.

"**EDSU Plan**" means the 2009 Executive Deferred Share Unit Plan of the Corporation, dated as of March 11, 2009.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 10:00 a.m. (eastern time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

"**Enterprise Registrar**" means the enterprise registrar appointed by the Minister of Revenue of Québec.

"**Equity Commitment Letter**" has the meaning ascribed to it under "*The Arrangement – Sources of Funds for the Arrangement – Equity Financing*".

"**Equity Financing**" has the meaning ascribed to it under "*The Arrangement – Sources of Funds for the Arrangement – Equity Financing*".

"**EUMR**" has the meaning ascribed to it under "*Certain Legal and Regulatory Matters – Regulatory Matters – Other Regulatory Approvals*".

"**Fairness Opinions**" means, collectively, the BMO Fairness Opinion and the TD Securities Fairness Opinion.

"**Family Executives**" means, collectively, Martin Schwartz, Alan Schwartz, Jeffrey Schwartz and Jeff Segel.

"**Family Shareholders**" means, collectively, the Family Executives and certain members of their respective immediate families.

"**FATA**" has the meaning ascribed to it under "*Certain Legal and Regulatory Matters – Regulatory Matters – Other Regulatory Approvals*".

"**Fasken**" means Fasken Martineau DuMoulin LLP, counsel to Dorel.

"**Final Order**" means the final order of the Court in a form acceptable to the Corporation and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Corporation and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Corporation and the Purchaser, each acting reasonably) on appeal.

“**Financing Sources**” means any investor, lender, agent, arranger or other Person that commits to provide, or otherwise enters into agreements with the Purchaser or its affiliates in connection with the Debt Financing, including the Debt Commitment Letter, the Preferred Equity Commitment Letter and any joinders to such letter or any definitive documentation relating thereto, together with such Person’s successors, assigns, affiliates, branches officers, directors, employees, members, general or limited partners, equityholders, advisors, agents, funds, accounts, investment advisers and representatives and their respective successors, assigns, affiliates, branches, officers, directors, employees, members, general or limited partners, equityholders, advisors, agents, funds, accounts, investment advisers and representatives.

“**FIRB**” has the meaning ascribed to it under “*Certain Legal and Regulatory Matters – Regulatory Matters – Other Regulatory Approvals*”.

“**Formal Valuation**” means the independent formal valuation prepared by TD Securities, the preparation and content of which comply with the requirements of MI 61-101 for a formal valuation in respect of the transactions contemplated in the Arrangement Agreement.

“**forward-looking statements**” has the meaning ascribed to it under “*Caution on Forward-Looking Statements*”.

“**FTC**” means the United States Federal Trade Commission.

“**Governmental Entity**” means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body (public or private), commission, commissioner, board, bureau, council, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, supervisory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.

“**Guarantor**” has the meaning ascribed to it under “*The Arrangement – Sources of Funds for the Arrangement – Equity Financing*”.

“**HSR Act**” means the United States *Hart-Scott-Rodino Antitrust Improvements Act of 1976*, as amended.

“**HSR Approval**” means the expiration or early termination of the waiting period, and any extension thereof, applicable to the completion of the transactions contemplated by the Arrangement Agreement under the HSR Act, (including any filing, if any, separately required by the Family Shareholders).

“**Incentive Securities**” means, collectively, DDSUs, EDSUs, RSUs, PSUs and SARs.

“**IFRS**” means International Financial Reporting Standards as adopted by the International Accounting Standards Board, consistently applied from period to period.

“**Initial ABL Lenders**” has the meaning ascribed to it under “*Summary – Sources of Funds for the Arrangement – Debt Financing*”.

“**Initial Term Loan Lenders**” has the meaning ascribed to it under “*Summary – Sources of Funds for the Arrangement – Debt Financing*”.

“**Interested Parties**” has the meaning ascribed to it under “*The Arrangement – Determinations and Recommendations of the Special Committee of the Board – Independence of BMO Capital Markets*”.

“**Interim Order**” means the interim order of the Court in a form acceptable to the Corporation and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Meeting, as such order may be amended by the Court with the consent of the Corporation and the Purchaser, each acting reasonably.

"**Intermediary**" means a broker, investment dealer, bank, trust company, custodian, nominee or other intermediary which holds Shares of non-registered Shareholders.

"**Investment Canada Act**" means the Investment Act Canada and the regulations promulgated thereunder, as amended from time to time.

"**Investors**" has the meaning ascribed to it under "*The Arrangement – Sources of Funds for the Arrangement – Equity Financing*".

"**KED**" means Koch Equity Development LLC.

"**Key Regulatory Approvals**" has the meaning ascribed to it under "*Certain Legal and Regulatory Matters - Regulatory Matters*".

"**Law**" means, with respect to any Person, any and all applicable law (statutory, civil, common or otherwise), constitution, treaty, convention, ordinance, act, statute, code, rule, regulation, order, injunction, judgment, award, writ, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, products or services, undertaking, property or securities.

"**Letter of Transmittal**" means the letter of transmittal sent to Shareholders for use in connection with the Arrangement.

"**Lien**" means any mortgage, charge, pledge, encumbrance, hypothec, security interest, prior claim or lien (statutory or otherwise), in each case, whether contingent or absolute.

"**Limited Guaranty**" has the meaning ascribed to it under "*The Arrangement – Sources of Funds for the Arrangement – Equity Financing*".

"**Management**" means the management of Dorel.

"**Matching Period**" has the meaning ascribed to it under "*Summary of the Arrangement Agreement – Arrangement Agreement – Right to Match*".

"**Material Adverse Effect**" means any change, event, occurrence, development, state of facts, effect or circumstance that, individually or in the aggregate with other such changes, events, occurrences, developments, state of facts, effects or circumstances, (A) has had or would reasonably be expected to have a material adverse effect on the current or future business, operations, net cash flow, results of operations, affairs, assets, properties, capitalization, condition (financial or otherwise), liabilities (contingent or otherwise), obligations or privileges (whether contractual or otherwise) of the Corporation and its Subsidiaries, taken as a whole, or (B) would reasonably be expected to prevent the consummation of the Arrangement or the transactions contemplated in the Arrangement Agreement, but excluding (with respect to clause (A) only) any change, event, occurrence, development, state of facts, effect or circumstance to the extent resulting from:

(a) any change, development or condition generally affecting the industries in which the Corporation and its Subsidiaries operate;

(b) any change, development or condition in or relating to global, national or regional political conditions or in general economic, business, banking or market conditions or in national or global financial or capital markets;

(c) any change, development or condition resulting from any act of terrorism or any outbreak of hostilities or declared or undeclared war, or any escalation or worsening of such acts of terrorism, hostilities or war;

(d) any adoption, proposal, implementation or change in Law or in any interpretation, application or non-application of any Laws by any Governmental Entity;

(e) any change in applicable generally accepted accounting principles, including IFRS;

(f) any earthquake or other natural disaster or epidemic, pandemic or outbreaks of illness or disease (including the COVID-19 pandemic and its continuing effect on working restrictions and the local, national and global economy);

(g) the failure of the Corporation to meet any internal, published or public projections, forecasts, guidance or estimates, including of production, revenues, earnings or cash flows (it being understood that the causes underlying such failure may be taken into account in determining whether a Material Adverse Effect has occurred);

(h) any action taken (or omitted to be taken) by the Corporation or any of its Subsidiaries which is required to be taken (or omitted to be taken) pursuant to the Arrangement Agreement, that is requested by the Purchaser in writing or as required by Law, excluding any actions or inactions taken in the Ordinary Course;

(i) the execution, announcement, pendency or performance of the Arrangement Agreement or consummation of the Arrangement (other than for the purposes of the representation and warranty contained in the section "Non-Contravention" of the Arrangement Agreement) including any steps taken pursuant to Section "Regulatory Approvals" of the Arrangement Agreement and any loss or threatened loss of, or adverse change or threatened adverse change in the relationship of the Corporation and its Subsidiaries with any of their customers, suppliers, officers, employees, partners, lessors, licensors, licensees, regulators, creditors, contractors and other Persons with which the Corporation or any of its Subsidiaries has business relations, but excluding any actions or inactions taken in the Ordinary Course; or

(j) any change in the market price or trading volume of any securities of the Corporation (it being understood that the causes underlying such change in market price or trading volume may be taken into account in determining whether a Material Adverse Effect has occurred);

provided, however, (i) with respect to clauses (a) through to and including (f) above, such matter does not have a disproportionate effect on the current or future business, operations, net cash flow, results of operations, assets, properties, capitalization, condition (financial or otherwise), liabilities (contingent or otherwise), obligations or privileges (whether contractual or otherwise) of the Corporation and its Subsidiaries, taken as a whole, relative to other comparable companies and entities operating in the industries and businesses in which the Corporation and its Subsidiaries operate; and (ii) references in certain sections of the Arrangement Agreement to dollar amounts are not intended to be, and shall not be deemed to be, illustrative for purposes of determining whether a "Material Adverse Effect" has occurred.

"**Material Contract**" means any Contract:

(a) that if terminated or modified would materially impact the ability of the Corporation to carry on its business in the Ordinary Course or if ceased to be in effect would reasonably be expected to have a Material Adverse Effect;

(b) that is a partnership agreement, limited liability company agreement, joint venture agreement or similar agreement or arrangement relating to the formation, creation or operation of any partnership, limited liability company, joint venture or alliance in which the Corporation or any of its Subsidiaries is a partner, member, joint venturer or other participant that is material to the Corporation, but excluding any such partnership, limited liability company, joint venture or alliance which is a wholly-owned Subsidiary of the Corporation;

(c) under which indebtedness for borrowed money is or may become outstanding, other than any such Contract between two or more wholly-owned Subsidiaries of the Corporation or between the Corporation and one or more of its wholly-owned Subsidiaries;

(d) that restricts the incurrence of indebtedness by the Corporation or any of its Subsidiaries (including by requiring the granting of an equal and rateable Lien) or the incurrence of any Liens on any properties or assets of the Corporation or any of its Subsidiaries, or restricting the payment of dividends by the Corporation or by any of its Subsidiaries;

(e) with a Governmental Entity other than as disclosed in paragraphs (j) or (k) below;

(f) that relates to any litigation or settlement thereof which does or could have actual or contingent obligations or entitlements of the Corporation or any of its Subsidiaries in excess of a specified dollar amount and which have not been fully satisfied prior to the date of the Arrangement Agreement or which is otherwise potentially materially damaging to the reputation of the Corporation or any of its Subsidiaries;

(g) that requires the consent of any other party to the Contract to a change in control of the Corporation or any of its Subsidiaries;

(h) that is a lease with annual payments in excess of a specified dollar amount;

(i) that is a shareholder agreement, including any settlement, nomination rights or similar agreement;

(j) under which a customer of the Corporation or any of its Subsidiaries made payments to the Corporation and its Subsidiaries in excess of a specified dollar amount for the fiscal year ended December 31, 2019 or has or is obligated to make payments to the Corporation and its Subsidiaries in excess of a specified dollar amount for the fiscal year ending December 31, 2020;

(k) under which a supplier of the Corporation or its Subsidiaries received payments from the Corporation and its Subsidiaries in excess of a specified dollar amount for the fiscal year ended December 31, 2019 or expects to receive payments from the Corporation and its Subsidiaries in excess of a specified dollar amount for the fiscal year ending December 31, 2020;

(l) providing for the purchase, sale or exchange of, or option to purchase, sell or exchange, any property or asset where the purchase or sale price or agreed value or fair market value of such property or asset exceeds a specified dollar amount;

(m) (A) that is a collective agreement, or (B) that recognizes or certifies any unions, labor organization, employee association, works council or similar entity as the bargaining representative for any Corporation Employees (in each case, except to the extent required by applicable Law);

(n) that relates to change of control, severance, success, retention or termination payments or bonuses with Corporation employees, directors or independent contractors or grants any increase of compensation or benefits payable under the Corporation's and its Subsidiaries' current change of control, severance, retention or termination pay arrangements, plans, policies or Contracts, or establishes, adopts, enters into or amends any bonus, profit sharing, thrift, pension, retirement, deferred compensation, termination or severance plan, agreement, trust, fund, policy or other compensation or benefit arrangement for any Corporation employee, director or independent contractor;

(o) under which the Corporation may (A) hire, engage or terminate any director, Corporation employee or independent contractor or promote any existing Corporation employee with an annual base salary in excess of a specified dollar amount; (B) make any changes to the terms and conditions of employment applicable to any group of Corporation employees, as reflected in work rules, employee handbooks, policies and procedures, or otherwise; or (C) implement or announce any material layoffs (temporary or permanent), plant closings, reductions-in-force, furloughs, work schedule changes or other such actions that could implicate the WARN Act;

(p) that provides for cash compensation during the fiscal year ended December 31, 2019 or is expected to provide for cash compensation during the fiscal year ended December 31, 2020 in excess of a specified dollar amount per Corporation employee;

(q) that contains exclusivity or non-solicitation obligations of the Corporation or any of its Subsidiaries (excluding customary non-solicitation provisions with customers and partners);

(r) that limits or restricts in any material respect (A) the ability of the Corporation or any Subsidiary to engage in any line of business or carry on business in any geographic area or (B) the scope of Persons to whom the Corporation or any of its Subsidiaries may sell products or deliver services;

(s) that creates an exclusive dealing arrangement, a right of first offer or refusal in respect of material assets of the Corporation or any of its Subsidiaries or a "most favoured nation" or other preferred pricing obligation;

(t) that relates to any acquisition or divestiture of any Person or business having a value over a specific dollar amount (A) under which any party thereto has any material outstanding obligation or liability, or (B) entered into since a specific date;

(u) the primary purpose of which is to provide indemnification to any Person (other than standard indemnity agreements in favour of the directors and officers of the Corporation and its Subsidiaries);

(v) that is a license of Intellectual Property granted to or by the Corporation or any of its Subsidiaries (excluding non-exclusive licenses granted to customers in the Ordinary Course and non-exclusive licenses for "off-the-shelf" or other unmodified, pre-packaged Software generally available on commercially standard terms and conditions for which the aggregate annual fees paid or required to be paid by the Corporation do not exceed a specified dollar amount) (the "**IP Contracts**");

(w) that is a financial risk management contract, such as swaps, hedges, derivatives, forward sales contracts or similar financial instruments;

(x) with any executive officer, vice president or director of the Corporation or any of its Subsidiaries or any of their immediate family members (including spouses) other than as disclosed in paragraph (p) above;

(y) with any broker, finder or investment banker, including any amendment to the existing agreements with the financial advisors;

(z) that is otherwise material to the Corporation and its Subsidiaries, taken as a whole; or

(aa) that is made out of the Ordinary Course and not otherwise covered by clauses (a) to (z) above.

"**McCarthy Tétrault**" means McCarthy Tétrault LLP, counsel to the Special Committee.

"**Meeting**" means the special meeting of holders of Class A Multiple Voting Shares and Class B Subordinate Voting Shares of Dorel.

"**MI 61-101**" means *Multilateral Instrument 61-101 Protection of Minority Security Holders in Special Transactions*.

"NI 54-101" means *National Instrument 54-101 Communication with Beneficial Owners of Securities of a Reporting Issuer*.

"**Non-Resident Shareholder**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Shareholders Not Resident in Canada*".

"**Notice-and-Access**" means a set of rules under NI 54-101 that allows issuers to post electronic versions of proxy-related materials on SEDAR and on one additional website, rather than mailing paper copies.

"**Notice of Application**" has the meaning ascribed to it under "*Dissenting Shareholders Rights*".

"**Notice of Confirmation**" has the meaning ascribed to it under "*Dissenting Shareholders Rights*".

"**Notice of Contestation**" has the meaning ascribed to it under "*Dissenting Shareholders Rights*".

"**Notice of Meeting**" has the meaning ascribed to it under "*Introduction*".

"**Notice Package**" means a notice package including the Notice of Meeting, containing information prescribed by NI 54-101, and a proxy form or VIF.

"**Obligations**" has the meaning ascribed to it under "*The Arrangement – Equity Financing – Limited Guaranty*".

"**Ordinary Course**" means, with respect to an action taken by the Corporation or its Subsidiaries, that such action is consistent with the past practices of the Corporation and its Subsidiaries and is taken in the ordinary course of the normal day-to-day operations of the business of the Corporation and its Subsidiaries, including with respect to quantity and frequency, provided "Ordinary Course" shall exclude any measures taken in response to the actual or reasonably anticipated effect of the COVID-19 pandemic, except those taken to the extent necessary to comply with any Law, order or directive by any Governmental Entity in response to COVID-19 (including, as required to comply with "quarantine", "stay at home", "social distancing" and "travel restrictions" directives) or reasonably required to protect the health and safety of the Corporation's employees and other persons with whom the Corporation and its Subsidiaries come into contact with during the ordinary course of business operations.

"**Outside Date**" means March 12, 2021 or such later date as may be agreed to in writing by the Parties, subject to the right of any Party to extend the Outside Date for up to an additional 60 days (in 30-day increments) if the Key Regulatory Approvals have not been obtained and have not been denied by a non-appealable decision of a Governmental Entity, by giving written notice to the other Party to such effect no later than 5:00 p.m. (eastern time) on the date that is not less than five days prior to the original Outside Date (and any subsequent Outside Date); provided that notwithstanding the foregoing, a Party shall not be permitted to extend the Outside Date if the failure to obtain any of the Key Regulatory Approvals is primarily the result of such Party's wilful breach of its covenants in the Arrangement Agreement.

"**Parties**" means, collectively, the Corporation and the Purchaser, and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including a Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means the plan of arrangement under Chapter XVI - Division II of the QBCA, substantially in the form set out in Appendix A, subject to any amendments or variations to such plan made in accordance with the Arrangement Agreement and the Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Corporation and the Purchaser, each acting reasonably.

“**Pre-Acquisition Reorganization**” has the meaning ascribed to it under “*Summary of the Arrangement Agreement – Covenants – Covenants Relating to the Pre-Acquisition Reorganization*”.

“**Preferred Equity Commitment Letter**” has the meaning ascribed to it under “*Summary – Sources of Funds for the Arrangement – Equity Financing*”.

“**Proposed Amendments**” has the meaning ascribed to it under “*Certain Canadian Federal Income Tax Considerations*”.

“**Proxy-Related Materials**” means this Circular, the Notice of Meeting and a VIF or a proxy form, as applicable.

“**PSUs**” means the outstanding share units issued in accordance with the terms of the PSU Plan.

“**PSU Plan**” means the Performance Share Unit Plan of the Corporation dated as of June 25, 2014.

“**Public Shareholders**” means all Shareholders other than the Family Shareholders.

“**Purchaser**” means 9428-4502 Québec Inc.

“**Purchaser Liability Limitation**” has the meaning ascribed to it under “*The Arrangement – Closing Conditions – Expenses and Termination Fees*”.

“**Purchaser Related Parties**” has the meaning ascribed to it under “*The Arrangement – Closing Conditions – Expenses and Termination Fees*”.

“**QBCA**” means, collectively, the *Business Corporations Act* (Québec) and the regulations made thereunder.

“**Record Date**” means the close of business on November 20, 2020.

“**Regulatory Approval**” means any consent, waiver, permit, exemption, review, order, decision or approval of, or any registration and filing with, any Governmental Entity, or the expiry, waiver or termination of any waiting period imposed by Law or a Governmental Entity, in each case in connection with the Arrangement, and includes the Key Regulatory Approvals.

“**Representative**” means, with respect to any Person, any officer, director, employee, representative (including any financial, legal or other advisor) or agent of such Person or of any of its Subsidiaries.

“**Repurchase Notice**” has the meaning ascribed to it under “*Dissenting Shareholders Rights*”.

“**Required Shareholder Approval**” has the meaning ascribed to it under “*The Arrangement – Required Shareholder Approval*”.

“**Resident Shareholder**” has the meaning ascribed to it under “*Certain Canadian Federal Income Tax Considerations – Shareholders Resident in Canada*”.

“**Reverse Termination Fee**” has the meaning ascribed to it under “*The Arrangement – Closing Conditions – Expenses and Termination Fees*”.

“**Reverse Termination Fee Event**” has the meaning ascribed to it under “*The Arrangement – Closing Conditions – Expenses and Termination Fees*”.

“**Revised Proposal**” has the meaning ascribed to it under “*The Arrangement – Background to the Arrangement*”.

“**Rollover Agreement**” means the letter agreement dated the date of the Arrangement Agreement between the Purchaser and each of the Family Executives.

“**Rollover Shares**” means the 4,009,410 Class A Multiple Voting Shares and 2,573,503 Class B Subordinate Voting Shares to be transferred and assigned by the Family Shareholders to the Purchaser pursuant to the Rollover Agreement.

“**RSUs**” means the outstanding restricted share units issued in accordance with the terms of the RSU Plan.

“**RSU Plan**” means the Restricted Share Unit Plan of the Corporation dated as of June 5, 2017.

“**SARs**” means the outstanding share appreciation rights issued in accordance with the terms of the SAR Plan.

“**SAR Plan**” means the Share Appreciation Rights Plan of the Corporation, dated as of June 25, 2014, as amended.

“**Second Phase**” has the meaning ascribed to it under “*The Arrangement – Background to the Arrangement*”.

“**Second Request**” has the meaning ascribed to it under “*Certain Legal and Regulatory Matters – Regulatory Matters – HSR Notification*”.

“**Second Revised Proposal**” has the meaning ascribed to it under “*The Arrangement – Background to the Arrangement*”.

“**Securities Laws**” means the *Securities Act* (Québec) and any other applicable Canadian provincial and territorial securities Laws, rules and regulations and published policies thereunder.

“**September 4 Proposal**” has the meaning ascribed to it in “*The Arrangement – Background to the Arrangement*”.

“**Shareholders**” means the registered and/or beneficial holders of Shares, as the context requires.

“**Shares**” means, collectively, the Class A Multiple Voting Shares and Class B Subordinate Voting Shares in the capital of the Corporation.

“**Special Committee**” means the committee of independent directors, constituted to consider the transactions contemplated by the Arrangement Agreement and related matters, consisting of Alain Benedetti, Dian Cohen, Brad Johnson, Sharon Ranson, Norman Steinberg and Maurice Tousson.

“**Subsidiary**” has the meaning ascribed thereto in the *Securities Act* (Québec) and for the purposes of the Arrangement Agreement, shall include incorporated and unincorporated entities and “control” shall include the possession, directly or indirectly, of the power to direct or cause the direction of the policies, management and affairs of any Person, whether through ownership of voting securities, by contract or otherwise, including with respect to any general partner of another Person with the power to direct the policies, management and affairs of such Person.

“**Superior Proposal**” means any unsolicited *bona fide* written Acquisition Proposal (that includes a proposed purchase agreement with respect thereto or confirms in writing that any purchase agreement will be on substantially the same terms as the Arrangement Agreement) made after the date of the Arrangement Agreement:

(a) to acquire not less than all of the outstanding Shares or all or substantially all of the assets of the Corporation on a consolidated basis;

(b) that did not result from or involve a breach of the section “Additional Covenants Regarding Non-Solicitation” of the Arrangement Agreement;

(c) that is not subject to a due diligence, access and/or financing condition;

(d) in respect of which the Board determines, in its good faith judgment, after receiving the advice of its financial advisors and outside counsel, that it is reasonably capable of being completed at the time and on the terms proposed, without undue delay, taking into account all financial, legal, regulatory and other aspects of such Acquisition Proposal (including the identity of the Person or group making the Acquisition Proposal), the payment of the Termination Fee and the support or lack thereof of the Family Shareholders;

(e) in respect of which it has been demonstrated to the reasonable satisfaction of the Board that adequate arrangements have been made in respect of any financing required to complete such Acquisition Proposal and that such financing is fully committed; and

(f) in respect of which the Board determines, in its good faith judgment, after receiving the advice of its financial advisors, that it would, if consummated in accordance with its terms, result in a transaction which is more favourable, from a financial point of view, to Shareholders than the Arrangement (after giving effect to any amendments to the terms and conditions of the Arrangement proposed by the Purchaser pursuant to the section "*Right to Match*" of the Arrangement Agreement).

An Acquisition Proposal that contains a financing or funding condition, restricts in any way or conditions the ability of the Corporation to seek specific performance to cause the transactions contemplated thereby to be consummated on receipt of funds or compliance with financing commitments from any Person or otherwise may not be consummated without the receipt of funds from any Person other than the Person(s) making the Acquisition Proposal or its or their respective affiliates shall be deemed not to be a Superior Proposal.

"**Superior Proposal Notice**" has the meaning ascribed to it under "*Summary of the Arrangement Agreement — Arrangement Agreement — Right to Match*".

"**Supporting D&Os**" has the meaning ascribed to it under "*Summary — Reasons for the Determinations and Recommendations of the Special Committee and the Board - Ability to Respond to Superior Proposals*".

"**Supporting Shareholders**" has the meaning ascribed to it under "*Summary — Reasons for the Determinations and Recommendations of the Special Committee and the Board - Ability to Respond to Superior Proposals*".

"**Supporting Shares**" has the meaning ascribed to it under "*The Arrangement — Voting Support Agreements*".

"**taxable capital gain**" has the meaning ascribed to it under "*Certain Canadian Federal Income Tax Considerations – Taxation of Capital Gains and Losses*".

"**Tax Act**" means the *Income Tax Act* (Canada).

"**Tax Returns**" means any and all returns, reports, declarations, elections, notices, forms, designations, filings, and statements (including estimated tax returns and reports, withholding tax returns and reports, and information returns and reports) filed or required to be filed in respect of Taxes.

"**Taxes**" means (i) any and all taxes, duties, fees, excises, premiums, assessments, imposts, levies and other charges or assessments of any kind whatsoever imposed by any Governmental Entity, whether computed on a separate, consolidated, unitary, combined or other basis, including those levied on, or measured by, or described with respect to, income, gross receipts, profits, gains, windfalls, capital, capital stock, production, recapture, transfer, land transfer, license, gift, occupation, wealth, environment, net worth, indebtedness, surplus, sales, goods and services, harmonized sales, use, value-added, excise, special assessment, stamp, withholding, business, franchising, real or personal property, escheat or unclaimed property, health, employee health, payroll, workers' compensation, employment or unemployment, severance, social services, social security, education, utility, surtaxes, customs, import or export, and including all license and registration fees and all employment insurance, health insurance and government pension plan premiums or contributions; (ii) all interest, penalties, fines, additions to tax or other additional amounts imposed by any Governmental Entity on or in respect of amounts of the type described in clause (i) above or this clause (ii) or as a result of any failure to file or provide any Tax Return; (iii) any liability for the payment of any amounts of the type described in clauses (i), (ii) or (iii) as a result of being a member of an affiliated, consolidated, combined or unitary group for any period; and (iv) any liability for the payment of any amounts of the type described in clauses (i) or (ii) as a result of any express or implied obligation to indemnify any other Person, as a result of being a transferee or successor in interest to any party or by operation of Law.

"**TD Securities**" means TD Securities Inc.

"**TD Securities Fairness Opinion**" means the opinion of TD Securities to the effect that, as of November 12, 2020, the Consideration to be received by the Public Shareholders pursuant to the Arrangement is fair, from a financial point of view, to the Public Shareholders.

"**Termination Fee**" has the meaning ascribed thereto under "*Summary of the Arrangement Agreement –Expenses and Termination Fees*".

"**Termination Fee Event**" has the meaning ascribed to it under "*Summary of the Arrangement Agreement – Expenses and Termination Fees*".

"**Termination Notice**" has the meaning ascribed to it under "*Summary of the Arrangement Agreement – Covenants – Notice and Cure Provisions".*

"**Terminating Party**" has the meaning ascribed to it under "*Summary of the Arrangement Agreement – Covenants – Notice and Cure Provisions*".

"**Trade Commission**" means the United States Federal Trade Commission.

"**TSX**" means the Toronto Stock Exchange.

"**VIF**" means a voting instruction form.

"**Voting Support Agreements**" has the meaning ascribed to it under "*Summary — Reasons for the Determinations and Recommendations of the Special Committee and the Board – Ability to Respond to Superior Proposals".*

"**VWAP**" means volume weighted average trading price.

CONSENT OF TD SECURITIES INC.

We refer to the formal valuation and fairness opinion dated November 12, 2020 (the "**Formal Valuation and TD Securities Fairness Opinion**") annexed as Appendix F to the management information circular of Dorel Industries Inc. dated December 3, 2020 (the "**Circular**") relating to the special meeting of shareholders of Dorel Industries Inc. to approve an arrangement under the *Business Corporations Act* (Québec) involving Dorel Industries Inc. and 9428-4502 Québec Inc.

We consent to the inclusion of the Formal Valuation and TD Securities Fairness Opinion in the Circular, to the filing of the Formal Valuation and TD Securities Fairness Opinion with the securities regulatory authority and to the inclusion of a summary of the Formal Valuation and TD Securities Fairness Opinion in the Circular.

TD Securities Inc.

Montréal, Québec
December 3, 2020

CONSENT OF BMO NESBITT BURNS INC.

We refer to the fairness opinion dated November 12, 2020 (the "**BMO Fairness Opinion**") annexed as Appendix G to the management information circular of Dorel Industries Inc. dated December 3, 2020 (the "**Circular**") relating to the special meeting of shareholders of Dorel Industries Inc. to approve an arrangement under the *Business Corporations Act* (Québec) involving Dorel Industries Inc. and 9428-4502 Québec Inc.

We consent to the inclusion of the BMO Fairness Opinion in the Circular, to its filing with the securities regulatory authority and to the inclusion of a summary of the BMO Fairness Opinion in the Circular.

BMO Nesbitt Burns Inc.

Montréal, Québec
December 3, 2020

CONSENT OF FASKEN MARTINEAU DUMOULIN LLP

We have read the management information circular (the "**Circular**") of Dorel Industries Inc. dated December 3, 2020, relating to the special meeting of shareholders of Dorel Industries Inc. to approve an arrangement under the *Business Corporations Act* (Québec) between Dorel Industries Inc. and 9428-4502 Inc. We consent to the inclusion in the Circular of our opinion contained under "*Certain Canadian Federal Income Tax Considerations*" and references to our firm's name therein.

Fasken Martineau DuMoulin LLP

Montréal, Québec
December 3, 2020

APPENDIX A
PLAN OF ARRANGEMENT

PLAN OF ARRANGEMENT UNDER CHAPTER XVI – DIVISION II
OF THE *BUSINESS CORPORATIONS ACT* (QUÉBEC)

ARTICLE 1
INTERPRETATION

1.1 Definitions

Unless indicated otherwise, where used in this Plan of Arrangement, capitalized terms used but not defined shall have the meanings specified in the Arrangement Agreement and the following terms shall have the following meanings (and grammatical variations of such terms shall have corresponding meanings):

"**Arrangement**" means the arrangement under Chapter XVI – Division II of the QBCA on the terms and subject to the conditions set out in this Plan of Arrangement, subject to any amendments or variations to this Plan of Arrangement made in accordance with the terms of the Arrangement Agreement and this Plan of Arrangement or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**Arrangement Agreement**" means the arrangement agreement made as of November 12, 2020 between the Company and the Purchaser (including the Schedules thereto) as it may be amended, modified or supplemented from time to time in accordance with its terms.

"**Arrangement Resolution**" means the special resolution approving this Plan of Arrangement to be considered at the Company Meeting by Shareholders.

"**Articles of Arrangement**" means the articles of arrangement of the Company in respect of the Arrangement required by the QBCA to be sent to the Enterprise Registrar after the Final Order is made, which shall include this Plan of Arrangement and otherwise be in a form and content satisfactory to the Company and the Purchaser, each acting reasonably.

"**Business Day**" means any day of the year, other than a Saturday, Sunday or any day on which major banks are required to be closed for business in Montréal, Québec or New York, New York.

"**Certificate of Arrangement**" means the certificate of arrangement giving effect to the Arrangement to be issued by the Enterprise Registrar in accordance with the QBCA in respect of the Articles of Arrangement.

"**Class A Shares**" means the Class A Multiple Voting Shares in the capital of the Company.

"**Class B Shares**" means the Class B Subordinate Voting Shares in the capital of the Company.

"**Code**" means the United States *Internal Revenue Code of 1986*, as amended.

"**Company**" means Dorel Industries Inc., a corporation existing under the laws of the Province of Québec.

"**Company Circular**" means the notice of the Company Meeting and accompanying management information circular, including all schedules, appendices and exhibits to, and information incorporated by reference in, such management information circular, to be sent to Shareholders in connection with the Company Meeting, as amended, supplemented or otherwise modified from time to time in accordance with the terms of the Arrangement Agreement.

"**Company Meeting**" means the special meeting of Shareholders, including any adjournment or postponement thereof in accordance with the terms of the Arrangement Agreement, to be called and held in accordance with the Interim Order to consider the Arrangement Resolution and for any other purpose as may be set out in the Company Circular and agreed to in writing by the Purchaser.

"**Company Options**" means options to purchase Class B Shares whether or not issued pursuant to the Stock Option Plan.

"**Consideration**" means in respect of Shares not held by the Rolling Shareholders, $14.50 in cash per Share, without interest.

"**Court**" means the Québec Superior Court.

"**Depositary**" means Computershare Investor Services Inc. or such other Person as the Company may appoint to act as depositary for the Arrangement, with the approval of the Purchaser, acting reasonably.

"**Dissent Rights**" has the meaning specified in Section 3.1(a).

"**Dissenting Holder**" means a registered Shareholder other than a Rolling Shareholder who has validly exercised its Dissent Rights and has not withdrawn or been deemed to have withdrawn such exercise of Dissent Rights, but only in respect of the Shares in respect of which Dissent Rights are validly exercised by such registered Shareholder.

"**DSU Plan**" means the 2004 deferred share unit plan of the Company dated as of April 28, 2004, as amended.

"**DSUs**" means the outstanding deferred share units issued in accordance with the terms of the DSU Plan.

"**EDSU Plan**" means the 2009 executive deferred share unit plan of the Company dated as of March 11, 2009.

"**EDSUs**" means the outstanding deferred share units issued in accordance with the terms of the EDSU Plan.

"**Effective Date**" means the date shown on the Certificate of Arrangement giving effect to the Arrangement.

"**Effective Time**" means 10:00 a.m. (Montréal time) on the Effective Date, or such other time as the Parties agree to in writing before the Effective Date.

"**Enterprise Registrar**" means the enterprise registrar appointed by the Minister of Revenue of Québec.

"**Final Order**" means the final order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, approving the Arrangement, as such order may be amended by the Court (with the consent of both the Company and the Purchaser, each acting reasonably) at any time prior to the Effective Date or, if appealed, then, unless such appeal is withdrawn or denied, as affirmed or as amended (provided that any such amendment is acceptable to both the Company and the Purchaser, each acting reasonably) on appeal.

"**Former Shareholders**" means, at and following the Effective Time, the holders of the Shares immediately prior to the Effective Time.

"**Governmental Entity**" means (i) any international, multinational, national, federal, provincial, state, regional, municipal, local or other government, governmental or public department, central bank, court, tribunal, arbitral body (public or private), commission, commissioner, board, bureau, council, minister, ministry, governor in council, cabinet, agency or instrumentality, domestic or foreign, (ii) any subdivision or authority of any of the above, (iii) any quasi-governmental or private body exercising any regulatory, supervisory, expropriation or taxing authority under or for the account of any of the foregoing or (iv) any stock exchange.

"**Incentive Plans**" means, collectively, the Stock Option Plan, the DSU Plan, the EDSU Plan, the PSU Plan, the RSU Plan and the SAR Plan.

"**Incentive Securities**" means, collectively, the Company Options, the DSUs, the EDSUs, the PSUs, the RSUs and the SARs.

"**Interim Order**" means the interim order of the Court in a form acceptable to the Company and the Purchaser, each acting reasonably, providing for, among other things, the calling and holding of the Company Meeting, as such order may be amended by the Court with the consent of the Company and the Purchaser, each acting reasonably.

"**Law**" means, with respect to any Person, any and all applicable law (statutory, civil, common or otherwise), constitution, treaty, convention, ordinance, act, statute, code, rule, regulation, order, injunction, judgment, award, writ, decree, ruling or other similar requirement, whether domestic or foreign, enacted, adopted, promulgated or applied by a Governmental Entity that is binding upon or applicable to such Person or its business, products or services, undertaking, property or securities.

"**Letter of Transmittal**" means the letter of transmittal sent to holders of Shares for use in connection with the Arrangement.

"**Lien**" means any mortgage, charge, pledge, encumbrance, hypothec, security interest, prior claim or lien (statutory or otherwise), in each case, whether contingent or absolute.

"**Parties**" means, collectively, the Company and the Purchaser, and "**Party**" means any one of them.

"**Person**" includes any individual, partnership, association, body corporate, organization, trust, estate, trustee, executor, administrator, legal representative, government (including Governmental Entity), syndicate or other entity, whether or not having legal status.

"**Plan of Arrangement**" means this plan of arrangement proposed under Chapter XVI – Division II of the QBCA, subject to any amendments or variations made in accordance with the Arrangement Agreement and Section 5.1 hereof or made at the direction of the Court in the Final Order with the prior written consent of the Company and the Purchaser, each acting reasonably.

"**PSU Plan**" means the performance share unit plan of the Company dated as of June 25, 2014.

"**PSUs**" means the outstanding performance share units issued in accordance with the terms of the PSU Plan.

"**Purchaser**" means 9428-4502 Québec Inc., a corporation incorporated under the laws of the Province of Québec.

"**QBCA**" means, collectively, the *Business Corporations Act* (Québec) and the regulations made thereunder.

"**Rolling Shareholders**" means (i) Martin Schwartz, Alan Schwartz, Jeffrey Schwartz and Jeff Segel and certain of their respective family members on whose behalf they exercise control or direction, or (ii) a holding company to be held, directly or indirectly, by Martin Schwartz, Alan Schwartz, Jeffrey Schwartz, Jeff Segel, and certain of their respective family members, and their respective heirs, executors, successors and permitted assigns that directly or indirectly hold Shares.

"**Rolling Shares**" means the Shares to be transferred and assigned by the Rolling Shareholders pursuant to the Rollover Agreement.

"**Rollover Agreement**" means the letter agreement dated the date of the Arrangement Agreement between the Purchaser and each of Martin Schwartz, Alan Schwartz, Jeffrey Schwartz and Jeff Segel.

"**RSU Plan**" means the restricted share unit plan of the Company dated as of June 5, 2017.

"**RSUs**" means the outstanding restricted share units issued in accordance with the terms of the RSU Plan.

"**SAR Plan**" means the share appreciation rights plan of the Company dated as of June 25, 2014, as amended.

"**SARs**" means the outstanding share appreciation rights issued in accordance with the terms of the SAR Plan.

"**Shareholders**" means the registered and/or beneficial holders of Shares, as the context requires.

"**Shares**" means collectively, the Class A Shares and Class B Shares.

"**Stock Option Plan**" means the amended and restated 2004 stock option plan of the Company dated as of April 28, 2004, as amended.

"**Tax Act**" means the *Income Tax Act* (Canada).

1.2 Certain Rules of Interpretation

In this Plan of Arrangement, unless otherwise specified:

(a) **Headings, etc**. The division of this Plan of Arrangement into Articles and Sections and the insertion of headings are for convenient reference only and do not affect the construction or interpretation of this Plan of Arrangement.

(b) **Currency**. All references to dollars or to $ are references to Canadian dollars, unless specified otherwise.

(c) **Gender and Number**. Any reference to gender includes all genders. Words importing the singular number only include the plural and vice versa.

(d) **Certain Phrases, etc.** The words (i) "including", "includes" and "include" mean "including (or includes or include) without limitation," (ii) "the aggregate of", "the total of", "the sum of", or a phrase of similar meaning means "the aggregate (or total or sum), without duplication, of," and (iii) unless stated otherwise, "Article", "Section", and "Schedule" followed by a number or letter mean and refer to the specified Article or Section of or Schedule to this Plan of Arrangement.

(e) **Statutes**. Any reference to a statute refers to such statute and all rules, resolutions and regulations made under it, as it or they may have been or may from time to time be amended or re-enacted, unless stated otherwise.

(f) **Computation of Time**. A period of time is to be computed as beginning on the day following the event that began the period and ending at 4:30 p.m. on the last day of the period, if the last day of the period is a Business Day, or at 4:30 p.m. on the next Business Day if the last day of the period is not a Business Day. If the date on which any action is required or permitted to be taken under this Plan of Arrangement by a Person is not a Business Day, such action shall be required or permitted to be taken on the next succeeding day which is a Business Day.

(g) **Time References**. References to time herein or in any Letter of Transmittal are to local time, Montréal, Québec.

ARTICLE 2
THE ARRANGEMENT

2.1 Arrangement Agreement

This Plan of Arrangement constitutes an arrangement as referred to in Chapter XVI - Division II of the QBCA and is made pursuant to the Arrangement Agreement.

2.2 Binding Effect

This Plan of Arrangement and the Arrangement, upon the filing of the Articles of Arrangement and the issuance of the Certificate of Arrangement, will become effective, and be binding on the Purchaser, the Rolling Shareholders, the Company, all holders and beneficial owners of Shares and Incentive Securities, including Dissenting Holders, the register and transfer agent of the Company, the Depositary and all other Persons, at and after, the Effective Time without any further act or formality required on the part of any Person.

2.3 Arrangement

At the Effective Time each of the following events shall occur and shall be deemed to occur sequentially as set out below without any further authorization, act or formality, in each case, unless stated otherwise, effective as at five minute intervals starting at the Effective Time:

(a) each DSU outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the DSU Plan, shall, without any further action by or formality on behalf of a holder of DSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, in full satisfaction of the Company's obligations with respect to each surrendered DSU and each such DSU shall immediately be cancelled and all of the Company's obligations with respect to such DSU shall be deemed to be fully satisfied;

(b) each EDSU outstanding immediately prior to the Effective Time (whether vested or unvested), notwithstanding the terms of the EDSU Plan, shall, without any further action by or on behalf of a holder of EDSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration, less applicable withholdings, in full satisfaction of the Company's obligations with respect to each surrendered EDSU and each such EDSU shall immediately be cancelled and all of the Company's obligations with respect to such EDSU shall be deemed to be fully satisfied;

(c) each award of RSUs outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action by or on behalf of a holder of RSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration multiplied by the number of Class B Shares covered by such award of RSUs that are deemed to have vested in accordance with the RSU Plan or applicable award agreement for each such award of RSUs, less applicable withholdings, in full satisfaction of the Company's obligations with respect to each surrendered award of RSUs and each such award of RSUs shall immediately be cancelled (including any portion of such award of RSUs that remains unvested, which shall be cancelled for no consideration) and all of the Company's obligations with respect to such award of RSUs shall be deemed to be fully satisfied;

(d) each award of PSUs outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action by or on behalf of the holder of PSUs, be deemed to be assigned and transferred by such holder to the Company in exchange for a cash payment from the Company equal to the Consideration multiplied by the number of Class B Shares covered by such award of PSUs deemed to have vested in accordance with the PSU Plan or applicable award agreement for each such award of PSUs, less applicable withholdings, in full satisfaction of the Company's obligations with respect to each surrendered award of PSUs and each such award of PSUs shall immediately be cancelled (including any portion of such award of PSUs that remains unvested, which shall be cancelled for no consideration) and all of the Company's obligations with respect to such award of PSUs shall be deemed to be fully satisfied;

(e) each award of SARs outstanding immediately prior to the Effective Time (whether vested or unvested) shall, without any further action by or on behalf of the holder of SARs, be deemed to be assigned and transferred by such holder to the Company in exchange for:

(i) in respect of each award of SARs outstanding at the Effective Time that has a grant price that is less than the Consideration, a cash payment from the Company equal to the amount by which the Consideration exceeds the grant price thereof multiplied by the number of Class B Shares covered by such award of SARs, less applicable withholdings; and

(ii) in respect of each award of SARs outstanding at the Effective Time that has a grant price (as defined in the SAR Plan) that is equal to or greater than the Consideration, no consideration,

and each such award of SARs shall be cancelled by the Company and all of the Company's obligations with respect to such award of SARs shall be deemed to be fully satisfied;

(f) (i) each holder of Incentive Securities shall cease to be a holder of such Incentive Securities, (ii) such holder's name shall be removed from each applicable register, (iii) the Incentive Plans and all agreements relating to the Incentive Securities shall be terminated and shall be of no further force and effect, and (iv) such holder shall thereafter have only the right to receive the consideration to which they are entitled pursuant to Section 2.3(a), Section 2.3(b), Section 2.3(c), Section 2.3(d) and Section 2.3(e) at the time and in the manner specified in Section 2.3(a), Section 2.3(b), Section 2.3(c), Section 2.3(d) and Section 2.3(e), and the Company shall take all actions as are necessary to effectuate each of the foregoing items;

(g) each of the Shares held by Dissenting Holders in respect of which Dissent Rights have been validly exercised shall be deemed to have been transferred without any further act or formality to the Purchaser in consideration for a debt claim against the Purchaser for the amount determined under Article 3, and:

(i) such Dissenting Holders shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid fair value by the Purchaser for such Shares as set out in Section 3.1;

(ii) such Dissenting Holders' names shall be removed as the holders of such Shares from the registers of Shares maintained by or on behalf of the Company; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares free and clear of all Liens, and shall be entered in the register of Shares maintained by or on behalf of the Company;

(h) each of the Shares outstanding immediately prior to the Effective Time, other than (i) Shares held by a Dissenting Holder who has validly exercised such holder's Dissent Right, and (ii) the Rolling Shares (the Shares of which shall not be exchanged under the Arrangement), shall, without any further action by or on behalf of a holder of such Shares, be deemed to be assigned and transferred by the holder thereof to, and acquired by, the Purchaser in exchange for a cash payment equal to the Consideration, and:

(i) the Former Shareholders of such Shares shall cease to be the holders of such Shares and to have any rights as holders of such Shares other than the right to be paid the applicable Consideration by the Purchaser in accordance with this Plan of Arrangement;

(ii) in respect of each such Share transferred and assigned pursuant to this Section 2.3(h), each Former Shareholder will cease to be the holder of such Shares so exchanged and such holders' names shall be removed from the register of the Shares maintained by or on behalf of the Company at such time; and

(iii) the Purchaser shall be deemed to be the transferee of such Shares (free and clear of all Liens) on the Effective Date and shall be entered in the register of the Shares maintained by or on behalf of the Company as the registered holder of the Shares so transferred and shall be deemed the legal and beneficial owner thereof.

ARTICLE 3
RIGHTS OF DISSENT

3.1 Rights of Dissent

(a) Registered Shareholders (other than the Rolling Shareholders) may exercise the right to demand the repurchase of their Shares in connection with the Arrangement pursuant to and in the manner set forth in Chapter XIV – Division I of the QBCA (the "**Dissent Rights**"), as may be modified by the Interim Order and this Section 3.1, such modifications including the following:

(i) as a condition precedent to the exercise of Dissent Rights, a holder of Shares other than the Rolling Shareholders must provide a written notice of its intent to exercise Dissent Rights in the form required by Section 376 of the QBCA, which written notice must be received by the Company at its registered office not later than 4:30 p.m. on the Business Day which is two Business Days immediately preceding the Company Meeting, subject to the particular terms of the Interim Order, and must otherwise comply with the requirements of the QBCA;

(ii) the Purchaser shall be registered as transferee of all the Shares of the Dissenting Holders, in accordance with Section 2.3(g) hereof, and shall, in lieu of the Company, pay the offered repurchase price to all Dissenting Holders; and

(iii) the Purchaser shall assume all obligations of the Company for the purposes of Sections 382 to 388 of the QBCA and shall be entitled to exercise all of the rights of the Company thereunder, in the place and stead of the Company.

(b) Dissenting Holders who duly exercise their Dissent Rights shall be deemed to have transferred the Shares held by them and in respect of which Dissent Rights have been validly exercised to the Purchaser free and clear of all Liens, as provided in Section 2.3(g) and if they:

(i) ultimately are entitled to be paid fair value for such Shares: (A) shall be deemed not to have participated in the transactions in Article 2 (other than Section 2.3(g)); (B) shall be entitled to be paid the fair value of such Shares by the Purchaser, which fair value, notwithstanding anything to the contrary contained in the QBCA, shall be determined as of the close of business on the day before the Arrangement Resolution was adopted; and (C) will not be entitled to any other payment or consideration, including any payment that would be payable under the Arrangement had such holders not exercised their Dissent Rights in respect of such Shares; or

(ii) ultimately are not entitled, for any reason, to be paid fair value for such Shares, shall be deemed to have participated in the Arrangement on the same basis as Shareholders who have not exercised Dissent Rights in respect of such Shares (other than the Rolling Shareholders).

3.2 Recognition of Dissenting Holders

(a) In no circumstances shall the Purchaser or the Company or any other Person be required to recognize a Person exercising Dissent Rights unless such Person is the registered holder of those Shares in respect of which such rights are sought to be exercised.

(b) For greater certainty, in no case shall the Purchaser or the Company or any other Person be required to recognize Dissenting Holders as holders of Shares in respect of which Dissent Rights have been validly exercised after the completion of the transfer under Section 2.3(g), and the names of such Dissenting Holders shall be removed from the registers of holders of the Shares in respect of which Dissent Rights have been validly exercised at the same time as the event described in Section 2.3(g) occurs.

(c) In addition to any other restrictions under Chapter XIV – Division I of the QBCA, none of the following shall be entitled to exercise Dissent Rights: (i) holders of Incentive Securities; (ii) the Rolling Shareholders; and (iii) Shareholders who vote or have instructed a proxyholder to vote such Shares in favour of the Arrangement Resolution (but only in respect of such Shares).

ARTICLE 4
CERTIFICATES AND PAYMENTS

4.1 Payment of Consideration

(a) Following receipt of the Final Order and prior to the Effective Time, in accordance with Section 2.8 of the Arrangement Agreement, the Purchaser shall deposit, or arrange to be deposited, for the benefit of the Shareholders (other than the Rolling Shareholders), cash with the Depositary in the aggregate amount equal to the payments in respect of the Shares (other than the Rolling Shares) required by this Plan of Arrangement, with the amount per Share in respect of which Dissent Rights have been exercised being deemed to be the Consideration per Share held by a Shareholder (other than the Rolling Shareholders) for this purpose. The consideration contemplated by this Section 4.1(a) shall be held by the Depositary as agent and nominee for such Shareholders in accordance with the provisions of Article 4 hereof.

(b) Upon surrender to the Depositary for cancellation of a certificate which immediately prior to the Effective Time represented outstanding Shares that were transferred pursuant to Section 2.3(h), together with a duly completed and executed Letter of Transmittal and such additional documents and instruments as the Depositary may reasonably require, the Shareholders represented by such surrendered certificate shall be entitled to receive in exchange therefor, and the Depositary shall deliver to such holder, as soon as practicable after the Effective Time, a certified cheque (or other form of immediately-available funds) representing the Consideration such Shareholder is entitled to receive under this Plan of Arrangement for such Shares, less any amounts withheld pursuant to Section 4.4, and any certificate so surrendered shall forthwith be cancelled.

(c) On or as soon as practicable after the Effective Date, the Company shall deliver, or shall cause to be delivered, to each holder of Incentive Securities as reflected on the register maintained by or on behalf of the Company in respect of the Incentive Securities, through the Company's payroll systems (or such other means as the Company may elect or as otherwise directed by the Purchaser including with respect to the timing and manner of such delivery), the cash payment, if any which such holder of Incentive Securities has the right to receive under this Plan of Arrangement for such

Incentive Securities, less any amount withheld pursuant to Section 4.4; provided, however, in the case of any cash payments pursuant to Section 2.3(a), Section 2.3(b), Section 2.3(c), Section 2.3(d) and Section 2.3(e) which are payable to United States taxpayers and constitute non-qualified deferred compensation under Section 409A of the Code, the Company shall deliver, or shall cause to be delivered, such amounts at the earliest time permitted under the terms of the applicable agreement, plan or arrangement that will not trigger a tax or penalty under Section 409A of the Code.

(d) After the Effective Time and until surrendered as contemplated by this Section 4.1, each certificate, agreement or other instrument (as applicable) that immediately prior to the Effective Time represented such Shares shall be deemed, immediately after the Effective Time, to represent only the right to receive upon such surrender a cash payment in lieu of such certificate, agreement or other instrument (as applicable) as contemplated in this Section 4.1, less any amounts withheld pursuant to Section 4.4. Any such certificate, agreement or other instrument that immediately prior to the Effective Time representing outstanding Shares not duly surrendered on or before the sixth anniversary of the Effective Date shall cease to represent a claim by or interest of any former holder of Shares of any kind or nature against or in the Company or the Purchaser. On such date, all cash to which such former holder was entitled under this Plan of Arrangement shall be deemed to have been surrendered to the Purchaser or the Company, as applicable, together with all entitlements to dividends, distributions and interest thereon held for such former holder, and shall be paid over by the Depositary to the Purchaser or as directed by the Purchaser.

(e) Any payment made by way of cheque by the Depositary or the Company, as applicable, pursuant to this Plan of Arrangement that has not been deposited or has been returned to the Depositary or the Company, as applicable, or that otherwise remains unclaimed, in each case, on or before the sixth anniversary of the Effective Time, and any right or claim to payment hereunder that remains outstanding on the sixth anniversary of the Effective Time shall cease to represent a right or claim of any kind or nature and the right of the holder to receive the applicable consideration for the Shares and Incentive Securities pursuant to this Plan of Arrangement shall terminate and be deemed to be surrendered and forfeited to the Purchaser or the Company, as applicable, for no consideration.

(f) No holder of Incentive Securities shall be entitled to receive any consideration with respect to such Incentive Securities other than any cash payment to which such holder is entitled to receive in accordance with Section 2.3 and this Section 4.1 and, for greater certainty, no such holder will be entitled to receive any interest, dividends, premium or other payment in connection therewith.

4.2 Lost Certificates

In the event any certificate which immediately prior to the Effective Time represented one or more outstanding Shares that were transferred pursuant to Section 2.3 shall have been lost, stolen or destroyed, upon the making of an affidavit of that fact by the Person claiming such certificate to be lost, stolen or destroyed and who was listed immediately prior to the Effective Time as holder thereof on the share register maintained by or on behalf of the Company, the Depositary shall issue in exchange for such lost, stolen or destroyed certificate, a certified cheque (or other form of immediately-available funds) representing the Consideration payment to which such holder is entitled to receive for such Shares under this Plan of Arrangement in accordance with such holder's Letter of Transmittal. When authorizing such payment in exchange for any lost, stolen or destroyed certificate, the Person to whom such cash is to be delivered shall as a condition precedent to the delivery of such payment, give a bond satisfactory to the Purchaser, the Company and the Depositary (each acting reasonably) in such sum as the Purchaser may direct (acting reasonably), or otherwise indemnify the Purchaser, the Company and the Depositary in a manner satisfactory to Purchaser, the Company and the Depositary, each acting reasonably, against any claim that may be made against the Purchaser, the Company or the Depositary with respect to the certificate alleged to have been lost, stolen or destroyed.

4.3 Rounding of Cash

If the aggregate cash amount which a Person is entitled to receive pursuant to this Plan of Arrangement would otherwise include a fraction of $0.01, then the aggregate cash amount to which such Person shall be entitled to receive shall be rounded up to the nearest whole $0.01.

4.4 Withholding Rights

The Purchaser, the Company and the Depositary, as applicable, or any other Person that makes a payment hereunder, shall be entitled to deduct and withhold from any amount otherwise payable or deliverable to any Person under this Plan of Arrangement (including, without limitation, any amounts payable pursuant to Section 3.1), such amounts as the Purchaser, the Company or the Depositary, as applicable, are required to deduct and withhold, or reasonably believe to be required to deduct and withhold, from such amount otherwise payable or deliverable under any provision of any Laws in respect of Taxes. Any such amounts will be deducted, withheld and remitted from the amount otherwise payable or deliverable pursuant to this Plan of Arrangement and shall be treated for all purposes under this Plan of Arrangement as having been paid to the Person in respect of which such deduction, withholding and remittance was made; provided that such deducted and withheld amounts are actually remitted to the appropriate Governmental Entity.

4.5 No Liens

Any exchange or transfer of securities pursuant to this Plan of Arrangement shall be free and clear of any Liens or other claims of third parties of any kind.

4.6 Paramountcy

From and after the Effective Time: (a) this Plan of Arrangement shall take precedence and priority over any and all Incentive Securities issued or outstanding prior to the Effective Time, (b) the rights and obligations of the holders of the Incentive Securities, the Company, the Purchaser, the Depositary and any transfer agent or other depositary therefor in relation thereto, shall be solely as provided for in this Plan of Arrangement, and (c) all actions, causes of action, claims or proceedings (actual or contingent and whether or not previously asserted) based on or in any way relating to any Incentive Securities shall be deemed to have been settled, compromised, released and determined without liability except as set forth in this Plan of Arrangement.

ARTICLE 5
AMENDMENTS

5.1 Amendments to Plan of Arrangement

(a) The Company and the Purchaser may amend, modify and/or supplement this Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be (i) set out in writing, (ii) approved in writing by the Company and the Purchaser, each acting reasonably, (iii) filed with the Court, subject to such conditions as the Court may impose, and, if made following the Company Meeting, approved by the Court, and (iv) if required by the Court, communicated to the Shareholders in the manner directed by the Court.

(b) Any amendment, modification or supplement to this Plan of Arrangement may be proposed by the Company or the Purchaser at any time prior to the Company Meeting (provided that the Company or the Purchaser, as applicable, shall have consented thereto in writing) with or without any other prior notice or communication (except to the extent required by the Court), and if so proposed and accepted by the Persons voting at the Company Meeting (other than as may be required under the Interim Order), shall become part of this Plan of Arrangement for all purposes.

(c) Any amendment, modification or supplement to this Plan of Arrangement that is approved or directed by the Court following the Company Meeting shall be effective only if (i) it is consented to in writing by each of the Company and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Shareholders voting in the manner directed by the Court.

(d) Any amendment, modification or supplement to this Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the economic interest of any former holder of Shares or Incentive Securities, and such amendments, modifications or supplements to this Plan of Arrangement need not be filed with Court or communicated to the Shareholders.

This Plan of Arrangement may be withdrawn prior to the Effective Time in accordance with the terms of the Arrangement Agreement.

ARTICLE 6
FURTHER ASSURANCES

6.1 Further Assurances

Notwithstanding that the transactions and events set out in this Plan of Arrangement shall occur and shall be deemed to occur in the order set out in this Plan of Arrangement without any further act or formality, each of the Parties shall make, do and execute, or cause to be made, done and executed, all such further acts, deeds, agreements, transfers, assurances, instruments or documents as may reasonably be required by either of them in order to further document or evidence any of the transactions or events set out in this Plan of Arrangement.

APPENDIX B
ARRANGEMENT RESOLUTION

BE IT RESOLVED THAT:

1. The arrangement (the "**Arrangement**") pursuant to Chapter XVI – Division II of the Business Corporations Act (Québec) (the "**QBCA**") of Dorel Industries Inc. (the "**Corporation**"), pursuant to the arrangement agreement (the "**Arrangement Agreement**") between the Corporation and 9428-4502 Québec inc. dated November 12, 2020, all as more particularly described and set forth in the management information circular of the Corporation dated December 3, 2020 (the "**Circular**"), accompanying the notice of this meeting (as the Arrangement may be modified or amended in accordance with its terms) is hereby authorized, approved and adopted.

2. The plan of arrangement of the Corporation (as it has been or may be amended, modified or supplemented in accordance with the Arrangement Agreement and its terms (the "**Plan of Arrangement**")), the full text of which is set out in Appendix A to the Circular, is hereby authorized, approved and adopted.

3. The (i) Arrangement Agreement and related transactions, (ii) actions of the directors of the Corporation in approving the Arrangement Agreement, (iii) actions of the directors and officers of the Corporation in executing and delivering the Arrangement Agreement, and any amendments, modifications or supplements thereto, and (iv) the Corporation's application for an interim order from the Québec Superior Court (the "**Court**") are hereby ratified and approved.

4. The Corporation be and is hereby authorized to apply for a final order from the Court to approve the Arrangement on the terms set forth in the Arrangement Agreement and the Plan of Arrangement (as they may be amended, modified or supplemented and as described in the Circular).

5. Notwithstanding that this resolution has been passed (and the Arrangement adopted) by the shareholders of the Corporation or that the Arrangement has been approved by the Court, the directors of the Corporation are hereby authorized and empowered to, at their discretion, without notice to or approval of the shareholders of the Corporation, (i) amend, modify or supplement the Arrangement Agreement or the Plan Arrangement to the extent permitted by the Arrangement Agreement; and (ii) subject to the terms of the Arrangement Agreement, not to proceed with the Arrangement and related transactions.

6. Any officer or director of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute and deliver for filing with the Enterprise Registrar under the QBCA articles of arrangement and such other documents as are necessary or desirable to give effect to the Arrangement in accordance with the Arrangement Agreement, such determination to be conclusively evidenced by the execution and delivery of such articles of arrangement and any such other documents.

7. Any officer or director of the Corporation is hereby authorized and directed for and on behalf of the Corporation to execute or cause to be executed and to deliver or cause to be delivered all such other documents and instruments and to perform or cause to be performed all such other acts and things as such person determines may be necessary or desirable to give full effect to the foregoing resolution and the matters authorized thereby, such determination to be conclusively evidenced by the execution and delivery of such document or instrument or the doing of any such act or thing.

APPENDIX C
INTERIM ORDER

[see attached]

SUPERIOR COURT

(Commercial Division)

CANADA

PROVINCE OF QUEBEC
DISTRICT OF MONTRÉAL

No.: 500-11-059214-201

DATE : December 3, 2020

IN THE PRESENCE OF THE HONOURABLE MARTIN CASTONGUAY, J.S.C.

IN THE MATTER OF THE PROPOSED ARRANGEMENT BY DOREL INDUSTRIES INC. UNDER SECTION 414 OF THE BUSINESS CORPORATIONS ACT (QUÉBEC) CQLR, c. S-31.1

Applicant

and

9428-4502 QUÉBEC INC.

and

THE SECURITYHOLDERS OF DOREL INDUSTRIES INC.

Impleaded Parties

INTERIM ORDER[1]

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[1] Capitalized terms used herein and not otherwise defined shall have the meaning ascribed thereto in the Management Information Circular (Exhibit P-3).

[1] **ON READING** Dorel Industries Inc. (the "**Applicant**")'s Application for an Interim and a Final Order pursuant to the *Business Corporations Act* (Québec), CQLR, c. S-31.1 (the "**QBCA**"), the exhibits, the affidavit of Mr. Frank Rana and the plan of argument filed in support thereof (the "**Application**");

[2] **GIVEN** that this Court is satisfied that the Autorité des marchés financiers (the "**AMF**") has received notification of the Application and has confirmed in writing on December 2, 2020 that it would not intervene before the Court (Exhibit P-13);

[3] **GIVEN** the provisions of the QBCA;

[4] **GIVEN** the representations of counsel for the Applicant;

[5] **GIVEN** that this Court is satisfied, at the present time, that the proposed transaction is an "arrangement" within the meaning of Section 415 of the QBCA;

[6] **GIVEN** that this Court is satisfied, at the present time, that it is impracticable or too onerous in the circumstances for the Applicant to effect the arrangement proposed under any other provision of the QBCA;

[7] **GIVEN** that this Court is satisfied, at the present time, that the Applicant is not insolvent and meets the requirements set out in Section 414 of the QBCA;

[8] **GIVEN** that this Court is satisfied, at the present time, that the arrangement is put forward in good faith and, in all likelihood, for a valid business purpose;

FOR THESE REASONS, THE COURT:

[9] **GRANTS** the Interim Order sought in the Application and **DECLARES** that the time for filing and service of the Application is abridged;

[10] **DISPENSES** the Applicant of the obligation, if any, to notify any person other than the AMF with respect to the Interim Order;

[11] **ORDERS** that all the holders of Class A Multiple Voting Shares (the "**Class A Shares**") and Class B Subordinate Voting Shares (the "**Class B Shares**", and together with the Class A Shares, collectively the "**Shares**") (the holders of the Shares are collectively the "**Shareholders**"), the holders of stock options whether vested or unvested (collectively the "**Optionholders**"), the holders of EDUs, DSUs, RSUs or PSUs whether vested or unvested (collectively the "**Unitholders**" and together with the Shareholders and Optionholders, collectively the "**Securityholders**") and 9428-4502 Québec Inc. (the "**Purchaser**") be deemed parties, as Impleaded Parties, to the present proceedings and be bound by the terms of any Order rendered herein;

[12] **DISPENSES** the Applicant from describing at length the names of the Securityholders in the description of the Impleaded Parties;

The Meeting

[13] **ORDERS** that the Applicant may convene, hold and conduct a special meeting of shareholders (the "**Meeting**") to be held as a virtual-only meeting conducted by live audio webcast on January 12, 2021, commencing at 10 a.m. (eastern time), by electronic means at which time the Shareholders will be asked, among other things, to consider and, if thought appropriate, to pass, with or without variation, a special resolution (the "**Arrangement Resolution**") substantially in the form set forth in Appendix B of the Circular (Exhibit P-3) to, among other things, authorize, approve and adopt an arrangement between the Applicant and the Purchaser (the "**Arrangement**"), and to transact such other business as may properly come before the Meeting, the whole in accordance with the terms, restrictions and conditions of the Articles and By-Laws of the Applicant, the QBCA, and this Interim Order, provided that to the extent there is any inconsistency between this Interim Order and the terms, restrictions and conditions of the Articles and By-Laws of the Applicant or the QBCA, this Interim Order shall govern;

[14] **ORDERS** that in respect of the vote on the Arrangement Resolution or any matter determined by the chairman of the Meeting (the "**Chair of the Meeting**") to be related to the Arrangement, each holder of Class A Shares shall be entitled to cast ten votes in respect of each such share held and each holder of Class B Shares shall be entitled to cast one vote in respect of each such share held;

[15] **ORDERS** that quorum shall be present at the Meeting if, at the opening of the Meeting, regardless of the actual number of persons physically (or virtually) present, at least two or more Shareholders representing not less than 25% of the Shares that carry the right to vote at the Meeting are present in person (virtually) or represented by proxy. If a quorum is present at the opening of the Meeting, the Shareholders present (virtually) or represented by proxy may proceed with the business of the Meeting notwithstanding that a quorum is not present throughout the Meeting

[16] **ORDERS** that the only persons entitled to attend, be heard or vote at the Meeting (as it may be adjourned or postponed) shall be the registered Shareholders at the close of business on November 20, 2020 (the "**Record Date**"), their proxy holders, and the directors and advisors of the Applicant, provided however that such other persons having the permission of the Chair of the Meeting shall also be entitled to attend and be heard at the Meeting;

[17] **ORDERS** that for the purpose of the vote on the Arrangement Resolution, or any other vote taken by ballot at the Meeting, any spoiled ballots, illegible ballots and defective ballots shall be deemed not to be votes cast by Shareholders and further **ORDERS** that proxies that are properly signed and dated but which do not contain voting instructions shall be voted in favour of the Arrangement Resolution;

[18] **ORDERS** that the Applicant, if it deems it advisable, but subject to the terms of the Arrangement Agreement entered into with the Purchaser, be authorized to adjourn or postpone the Meeting on one or more occasions (whether or not a quorum is present), without the necessity of first convening the Meeting or first obtaining any vote of Shareholders respecting the adjournment or postponement; further **ORDERS** that notice of any such adjournment or postponement shall be given by press release, newspaper advertisement or by mail, as determined to be the most appropriate method of communication by the Applicant; further **ORDERS** that any adjournment or postponement of the Meeting will not change the Record Date for Shareholders entitled to notice of, and to vote at, the Meeting and further **ORDERS** that any subsequent reconvening of the Meeting, all proxies will be voted in the same manner as the proxies would have been voted at the original convening of the Meeting, except for any proxies that have been effectively revoked or withdrawn prior to the subsequent reconvening of the Meeting;

[19] **ORDERS** that:

(a) the Applicant and the Purchaser may amend, modify and/or supplement the Plan of Arrangement at any time and from time to time prior to the Effective Time, provided that each such amendment, modification and/or supplement must be (i) set out in writing, (ii) approved in writing by the Corporation and the Purchaser, each acting reasonably, (iii) filed with the Court, subject to such conditions as the Court may impose, and, if made following the Meeting, approved by the Court, and (iv) if required by the Court, communicated to the Shareholders in the manner directed by the Court;

(b) any amendment, modification or supplement to the Plan of Arrangement may be proposed by the Applicant or the Purchaser at any time prior to the Meeting (provided that the Applicant or the Purchaser, as applicable, shall have consented thereto in writing) with or without any other prior notice or communication (except to the extent required by the Court), and if so proposed and accepted by the Persons voting at the Meeting (other than as may be required under the Interim Order), shall become part of the Plan of Arrangement for all purposes;

(c) any amendment, modification or supplement to the Plan of Arrangement that is approved or directed by the Court following the Meeting shall be effective only if (i) it is consented to in writing by each of the Applicant and the Purchaser (in each case, acting reasonably), and (ii) if required by the Court, it is consented to by some or all of the Shareholders voting in the manner directed by the Court. Any amendment, modification or supplement to the Plan of Arrangement may be made following the granting of the Final Order without filing such amendment, modification or supplement with the Court or seeking Court approval, provided that (i) it concerns a matter which, in the reasonable opinion of the Parties, is of an administrative nature required to better give effect to the implementation of this Plan of Arrangement and is not adverse to the interest of any Shareholders or (ii) is an amendment contemplated in paragraph 19(d) hereof;

(d) any amendment, modification or supplement to the Plan of Arrangement may be made following the Effective Date unilaterally by the Purchaser, provided that it concerns a matter which, in the reasonable opinion of the Purchaser, is of an administrative nature required to better give effect to the implementation of the Plan of Arrangement and is not adverse to the economic interest of any former Securityholder, and such amendments, modifications or supplements to the Plan of Arrangement need not be filed with the Court or communicated to the Shareholders.

[20] **ORDERS** that the Applicant is authorized to use proxies at the Meeting; that the Applicant is authorized, at its expense, to solicit proxies on behalf of its management, directly or through its officers, directors and employees, and through such agents or representatives as it may retain for that purpose, and by mail or such other forms of personal or electronic communication as it may determine; and that the Applicant may waive, in its discretion, the time limits for the deposit of proxies by the Shareholders if it considers it advisable to do so;

[21] **ORDERS** that, to be effective, the Arrangement Resolution, with or without variation, must be approved by the affirmative vote: (i) at least (and not more than) 66 2/3% of the votes cast on the Arrangement Resolution by the holders of Class A Shares and Class B Shares, voting in accordance with this Order and the Applicant's articles, present in person (virtually) or represented by proxy at the Meeting and entitled to vote, each holder of Class A Shares being entitled to ten votes per Class A Share held and each holder of Class B Shares being entitled to one vote per Class B Share held; and (ii) a simple majority of the votes cast on the Arrangement Resolution by holders of Class B Shares (other than the Rolling Shareholders for purpose of such vote) present in person (virtually) or represented by proxy at the Meeting and entitled to vote at the Meeting, each being entitled to one vote per Class B Share; and further **ORDERS** that such vote shall be sufficient to authorize and direct the Applicant to do all such acts and things as may be necessary or desirable to give effect to the Arrangement and the Plan of Arrangement on a basis consistent with what has been disclosed to the Shareholders in the Notice Materials (as this term is defined below);

The Notice Materials

[22] **ORDERS** that the Applicant shall give notice of the Meeting, and that service of the Application for a Final Order (as defined below) shall be made by delivering or giving access, in the manner hereinafter described and to the persons hereinafter specified, a copy of this Interim Order, together with the following documents, with such non-material amendments thereto as Applicant may deem to be necessary or desirable, provided that such amendments are not

inconsistent with the terms of this Interim Order (collectively, the "**Notice Materials**"):

(a) the Notice of Meeting substantially in the same form as contained in Exhibit P-3;

(b) the Circular substantially in the same form as contained in Exhibit P-3;

(c) the proxy and voting instruction forms substantially in the same form as contained in Exhibit P-4, which shall be finalized by inserting the relevant dates and other information;

(d) a letter of Transmittal substantially in the same form as contained in Exhibit P-5, which shall be finalized by inserting the relevant dates and other information;

(e) a notice substantially in the form of the draft filed as Appendix D to the Circular (Exhibit P-3) providing, among other things, the date, time and room where the Application for a Final Order will be heard, and that a copy of the Application can be found on the System for Electronic Document Analysis and Retrieval at www.sedar.com, and that a copy of the Application can be found on Dorel's web site (the "**Notice of Presentation**");

[23] **ORDERS** that the Notice Materials shall be distributed:

(a) to the registered Shareholders and to the non-registered Shareholders by mailing (unless the Shareholder has chosen to receive proxy materials electronically) a notice of notice-and-access and the proxy form at least twenty-one (21) days prior to the date of the Meeting;

(b) to the registered Shareholders and to the non-registered Shareholders by using notice-and-access to deliver the Notice of Meeting and Circular whereby these documents will be posted online for Shareholders to access;

(c) to the Applicant's directors and auditors, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person or by recognized courier service, by email or by notice-and-access; and

(d) to the AMF, by delivering same at least twenty-one (21) days prior to the date of the Meeting in person or by recognized courier service or by email;

[24] **ORDERS** that a copy of the Application and the Interim Order be posted on the Applicant's website (www.dorel.com) at the same time the notice of notice-and-access is mailed;

[25] **ORDERS** that a copy of the Interim Order be posted on SEDAR (www.sedar.com), as an appendix to the Circular, at the same time the Notice Materials are mailed;

[26] **ORDERS** that only Shareholders entitled to receive the Notice Materials shall be the registered Shareholders on the close of business (eastern time) on the Record Date (November 20, 2020);

[27] **ORDERS** that the Applicant may make, in accordance with this Interim Order, such additions, amendments or revision to the Notice Materials as it determines to be appropriate (the "**Additional Materials**"), which shall be distributed to the persons entitled to receive the Notice Materials pursuant to this Interim Order by the method and in the time determined by the Applicant to be most practicable in the circumstances;

[28] **DECLARES** that the mailing, delivery or access of the Notice Materials and any Additional Materials in accordance with this Interim Order as set out above constitutes good and sufficient notice of the Meeting upon all persons, and that no other form of service of the Notice Materials and any Additional Materials or any portion thereof, or of the Application need be made, or notice given or other material served in respect of the Meeting to any persons;

[29] **ORDERS** that the Notice Materials and any Additional Materials shall be deemed, for the purposes of the present proceedings, to have been received and served upon:

(a) in the case of distribution by mail, three business days after delivery thereof to the post office;

(b) in the case of delivery in person or by courier, upon receipt thereof at the intended recipient's address; and

(c) in the case of delivery by facsimile transmission, by e-mail or notice-and-access, on the day of transmission;

[30] **DECLARES** that the accidental failure or omission to give notice of the Meeting to, or the non-receipt of such notice by, one or more of the persons specified in the Interim Order shall not invalidate any resolution passed at the Meeting or the proceedings herein, and shall not constitute a breach of the Interim Order or defect in the calling of the Meeting, provided that if any such failure or omission is brought to the attention of the Applicant, it shall use reasonable efforts to rectify such failure or omission by the method and in the time it determines to be most reasonably practicable in the circumstances;

Dissent Right

[31] **ORDERS**, pursuant to Subsection 416, al 2(5) of the QBCA, that the registered holders of Shares of the Applicant (other than the Rolling Shareholders and

holders of Shares who have failed to exercise all the voting rights carried by the Shares held by such holder against the Arrangement Resolution) shall be entitled to exercise the right to demand the repurchase of their Shares (the "**Dissent Right**"), and that Sections 377 to 388 of the QBCA (subject to the terms of this Interim Order) shall apply *mutatis mutandis* to the exercise of such Dissent Right subject to the modifications set out on the Interim Order to be rendered herein and the Plan of Arrangement;

[32] **ORDERS** that in accordance with the Dissent Right set forth in the Plan of Arrangement, any registered Shareholder who wishes to exercise a Dissent Right must send to the Applicant a written notice (the "**Dissent Notice**"), which Dissent Notice must be received by the Applicant at its head office at 1255 Greene Avenue, Suite 300, Westmount, Québec, Canada H3Z 2A4, Attention: Corporate Secretary, with a copy to Fasken Martineau DuMoulin LLP at 800 Square Victoria, Suite 3500, Montréal, Québec, H4Z 1E9, fax 514-397-7600, Attention: Mtre Neil Wiener, not later than 4:30 p.m. (eastern time) on January 8, 2021 or not later than 4:30 p.m. (eastern time) on the business day that is two Business Days immediately preceding the date that any adjourned or postponed Meeting is reconvened or held, as the case may be;

[33] **DECLARES** that a Shareholder who has submitted a Dissent Notice (a "**Dissenting Shareholder**") and who fails to exercise all the voting rights carried by the Shares held by such holder against the Arrangement Resolution shall no longer be considered as having exercised its Dissent Right, and that a vote against the Arrangement Resolution shall not constitute a Dissent Notice;

[34] **ORDERS** that any Dissenting Shareholder having duly exercised Dissent Rights and wishing to apply to a Court to fix a fair value for the Shares held by such holder must apply to the Superior Court of Québec sitting in the Commercial Division in and for the district of Montreal, and that for the purposes of the Arrangement contemplated in these proceedings, the "Court" referred to in Chapter XVI – Division II of the QBCA means the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montreal;

[35] **ORDERS** that as at the time set forth in Section 2.3(g) of the Plan of Arrangement, each outstanding Share held by a Dissenting Shareholder shall be deemed to be transferred by the holder thereof to the Purchaser and each Dissenting Shareholder shall cease to have any rights as a Shareholder other than the right to be paid the fair value of its Shares by the Purchaser in accordance with Article 3 of the Plan of Arrangement, the name of such Dissenting Shareholder shall be removed from the register of holders of Shares and the Purchaser shall be recorded as the holder of the Shares so transferred and shall be deemed to be the legal and beneficial owner thereof and further **ORDERS** that the Purchaser shall assume all obligations of the Applicant for the purposes of Sections 382 to 388 of the QBCA and shall be entitled to exercise all of the rights of the Applicant thereunder, in the place and stead of the Applicant;

The Final Order Hearing

[36] **ORDERS** that subject to the approval by the Shareholders of the Arrangement Resolution in the manner set forth in this Interim Order, the Applicant may apply for this Court to sanction the Arrangement by way of a final judgment (the "**Application for a Final Order**");

[37] **ORDERS** that the Application for a Final Order be presented on January 15, 2021 before the Superior Court of Québec, sitting in the Commercial Division in and for the district of Montréal at the Montréal Courthouse, 1 Notre-Dame Street East in Montréal, Québec, at a room and time to be fixed by the Court or by way of a virtual hearing or so soon thereafter as counsel may be heard, or at any other date this Court may see fit;

[38] **ORDERS** that the mailing or delivery of the Notice Materials constitutes good and sufficient service of the Application and good and sufficient notice of presentation of the Application for a Final Order to all persons, whether those persons reside within Québec or in another jurisdiction;

[39] **ORDERS** that the only persons entitled to appear and be heard at the Final Hearing shall be the Applicant, the Purchaser and any person that:

(a) files an answer (notice of appearance) with this Court's registry and serve same on the Applicant's counsel, c/o Mtre Sébastien Richemont & Mtre Brandon Farber, Fasken Martineau DuMoulin LLP, Stock Exchange Tower, 800 Place Victoria, Suite 3500, Montréal, Québec H4Z 1E9, email: srichemont@fasken.com & bfarber@fasken.com and on Purchaser's counsel, c/o Mtre Sébastien Guy, Blake, Cassels & Graydon LLP, 1 Place Ville Marie, Suite 3000, Montréal, Québec H3B 4N8, email: sebastien.guy@blakes.com, no later than 4:30 p.m. (eastern time) on January 12, 2021; and

(b) if such an answer (notice of appearance) is with a view to contesting the Application for a Final Order, such answer (notice of appearance) must provide a summary of the grounds of contestation and be served on the Applicant's counsel and on Purchaser's counsel (at the above address or email address), no later than 4:30 p.m. (eastern time) on January 13, 2021;

[40] **ALLOWS** the Applicant to file any further evidence it deems appropriate, by way of supplementary affidavits or otherwise, in connection with the Application for a Final Order;

Miscellaneous

[41] **DECLARES** that the Applicant shall be entitled to seek leave to vary this Interim Order upon such terms and such notice as this Court deems just;

[42] **ORDERS** provisional execution of this Interim Order notwithstanding any appeal therefrom and without the necessity of furnishing any security;

[43] **THE WHOLE** without costs.

The Honourable Martin Castonguay, J.S.C.

Mtres Sébastien Richemont & Brandon Farber
Fasken Martineau DuMoulin LLP
Attorneys for Applicant

Mtre Sébastien Guy
Blake, Cassels & Graydon LLP
Attorneys for Purchaser

Date of hearing: December 3, 2020

APPENDIX D
NOTICE OF PRESENTATION OF THE FINAL ORDER

TAKE NOTICE that the present *Application for an Interim and Final Order* will be presented for adjudication of the final order before one of the honourable judges of the Superior Court, sitting in commercial division for the district of Montréal on **January 15, 2021 at 9:00 a.m. (eastern time)** or so soon thereafter as counsel may be heard, in room 16.04 of the Montréal courthouse, located at 1 Notre-Dame Street East, Montréal, Quebec, H2Y 1B6 or in another room as may be determined by the Court. All persons that file a notice of appearance (answer) in accordance with the procedure set forth below shall be provided with the coordinates to attend the hearing either in person or virtually.

Pursuant to the Interim Order issued by the Superior Court of Québec on December 3, 2020, if you wish to make representations before the Court, you are required to file an answer (notice of appearance) at the Office of the Clerk of the Superior Court of the District of Montreal and serve same on Mtre Sébastien Richemont & Mtre Brandon Farber, Fasken Martineau DuMoulin LLP, Stock Exchange Tower, 800 Place Victoria, Suite 3500, Montreal, Québec H4Z 1E9, email: srichemont@fasken.com & bfarber@fasken.com, and on Purchaser's counsel, c/o Mtre Sébastien Guy, Blake, Cassels & Graydon LLP, 1 Place Ville Marie, Suite 3000, Montréal, Québec H3B 4N8, email: sebastien.guy@blakes.com, **no later than 4:30 p.m. (eastern time)** on **January 12, 2021**.

If you wish to contest the issuance by the Court of the Final Order, you are required, pursuant to the terms of the Interim Order, to file an answer (notice of appearance), which provides a summary of the grounds of contestation, at the Office of the Clerk of the Superior Court of the District of Montreal and serve such appearance on Mtre Sébastien Richemont and Mtre Brandon Farber of Fasken Martineau DuMoulin LLP, counsel for the Applicant, and on Mtre Sébastien Guy of Blake, Cassels & Graydon LLP, at the above-mentioned addresses, no later than later than **4:30 p.m. (eastern time)** on **January 13, 2021**.

TAKE FURTHER NOTICE that, if you do not file an answer (notice of appearance) within the above-mentioned time limits, you will not be entitled to contest the Application for a Final Order or make representations before the Court, and the Applicant may be granted a judgment without further notice or extension.

If you wish to make representations or contest the issuance by the Court of the Final Order, it is important that you take action within the time limits indicated, either by retaining the services of an attorney who will represent you and act in your name, or by doing so yourself.

DO GOVERN YOURSELVES ACCORDINGLY.

(signed) Fasken Martineau DuMoulin LLP
Fasken Martineau DuMoulin LLP
Attorneys for Dorel Industries Inc.
Mtre. Sébastien Richemont
Phone number: +1 514 397 5121
Email: srichemont@fasken.com
Mtre. Brandon Farber
Phone number: +1 514 397 5179
Email: bfarber@fasken.com
Stock Exchange Tower
800 Place Victoria, Suite 3500
P.O. Box 242
Montréal, Québec H4Z 1E9
Fax number: +1 514 397 7600

APPENDIX E
QUÉBEC BUSINESS CORPORATIONS ACT

CHAPTER XIV
RIGHT TO DEMAND REPURCHASE OF SHARES

DIVISION I
GENERAL PROVISIONS

§ 1. — Conditions giving rise to right

372. The adoption of any of the resolutions listed below confers on a shareholder the right to demand that the corporation repurchase all of the person's shares if the person exercised all the voting rights carried by those shares against the resolution:

(1) an ordinary resolution authorizing the corporation to carry out a squeeze-out transaction;

(2) a special resolution authorizing an amendment to the articles to add, change or remove a restriction on the corporation's business activity or on the transfer of the corporation's shares;

(3) a special resolution authorizing an alienation of corporation property if, as a result of the alienation, the corporation is unable to retain a significant part of its business activity;

(4) a special resolution authorizing the corporation to permit the alienation of property of its subsidiary;

(5) a special resolution approving an amalgamation agreement;

(6) a special resolution authorizing the continuance of the corporation under the laws of a jurisdiction other than Québec; or

(7) a resolution by which consent to the dissolution of the corporation is withdrawn if, as a result of the alienation of property begun during the liquidation of the corporation, the corporation is unable to retain a significant part of its business activity.

The adoption of a resolution referred to in any of subparagraphs 3 to 7 of the first paragraph confers on a shareholder whose shares do not carry voting rights the right to demand that the corporation repurchase all of the person's shares.

373. The adoption of a special resolution described in section 191 confers on a shareholder holding shares of the class or series specified in that section the right to demand that the corporation repurchase all of the person's shares of that class or series. That right is subject to the shareholder having exercised all the person's available voting rights against the adoption and approval of the special resolution.

That right also exists if all the shares held by the shareholders are of the same class; in that case, the right is subject to the shareholder having exercised all of the person's available voting rights against the adoption of the special resolution.

373.1. Despite section 93, non fully paid shares also confer the right to demand a repurchase.

374. The right to demand a repurchase conferred by the adoption of a resolution is subject to the corporation carrying out the action approved by the resolution.

375. A notice of a shareholders meeting at which a special resolution that could confer the right to demand a repurchase may be adopted must mention that fact.

The action approved by the resolution is not invalidated solely because of the absence of such a mention in the notice of meeting.

Moreover, if the meeting is called to adopt a resolution described in section 191 or in any of subparagraphs 3 to 7 of the first paragraph of section 372, the corporation notifies the shareholders whose shares do not carry voting rights of the possible adoption of a resolution that could give rise to the right to demand a repurchase of shares.

§ 2. — Conditions for exercise of right and terms of repurchase

I. — Prior notices

376. Shareholders intending to exercise the right to demand the repurchase of their shares must so inform the corporation; otherwise, they are deemed to renounce their right, subject to Division II.

To inform the corporation of the intention to exercise the right to demand the repurchase of shares, a shareholder must send a notice to the corporation before the shareholders meeting or advise the chair of the meeting during the meeting. In the case of a shareholder described in the second paragraph of section 372 none of whose shares carry voting rights, the notice must be sent to the corporation not later than 48 hours before the shareholders meeting.

377. As soon as a corporation takes the action approved by a resolution giving rise to the right to demand a repurchase of shares, it must give notice to all shareholders who informed the corporation of their intention to exercise that right.

The repurchase notice must mention the repurchase price offered by the corporation for the shares held by each shareholder and explain how the price was determined.

If the corporation is unable to pay the full redemption price offered because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due, the repurchase notice must mention that fact and indicate the maximum amount of the price offered the corporation will legally be able to pay.

378. The repurchase price is the fair value of the shares as of the close of the offices of the corporation on the day before the resolution conferring the right to demand a repurchase is adopted.

When the action approved by the resolution is taken following a take-over bid with respect to all the shares of a class of shares issued by a corporation that is a reporting issuer and the bid is closed within 120 days before the resolution is adopted, the repurchase price may be determined to be the fair value of the shares on the day before the take-over bid closed if the offeror informed the shareholders, on making the take-over bid, that the action would be submitted to shareholder authorization or approval.

379. The repurchase price of all shares of the same class or series must be the same, regardless of the shareholder holding them.

However, in the case of a shareholder holding non-fully paid shares, the corporation must subtract the unpaid portion of the shares from the repurchase price offered or, if it cannot pay the full repurchase price offered, the maximum amount that it can legally pay for those shares.

The repurchase notice must mention the subtraction and show the amount that can be paid to the shareholder.

380. Within 30 days after receiving a repurchase notice, shareholders must confirm to the corporation that they wish to exercise their right to demand a repurchase. Otherwise, they are deemed to have renounced their right.

The confirmation may not be limited to only part of the repurchasable shares. It does not affect a shareholder's right to demand an increase in the repurchase price offered.

II. — Payment of repurchase price

381. A corporation must pay the offered repurchase price to all shareholders who confirmed their decision to exercise their right to demand the repurchase of their shares within 10 days after such confirmation.

However, a corporation that is unable to pay the full repurchase price offered because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due is only required to pay the maximum amount it may legally pay the shareholders. In that case, the shareholders remain creditors of the corporation for the unpaid balance of the repurchase price and are entitled to be paid as soon as the corporation is legally able to do so or, in the event of the liquidation of the corporation, are entitled to be collocated after the other creditors but by preference over the other shareholders.

III. — Increase in repurchase price

382. To contest a corporation's appraisal of the fair value of their shares, shareholders must notify the corporation within the time given to confirm their decision to exercise their right to demand a repurchase.

Such contestation is a confirmation of a shareholder's decision to exercise the right to demand a repurchase.

383. A corporation may increase the repurchase price offered within 30 days after receiving a notice of contestation.

The increase in the repurchase price of the shares of the same class or series must be the same, regardless the shareholder holding them.

384. If a corporation does not follow up on a shareholder's contestation within 30 days after receiving a notice of contestation, the shareholder may ask the court to determine the increase in the repurchase price. The same applies when a shareholder contests the increase in the repurchase price offered by the corporation.

The shareholder must, however, make the application within 90 days after receiving the repurchase notice.

385. As soon as an application is filed under section 384, it must be notified by the corporation to all the other shareholders who are still contesting the appraisal of the fair value of their shares or the increase in the repurchase price offered by the corporation.

386. All shareholders to whom the corporation notified the application are bound by the court judgment.

387. The court may entrust the appraisal of the fair value of the shares to an expert.

388. The corporation must, without delay, pay the increase in the repurchase price to all shareholders who did not contest the increase offered. It must pay the increase determined by the court to all shareholders who, under section 386, are bound by the court judgment, within 10 days after the judgment.

However, a corporation that is unable to pay the full increase in the repurchase price because there are reasonable grounds for believing that it is or would be unable to pay its liabilities as they become due is only required to pay the maximum amount it may legally pay the shareholders. In such a case, the shareholders remain creditors of the corporation for the unpaid balance of the repurchase price and are entitled to be paid as soon as the corporation is legally able to do so or, in the event of the liquidation of the corporation, are entitled to be collocated after the other creditors but by preference over the other shareholders.

APPENDIX F
FORMAL VALUATION AND FAIRNESS OPINION OF TD SECURITIES INC.

[see attached]

TD Securities
TD Securities Inc.
66 Wellington Street West
TD Bank Tower, 9th Floor
Toronto, Ontario M5K 1A2

NOVEMBER 12, 2020

The Special Committee of the Board of Directors
Dorel Industries Inc.
1255 Greene Avenue Suite 300
Westmount, QC, Canada
H3Z 2A4

To the Special Committee:

TD Securities Inc. ("TD Securities") understands that the Board of Directors (the "Board") of Dorel Industries Inc. ("Dorel" or the "Company") received a proposal from Cerberus Capital Management L.P., acting on behalf of certain funds or managed accounts to be designated by it (collectively, "Cerberus"), and Martin Schwartz, Alan Schwartz, Jeffrey Schwartz, and Jeff Segel and certain members of their respective immediate families (the "Family Shareholders" and together with Cerberus, the "Buyer Group") to acquire all of the outstanding Class A Multiple Voting Shares and Class B Subordinate Voting Shares ("Class B Shares") of Dorel (collectively, the "Dorel Shares" or the "Shares"), except for those Shares held by the Family Shareholders, pursuant to a statutory plan of arrangement (the "Transaction") for cash consideration of $14.50 per Share (the "Consideration"). The above description is summary in nature. The specific terms and conditions of the Transaction are to be described in a circular (the "Circular") that will be mailed to holders of Dorel Shares (the "Shareholders") in connection with the Transaction.

TD Securities also understands that a special committee (the "Special Committee") of the Board of Dorel, consisting of directors who are independent of the Buyer Group, has been constituted to consider the Transaction and make recommendations thereon to the Board. The Special Committee has retained TD Securities to prepare and deliver to the Special Committee: (i) a formal valuation (the "Valuation") of the Dorel Shares in accordance with the requirements of Multilateral Instrument 61-101 – *Protection of Minority Security Holders in Special Transactions* (corresponding to Regulation 61-101 *respecting Protection of Minority Security Holders in Special Transactions* in the Province of Québec) ("MI 61-101"); and (ii) an opinion (the "Fairness Opinion" and together with the Valuation, the "Valuation and Fairness Opinion") as to the fairness, from a financial point of view, of the Consideration to be received by the Shareholders in connection with the Transaction, other than any consideration to be received by the Family Shareholders in the form of "rollover shares" of the purchaser pursuant to the Transaction (the "Rollover Shares").

ENGAGEMENT OF TD SECURITIES BY THE SPECIAL COMMITTEE

TD Securities was first contacted by the Special Committee on September 4, 2020 and was engaged by the Special Committee pursuant to an engagement agreement (the "Engagement Agreement") dated September 11, 2020. On November 12, 2020, at the request of the Special Committee, TD Securities orally delivered the Valuation and Fairness Opinion. This Valuation and Fairness Opinion provides the same conclusions and opinions, in writing, as of November 12, 2020. The terms of the Engagement Agreement provide that TD Securities will receive a fee of $1.1 million for its services and is to be reimbursed for reasonable expenses incurred in performing its services. In addition, Dorel has agreed to indemnify TD Securities, in certain circumstances, against certain expenses, losses, claims, actions, damages and liabilities incurred in connection with the provision of its services. The fees payable to TD Securities under the Engagement Agreement are not contingent, either in whole or in part, upon the conclusions reached by TD Securities in the Valuation and Fairness Opinion or the completion of the Transaction. Subject to the terms of the Engagement Agreement, TD Securities consents to the inclusion of the Valuation and Fairness Opinion in the Circular, with a summary thereof, in a form acceptable to TD Securities, and to the filing thereof with the applicable Canadian securities regulatory authorities.

CREDENTIALS OF TD SECURITIES

TD Securities is a Canadian investment banking firm with operations in a broad range of investment banking activities, including corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment management and investment research. TD Securities has participated in a significant number of transactions involving public and private companies and has extensive experience in preparing valuations and fairness opinions, including various transactions that were subject to the requirements of MI 61-101.

This Valuation and Fairness Opinion is the opinion of TD Securities and its form and content have been approved by a committee of senior investment banking professionals of TD Securities, each of whom is experienced in merger, acquisition, divestiture, valuation and fairness opinion matters. This Valuation and Fairness Opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Investment Industry Regulatory Organization of Canada ("IIROC") but IIROC has not been involved in the preparation or review of this Valuation and Fairness Opinion.

INDEPENDENCE OF TD SECURITIES

Neither TD Securities nor any of its affiliated entities (as such term is defined for the purposes of the MI 61-101) (i) is an associated or affiliated entity or issuer insider (as such terms are defined for the purposes of MI 61-101) of Dorel, any member of the Buyer Group or any of their respective associates or affiliates (collectively, the "Interested Parties"); (ii) is an advisor to any of the Interested Parties in connection with the Transaction; (iii) is a manager or co-manager of a soliciting dealer group for the Transaction (or a member of the soliciting dealer group for the Transaction providing services beyond the customary soliciting dealer's functions or receiving more than the per security or per security holder fees payable to the other members of the group); or (iv) has a material financial interest in the completion of the Transaction.

TD Securities and its affiliated entities have not been engaged to provide any financial advisory services, nor have they acted as lead or co-lead manager on any offering of Shares or any other securities of Dorel, or any Interested Party during the 24 months preceding the date TD Securities was first contacted in respect of the Valuation and Fairness Opinion, other than as described herein. In June 2019, TD Securities participated as co-lead arranger and joint-bookrunner on a US$175 million 7.5% Senior Unsecured Loan for Dorel. In March 2019, the Toronto-Dominion Bank ("TD Bank"), the parent company of TD Securities, participated as a non-lead lender in a lending syndicate comprised of a US$507 million credit facility for Dorel.

The fees paid to TD Securities in connection with the foregoing activities, together with the fee payable to TD Securities pursuant to the Engagement Agreement are not, in the aggregate, financially material to TD Securities, and do not give TD Securities any financial incentive in respect of the conclusions reached in the Valuation and Fairness Opinion. There are no understandings or agreements between TD Securities and Dorel or any other Interested Party with respect to future financial advisory or investment banking business. TD Securities may in the future, in the ordinary course of its business, perform financial advisory or investment banking services for Dorel or any other Interested Party. TD Bank and TD Securities, may in the future, in the ordinary course of their respective businesses, provide banking services or credit facilities to Dorel or any other Interested Party.

TD Securities acts as a trader and dealer, both as principal and agent, in major financial markets and, as such, may have and may in the future have, in the ordinary course of its business, positions in the securities of any Interested Party, and, from time to time, may have executed or may execute transactions on behalf of such companies or other clients for which it may have received or may receive compensation. As an investment dealer, TD Securities conducts research on securities and may, in the ordinary course of its business, provide research reports and investment advice to its clients on investment matters, including matters with respect to the Transaction, Dorel or any Interested Party.

SCOPE OF REVIEW

In connection with the Valuation and Fairness Opinion, TD Securities reviewed and relied upon (without attempting to verify independently the completeness or accuracy of) or carried out, among other things, the following:

1. a draft of the Arrangement Agreement between the Buyer Group and Dorel dated November 12, 2020;

2. a draft of the Voting Support Agreement dated November 7, 2020;

3. audited financial statements and management's discussion and analysis of Dorel as at and for each of the financial years ended December 31, 2017, 2018, and 2019;

4. unaudited interim financial statements and management's discussion and analysis of Dorel as at and for the three-month periods ended March 31, 2020, June 30, 2020 and September 30, 2020;

5. annual reports and annual information forms of Dorel for the financial years ended December 31, 2017, 2018, and 2019 and notices of meeting and management information circulars for the annual meetings of shareholders of Dorel held in each of 2018, 2019 and 2020;

6. the current 2020 budget and forecast information as prepared by the management team of Dorel ("Dorel Management") as well as historical budget and forecast information that TD Securities considered relevant;

7. unaudited projected financial information for Dorel, for the financial years ending December 31, 2021 through to December 31, 2023, as prepared by Dorel Management;

8. discussions with Dorel Management including with respect to the information referred to above and other issues deemed relevant including the outlook for each business segment;

9. representations contained in a certificate dated November 12, 2020 from senior officers of Dorel;

10. various discussions with members of the Special Committee and its legal counsel;

11. non-binding proposals submitted by the Buyer Group, dated September 4, 2020, and October 16, 2020;

12. various research publications prepared by equity research analysts regarding Dorel and other selected public companies deemed relevant;

13. public information relating to the business, operations, financial performance and trading history of Dorel and other selected public companies considered relevant;

14. public information with respect to certain other transactions of a comparable nature considered relevant; and

15. such other corporate, industry and financial market information, investigations and analyses as TD Securities considered necessary or appropriate in the circumstances.

TD Securities has not reviewed any draft of the Circular as no such draft was available as of November 12, 2020, the date the Valuation and Fairness Opinion was rendered. TD Securities has not, to the best of its knowledge, been denied access by Dorel to any information requested by TD Securities. TD Securities has assumed the accuracy and fair presentation of and relied upon the audited financial statements of Dorel and the reports of the auditors thereon.

PRIOR VALUATIONS

The Chief Executive Officer and the Chief Financial Officer of Dorel, on behalf of Dorel and not in their personal capacities, have represented to TD Securities that, among other things, to the best of their knowledge, information and belief after due inquiry, there have been no prior valuations (as defined in MI 61-101) relating to Dorel or any affiliate or any of their respective material assets or liabilities made in the preceding 24 months and in the possession or control of Dorel other than those which have been provided to TD Securities (of which there are none) or, in the case of valuations known to Dorel which it does not have within its possession or control, notice of which has not been given to TD Securities.

ASSUMPTIONS AND LIMITATIONS

With the Special Committee's acknowledgement and agreement as provided for in the Engagement Agreement, TD Securities has relied upon the accuracy, completeness, and fair presentation of all data and other information obtained by it from public sources, provided to it by or on behalf of Dorel, or otherwise obtained by TD Securities, including the certificate identified below (collectively, the "Information"). The Valuation and Fairness Opinion is conditional upon such accuracy, completeness, and fair presentation. Subject to the exercise of professional judgment, and except as expressly described herein, TD Securities has not attempted to verify independently the accuracy or completeness of any of the Information.

With respect to the budgets, forecasts, projections or estimates provided to TD Securities and used in its analyses, TD Securities notes that projecting future results is inherently subject to uncertainty. TD Securities has assumed, however, that such budgets, forecasts, projections and estimates were prepared using the assumptions identified therein which TD Securities has been advised are (or were at the time of preparation and continue to be), in the opinion of Dorel, reasonable in the circumstances.

Senior officers of Dorel have represented to TD Securities in a certificate dated November 12, 2020, among other things, that after due inquiry (i) Dorel has no information or knowledge of any facts public or otherwise not specifically provided to TD Securities relating to Dorel which would reasonably be expected to affect materially the Valuation or Fairness Opinion to be given by TD Securities; (ii) with the exception of forecasts, projections or estimates referred to in item (iv) below, the information, data and other material (collectively, the "Dorel Information") as filed under Dorel's profile on SEDAR and/or provided to TD Securities by or on behalf of Dorel or its representatives in respect of Dorel and its affiliates in connection with the Transaction is or, in the case of historical Information was, at the date of preparation, true, complete and accurate and did not and does not contain any untrue statement of a material fact and does not omit to state a material fact necessary to make the Dorel Information not misleading in the light of circumstances in which it was presented; (iii) to the extent that any of the Dorel Information identified in item (ii) above is historical, there have been no changes in any material facts or new material facts since the respective dates thereof which have not been disclosed to TD Securities or updated by more current information not provided to TD Securities by Dorel and there has been no material change, financial or otherwise in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of Dorel and no material change has occurred in the Dorel Information or any part thereof which would have or which would reasonably be expected to have a material effect on the Valuation and/or Fairness Opinion; (iv) any portions of the Dorel Information provided to TD Securities (or filed on SEDAR) which constitute forecasts, projections or estimates were prepared using the assumptions identified therein, which, in the reasonable opinion of Dorel, are (or were at the time of preparation and continue to be) reasonable in the circumstances; (v) there have been no valuations or appraisals relating to Dorel or any affiliate or any of their respective material assets or material liabilities made in the preceding 24 months and in the possession or control of Dorel other than those which have been provided to TD Securities or, in the case of valuations known to Dorel which it does not have within its possession or control, notice of which has not been given to TD Securities; (vi) there have been no verbal or written offers or serious negotiations for or transactions involving any material property of Dorel or any of its affiliates during the preceding 24 months which have not been disclosed to TD Securities; for the purposes of items (v) and (vi), "material assets", "material liabilities" and "material property" shall include assets, liabilities and property of Dorel or its affiliates having a gross value greater than or equal to $10,000,000; (vii) since the dates on which the Dorel Information was provided to TD Securities (or filed on SEDAR), no material transaction has been entered into by Dorel or any of its affiliates; (viii) other than as disclosed in the Dorel Information, neither Dorel nor any of its affiliates has any material contingent liabilities and there are no actions, suits, claims, proceedings, investigations or inquiries pending or threatened against or affecting the Transaction, Dorel or any of its affiliates at law or in equity or before or by any federal, national, provincial, state, municipal or other governmental department, commission, bureau, board, agency or instrumentality which may, in any way, materially adversely affect Dorel or its affiliates or the Transaction; (ix) all financial material, documentation and other data concerning the Transaction, Dorel and its affiliates, including any projections or forecasts provided to TD Securities, were prepared on a basis consistent in all material respects with the accounting policies applied in the most recent audited consolidated financial statements of Dorel; (x) there are no agreements, undertakings, commitments or understandings (whether written or oral, formal or informal) relating to the Transaction, except as have been disclosed in complete detail to TD Securities; (xi) the contents of any and all documents prepared in connection with the Transaction for filing with regulatory authorities or delivery or communication to securityholders of Dorel (collectively, the "<u>Disclosure Documents</u>") have been, are and will be true, complete and correct in all material respects and have not and will not contain any misrepresentation (as defined in the *Securities Act* (Ontario)) and the Disclosure Documents have complied, comply and will comply with all requirements under applicable laws; (xii) Dorel has complied in all material respects with the Engagement Letter, including the terms and conditions of the Indemnity attached thereto; and (xii) to the best of its knowledge, information and belief after due inquiry, there is no plan or proposal for any material change (as defined in the *Securities Act* (Ontario)) in the affairs of Dorel which have not been disclosed to TD Securities.

In preparing the Valuation and Fairness Opinion, TD Securities has made several assumptions, including that all final or executed versions of documents will conform in all material respects to the drafts provided to TD Securities, conditions precedent to the completion of the Transaction can be satisfied in due course, all consents, permissions, exemptions or orders of relevant regulatory authorities or third parties will be obtained, without adverse condition or qualification, the procedures being followed to implement the Transaction are valid and effective, the Circular will be distributed to the Shareholders of Dorel in accordance with all applicable laws, and that the Circular will be accurate, in all material respects, and will comply, in all material respects, with the requirements of all applicable laws. In its analysis in connection with the preparation of the Valuation and Fairness Opinion, TD Securities made numerous assumptions with respect to industry performance, general business and economic conditions, and other matters, many of which are beyond the control of TD Securities or Dorel or any other Interested Party. Among other things, TD Securities has assumed the accuracy, completeness and fair presentation of and has relied upon, without independent verification, the financial statements forming part of the Information. All financial figures in the Valuation and Fairness Opinion are in Canadian dollars unless otherwise stated.

The Valuation and Fairness Opinion has been provided for the use of the Special Committee and is not intended to be, and does not constitute, a recommendation that any Shareholders vote in favor of the Transaction. The Valuation and Fairness Opinion may not be used by any other person or relied upon by any other person other than the Special Committee without the express prior written consent of TD Securities. The Valuation and Fairness Opinion does not address the relative merits of the Transaction as compared to other transactions or business strategies that might be available to Dorel, nor does it address the underlying business decision to implement the Transaction. TD Securities expresses no opinion with respect to future trading prices of Shares of Dorel. In considering fairness, from a financial point of view, TD Securities considered the Transaction from the perspective of Shareholders other than the Family Shareholders and their related parties generally and did not consider the specific circumstances of any particular Shareholder, including with regard to income tax considerations. The Valuation and Fairness Opinion is rendered as of November 12, 2020, on the basis of securities markets, economic and general business and financial conditions prevailing on that date and the condition and prospects, financial and otherwise, of Dorel and its respective subsidiaries and affiliates as they were reflected in the Information provided to TD Securities. Any changes therein may affect the Valuation and Fairness Opinion and, although TD Securities reserves the right to change or withdraw the Valuation and Fairness Opinion in such event, it disclaims any undertaking or obligation to advise any person of any such change that may come to its attention, or update the Valuation and Fairness Opinion after such date. In preparing the Valuation and Fairness Opinion, TD Securities was not authorized to solicit, and did not solicit, interest from any other party with respect to the acquisition of Shares or other securities of Dorel, or any business combination or other extraordinary transaction involving Dorel, nor did TD Securities negotiate with any other party in connection with any such transaction involving Dorel. TD Securities has not undertaken an independent evaluation, appraisal or physical inspection of any assets or liabilities of Dorel or its subsidiaries. TD Securities is not an expert on, and did not render advice to the Special Committee regarding, legal, accounting, regulatory or tax matters. We have relied upon, without independent verification, the assessment of the Special Committee and its legal, tax and regulatory advisors with respect to legal, tax and regulatory matters. Other than as expressly permitted herein, the Valuation and Fairness Opinion may not be summarized, published, reproduced, disseminated, quoted from or referred to without the express prior written consent of TD Securities.

The preparation of a Valuation and Fairness Opinion is a complex process and is not necessarily amenable to partial analysis or summary description. TD Securities believes that its analyses must be considered as a whole and that selecting portions of the analyses or the factors considered by it, without considering all factors and analyses together, could create an incomplete view of the process underlying the Valuation and Fairness Opinion. Accordingly, the Valuation and Fairness Opinion should be read in its entirety.

OVERVIEW OF DOREL

Dorel, headquartered in Montreal, Quebec, is a global organization, operating three distinct businesses in home products ("Dorel Home" or "Home"), juvenile products ("Dorel Juvenile" or "Juvenile"), and sports products ("Dorel Sports" or "Sports"). Dorel Home, with its comprehensive e-commerce platform, markets a wide assortment of domestically produced and imported furniture. Dorel Juvenile's branded products include global brands Maxi-Cosi, Quinny and Tiny Love, complemented by regional brands such as Safety 1st, Bébé Confort, Cosco and Infanti. Dorel Sports brands include Cannondale, Schwinn, GT, Mongoose, Caloi and IronHorse. Dorel employs approximately 8,000 people in facilities located in 25 countries worldwide.

Historical Financial Information

The following table summarizes certain of Dorel's consolidated operating results for the fiscal years ended December 31, 2017 to 2019 and for the nine months ended September 30, 2019 and September 30, 2020:

	Year Ended December 31,			**Unaudited Nine Months Ended Sept 30,**		**Unaudited LTM Ended Sept 30,**
(in US$ millions)	**2017**	**2018**	**2019**	**2019**	**2020**	**2020**
Total Revenue	2,577.7	2,619.5	2,634.6	1,981.2	2,058.1	2,711.5
Reported Adjusted EBITDA[1]	160.0	142.3	126.8	93.6	130.9	164.1
Margin	*6.2%*	*5.4%*	*4.8%*	*4.7%*	*6.4%*	*6.1%*
Net Earnings (Loss)	27.4	(444.3)	(10.5)	(9.8)	(20.5)	(21.2)
Capital Expenditures	61.6	56.4	41.0	29.9	19.7	30.8
Cash Flow from Operations	57.4	110.2	85.8	53.2	147.2	179.8

1. Adjusted EBITDA as reported by Dorel, which excludes the effects of IFRS 16 (Leases) where applicable, certain one-time gains / losses, impairment losses on goodwill and intangible assets, and restructuring and other costs.

The following table summarizes Dorel's consolidated balance sheet as at the end of the fiscal years 2017, 2018, and 2019, and as at September 30, 2019 and September 30, 2020:

(in US$ millions)	**As at December 31,**			**Unaudited as at September 30,**	
	2017	**2018**	**2019**	**2019**	**2020**
Cash	36.8	39.3	39.1	29.0	44.2
Current Assets..	1,116.1	1,146.6	1,130.6	1,200.3	1,067.7
Property, Plant and Equipment	199.0	185.8	163.8	163.5	145.8
Other Long Term Assets...	914.6	401.1	565.7	563.5	476.9
Total Assets	2,229.7	1,733.5	1,860.1	1,927.3	1,690.3
Total Current Liabilities..	585.8	1,079.2	701.8	800.9	879.8
Debt and Other Long Term Liabilities..	551.7	73.2	624.1	601.6	307.0
Shareholders' Equity...	1,092.2	581.1	534.2	524.8	503.6
Total Liabilities and Shareholders' Equity	2,229.7	1,733.5	1,860.1	1,927.3	1,690.3

On a fully-diluted basis, Dorel has approximately 33.3 million shares which includes deferred share units, restricted share units, and performance share units.

Share Trading Information

Dorel's Class B Shares are traded on the Toronto Stock Exchange (the "TSX") under the symbol DII.B. The following table sets forth, for the periods indicated, the high and low closing prices quoted on the TSX and the volume traded on the TSX:

	Class B Shares		
	TSX Closing Prices ($)		Volume
Period	**High**	**Low**	**TSX**
Nov 2019	5.94	4.72	3,265,186
Dec 2019	6.03	4.91	2,073,943
Jan 2020	6.34	5.18	1,072,789
Feb 2020	5.18	3.71	1,467,354
Mar 2020	3.72	1.34	2,761,186
Apr 2020	3.20	1.35	2,458,390
May 2020	5.63	2.49	4,464,103
Jun 2020	6.66	5.05	3,402,630
Jul 2020	9.69	5.20	3,072,970
Aug 2020	11.54	8.43	2,878,195
Sep 2020	12.10	10.63	3,807,646
Oct 2020	15.86	12.36	4,889,066
Nov 1, 2020 to Nov 12, 2020	15.69	14.50	3,540,102
Nov 1, 2019 to Nov 12, 2020	15.86	1.34	39,153,560

The closing price of the Class B Shares on the TSX on September 4, 2020, the day on which the Family Shareholders granted exclusivity to Cerberus, was $11.02.

The closing price of the Class B Shares on the TSX on October 30, 2020, the last trading day prior to the public announcement of the proposal from the Buyer Group, was $14.39.

DEFINITION OF FAIR MARKET VALUE

For purposes of the Valuation, fair market value is defined as the monetary consideration that, in an open and unrestricted market, a prudent and informed buyer would pay a prudent and informed seller, each acting at arm's length with the other and under no compulsion to act. In accordance with MI 61-101, TD Securities has made no downward adjustment to the fair market value of the Shares to reflect the liquidity of the Shares or the effect of the Transaction on the Shares.

APPROACH TO VALUE

The Valuation is based upon techniques and assumptions that TD Securities considers appropriate in the circumstances for the purposes of arriving at an opinion as to the range of fair market value of the Shares. Based upon discussions with Dorel Management and a review of Dorel's reported financial position as a going concern, fair market value of the Shares was analyzed on a going concern basis and was expressed as an amount per share.

VALUATION METHODOLOGIES

In preparing the Valuation, TD Securities primarily considered two methodologies:

1. discounted cash flow ("DCF") analysis; and
2. comparable precedent transactions analysis.

In addition, as discussed in greater detail below, TD Securities reviewed the results of a market trading multiples analysis for Dorel but did not rely on this analysis to arrive at its conclusion regarding the fair market value of the Shares.

Discounted Cash Flow Analysis

TD Securities applied the DCF methodology to Dorel in order to arrive at its conclusion regarding fair market value of the Shares. The DCF methodology reflects the growth prospects and risks inherent in Dorel's business by taking into account the amount, timing and relative certainty of projected free cash flows expected to be generated by Dorel. The DCF approach requires that certain assumptions be made regarding, among other things, future free cash flows, discount rates, and terminal values. The possibility that some of the assumptions will prove to be inaccurate is one factor involved in the determination of the discount rates to be used in establishing a range of values. TD Securities' DCF analysis involved discounting to a present value Dorel's projected unlevered after-tax free cash flows from October 1, 2020 until December 31, 2024 under the Dorel Management Forecast and the Adjusted Forecast (as such terms are defined below), including terminal values determined as at December 31, 2024, using an appropriate weighted average cost of capital ("WACC") as the discount rate.

Comparable Precedent Transactions Analysis

TD Securities applied the comparable precedent transactions methodology to Dorel in order to arrive at its conclusion regarding the fair market value of the Shares. TD Securities identified and reviewed 24 precedent transactions involving Home, Juvenile, and Sports comparable companies which had been concluded and for which there was sufficient public information to derive valuation multiples. Ideally, comparable precedent transactions considered would be comparable in terms of operating characteristics, growth prospects, risk profile and size. TD Securities considered enterprise value to earnings before interest, taxes, depreciation, and amortization ("EBITDA") to be the primary valuation multiple when applying the precedent transactions methodology to Dorel.

Secondary Indications of Value

TD Securities applied the market trading multiples methodology to Dorel in order to determine whether such an analysis might imply values which exceed the values implied by the DCF and comparable precedent transactions methodologies. TD Securities identified and reviewed 15 publicly traded companies in the Home, Juvenile, and Sports industries and derived appropriate valuation multiples for such companies based on the market trading prices of their common shares. Ideally, comparable public companies considered would be comparable in terms of operating characteristics, growth prospects, risk profile and size. TD Securities considered enterprise value to EBITDA to be the primary valuation multiple when applying the market trading multiples methodology to Dorel. Based on this review, TD Securities concluded that the market trading multiples analysis implied values that were generally below the values determined by the other methodologies. Given the foregoing and the fact that market trading prices generally reflect minority discount values, TD Securities did not rely on this methodology in order to arrive at its conclusion regarding the fair market value of the Shares.

Discounted Cash Flow Analysis

Dorel Management Forecast

TD Securities reviewed unaudited projected operating and financial information for Dorel provided by Dorel Management (the "Dorel Management Forecast"). The Dorel Management Forecast was provided on a segment basis for each of Home, Juvenile, and Sports and for unallocated corporate expenses. A contingency expense was also included in the projections which was allocated to the three segments on a pro rata basis, determined by EBITDA contribution. Additionally, the Dorel Management Forecast was provided in United States Dollars ("USD"), the functional currency of Dorel. Prior to discounting, the unlevered after-tax free cash flows were converted to Canadian Dollars ("CAD"), the trading currency of Dorel Shares.

TD Securities reviewed the relevant underlying assumptions including, but not limited to, revenue by customer and region growth rates, variable cost of goods sold (material costs, direct labour, freight, and royalties) margins, fixed cost of goods sold (overhead) growth rates, operating expense growth rates, and depreciation and amortization growth rates. In addition, TD Securities reviewed the assumptions underlying the capital expenditure forecast as well as working capital assumptions for Dorel. These assumptions were reviewed in comparison to sources considered relevant including discussions with Dorel Management.

The following is a summary of the 2020 – 2024 forecast, as prepared by Dorel Management and provided to TD Securities:

(in US$ millions)	**Year Ended December 31,**						
	Historical		**Forecast**				
	2019	**YTD 2020(1)**	**Q4 2020(2)**	**2021**	**2022**	**2023**	**2024**
Revenue							
Home	842.1	700.3	236.5	959.0	1,004.9	1,035.1	1,066.1
Juvenile …..........	883.5	578.4	236.1	906.8	956.2	985.2	1,015.1
Sports	909.0	779.4	256.8	1,032.3	1,097.9	1,158.9	1,223.3
Total Revenue	2,634.6	2,058.1	729.4	2,898.0	3,059.0	3,179.2	3,304.6
EBITDA(3)	126.8	130.9	35.8	161.3	175.4	181.5	190.0
Margin	*4.8%*	*6.4%*	*4.9%*	*5.6%*	*5.7%*	*5.7%*	*5.7%*
Capital Expenditures	41.0	19.7	11.4	55.9	62.0	63.7	66.0

1. Nine months ended September 30, 2020.
2. Three months ending December 31, 2020.
3. Excludes the effects of IFRS 16 (Leases). Historical EBITDA also excludes restructuring and other costs.

Currency

Dorel maintains accounts in Canadian Dollar, United States Dollar, Australian Dollar, Brazilian Real, Chilean Peso, Euro, Great British Pound, Japanese Yen, Mexican Peso, Peruvian Sol, Chinese Yuan, and Taiwan Dollar. Accordingly, the results of Dorel's operations are subject to currency exchange risks. Dorel Management forecasts a stable exchange rate environment in the forecast period given Dorel Management does not take a view of future currency movements. The Adjusted Forecast maintained this methodology through the forecast period in line with Dorel Management's views.

For the purposes of discounting, the unlevered after-tax free cash flows were converted to CAD based on a composite of analyst forecasts. Spot rate conversions used a USD/CAD FX Rate of 0.7707. The following is a summary of the USD/CAD composite forecast:

	Year Ended December 31,				
	2020	**2021**	**2022**	**2023**	**2024**
USD/CAD FX Rate	0.7576	0.7663	0.7813	0.7843	0.7937

Source: Bloomberg.

Cash Income Taxes

Cash income taxes were forecasted based on calculations of taxable income and the applicable division level tax rates applicable over the period, and included the benefit of any tax loss balances available for use. The value of these tax losses is included in the paragraph titled *Other Adjustments*.

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Adjusted Forecast

TD Securities reviewed the Dorel Management Forecast assumptions to determine if they were reasonable and if an alternative forecast was warranted. These assumptions were reviewed in comparison to independent economic and industry reports and forecast estimates, forecasts by equity research analysts, prior budgets prepared by Dorel Management as well as other sources considered relevant including detailed discussions with Dorel Management and the Special Committee. From this review, TD Securities developed an adjusted forecast for the period starting October 1, 2020 and ending December 31, 2024 (the "Adjusted Forecast"). The Adjusted Forecast was formed independently with the benefit of TD Securities' understanding of the assumptions behind the Dorel Management Forecast. The following is a summary of the Adjusted Forecast:

(in US$ millions)	Year Ended December 31,						
	Historical		Forecast				
	2019	YTD 2020[1]	Q4 2020[2]	2021	2022	2023	2024
Revenue							
Home	842.1	700.3	236.5	959.0	1,004.9	1,035.1	1,066.1
Juvenile	883.5	578.4	236.1	821.1	827.7	834.3	841.0
Sports	909.0	779.4	256.8	1,032.3	1,058.1	1,084.5	1,111.6
Total Revenue	2,634.6	2,058.1	729.4	2,812.3	2,890.7	2,953.9	3,018.7
EBITDA[3]	126.8	130.9	35.8	134.6	141.7	148.1	155.3
Margin	4.8%	6.4%	4.9%	4.8%	4.9%	5.0%	5.1%
Capital Expenditures	41.0	19.7	11.4	52.6	56.1	56.4	57.3

1. Nine months ended September 30, 2020.
2. Three months ending December 31, 2020.
3. Excludes the effects of IFRS 16 (Leases). Historical EBITDA also excludes restructuring and other costs.

Revenue

TD Securities constructed a forecast of revenue beyond 2020 based upon the market outlook for each business segment, as follows:

1. The Dorel Management Forecast assumes stable growth for Home consistent with historical levels and supported by strong product value and acceleration in e-commerce adoption by consumers. Following discussions with Dorel Management and analysis of independent industry research reports, the Adjusted Forecast aligns with the Dorel Management Forecast with a revenue Compound Annual Growth Rate ("CAGR") of 3.4% from 2020 to 2023.

2. The Dorel Management Forecast for Juvenile assumes a strong turnaround of revenue growth from historical declines due to erosion in the European business. The Dorel Management Forecast reflects an expectation of capturing greater market share post restructuring of the European business and research and development processes to decrease time-to-market on new products and recover lost market share. The Adjusted Forecast assumes modest growth in Juvenile consistent with industry growth expectations per independent industry research reports and assumes current market

share is maintained. The Adjusted Forecast assumes a revenue CAGR of 0.8% from 2020 to 2023 as compared to Dorel Management Forecast's revenue CAGR of 6.5%, over this period.

3. The Dorel Management Forecast for Sports assumes a minor year-over-year revenue decline in 2021 following an extraordinary demand surge in 2020 driven by the COVID-19 pandemic (the "Pandemic") and then continued strong growth out to 2023. The Dorel Management Forecast expects strong long-term growth based on expectation of an enduring consumer interest in cycling following the Pandemic additionally supported by continued cycling infrastructure investment by various markets. The Adjusted Forecast assumes 2020 and 2021 are consistent with the Dorel Management Forecast but assumes more modest growth out to 2023 consistent with industry growth expectations per independent industry research reports. The Adjusted Forecast assumes a revenue CAGR of 1.5% from 2020 to 2023 as compared to Dorel Management Forecast's revenue CAGR of 3.8%, over this period.

Cost of Goods Sold and Operating Expenses

Cost of goods sold and operating expenses consists of material costs, direct labour, freight, royalties, overhead, selling and marketing, administrative costs, research and development, and other costs. The Adjusted Forecast assumes the relationship of the costs to revenue to be consistent with the Dorel Management Forecast for Home. For Sports and Juvenile, adjustments to margins were made based on discussions with Dorel Management and analysis of independent industry research reports.

Capital Expenditures

TD Securities reviewed Dorel Management's capital expenditure forecast and compared it with historical capital expenditures and future capacity requirements in the forecast period. TD Securities concluded that the Dorel Management Forecast was reasonable from a capital expenditure intensity perspective (calculated as a percentage of revenue) after discussions with Dorel Management and their views on planned expansions and expenditures in the forecast period. Capital expenditures were therefore reduced based on the Adjusted Forecast revenue with the capital expenditure intensity maintained.

Non-Cash Net Working Capital

TD Securities reviewed Dorel Management's non-cash net working capital and compared it with historical non-cash net working capital and future requirements in the forecast period. TD Securities concluded that the Dorel Management Forecast was reasonable from a non-cash net working capital intensity perspective (calculated as a percentage of revenue) given discussions with Dorel Management and their views in the forecast period. The current level of approximately 18% as at September 30, 2020 is lower than historical levels of approximately 21% and Dorel Management expects non-cash net working capital intensity to increase to approximately 22% in the forecast period. As revenue is forecasted to decline in the forecast period, non-cash net working capital is reduced while the non-cash net working capital intensity is maintained.

Benefits to a Purchaser of Acquiring 100% of the Shares

In accordance with MI 61-101, TD Securities reviewed and considered whether any distinctive material value would accrue to the Buyer Group and its affiliates or any other purchaser of Dorel through the acquisition of 100% of the Shares. TD Securities specifically addressed whether there were any material operating or financial benefits that would accrue to such a purchaser including: (i) savings of direct costs resulting from being a publicly-listed entity; and (ii) savings of other corporate expenses including, but not limited to, legal, finance, human resources, operations, sales and marketing.

Based upon discussions with Dorel Management and an analysis of disclosed synergies for comparable precedent transactions, TD Securities concluded that the amount of synergies that could be realized by an in-market purchaser would include the elimination of public company costs and a reduction of certain management and administration costs. Dorel Management provided TD Securities with a breakdown of estimated public company costs, including board fees, totaling $1.4 million per annum. Additional synergies of $36.7 million per annum were identified based on the analysis of disclosed synergies for comparable precedent transactions.

For the purposes of the Valuation and Fairness Opinion, TD Securities assumed that a purchaser of Dorel would be willing to pay for 50% of the value of these synergies in an open auction of Dorel. TD Securities has reflected this amount, net of the estimated costs to achieve such synergies, into its DCF analysis.

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Summary of the Dorel Management Forecast and the Adjusted Forecast

A summary of the Dorel Management Forecast unlevered after-tax free cash flow projections used for the DCF analysis is presented below:

(in US$ millions)	Year Ended December 31,				
	2020[1]	**2021**	**2022**	**2023**	**2024**
EBITDA	35.8	161.3	175.4	181.5	190.0
Unlevered Cash Taxes	(4.6)	(23.0)	(25.8)	(26.8)	(28.8)
Capital Expenditures	(11.4)	(55.9)	(62.0)	(63.7)	(66.0)
Changes in Non-cash Working Capital	(12.3)	(131.3)	(44.2)	(40.9)	(30.1)
Total Unlevered Free Cash Flow (Pre-Synergies)	7.5	(48.9)	43.3	50.2	65.2
After-tax Synergies – 50%	-	7.3	14.6	14.6	14.6
Total Unlevered Free Cash Flow (Post-Synergies)	7.5	(41.6)	57.9	64.8	79.8

1. Three months ending December 31, 2020.

A summary of the Adjusted Forecast unlevered after-tax free cash flow projections used for the DCF analysis is presented below:

(in US$ millions)	Year Ended December 31,				
	2020[1]	**2021**	**2022**	**2023**	**2024**
EBITDA	35.8	134.6	141.7	148.1	155.3
Unlevered Cash Taxes	(4.6)	(17.6)	(19.4)	(20.7)	(22.6)
Capital Expenditures	(11.4)	(52.6)	(56.1)	(56.4)	(57.3)
Changes in Non-cash Working Capital	(12.3)	(112.1)	(23.5)	(25.4)	(14.1)
Total Unlevered Free Cash Flow (Pre-Synergies)	7.5	(47.7)	42.7	45.5	61.2
After-tax Synergies – 50%	-	7.3	14.6	14.6	14.6
Total Unlevered Free Cash Flow (Post-Synergies)	7.5	(40.4)	57.3	60.1	75.8

1. Three months ending December 31, 2020.

Other Adjustments

There are two adjustments applied to both the DCF and the comparable precedent transactions valuation methodologies. The first is the cost of a make-whole payment due to a creditor of Dorel upon a change of control, which amounts to US$15.8 million. The second is the cost of Dorel's Management Capital Appreciation Plan ("MCAP"), which is payable upon a change of control. The cost of the MCAP is a function of the value of the Dorel Shares at the time of the Transaction, therefore TD Securities derived an assumption for this cost based on the midpoint of the value range implied by each methodology. An additional adjustment specific to the DCF methodology is the addition of the present value of the tax shield of net operating losses, which is also described in the paragraph titled *Cash Income Taxes*. These adjustments are collectively referred to as "Other Adjustments" in each valuation methodology, and are summarized in the table below.

(in US$ millions)	Discounted Cash Flow Valuation				Precedent Transactions Valuation
	Dorel Management Forecast		Adjusted Forecast		
	Low	High	Low	High	
Creditor Make-Whole Payment	($15.8)	($15.8)	($15.8)	($15.8)	($15.8)
MACP Payment (After-Tax)	(27.0)	(27.0)	(27.4)	(27.4)	(28.5)
Value of Net-Operating Losses	7.6	7.8	7.6	7.8	n/a
Total "Other Adjustments"	**($35.2)**	**($34.9)**	**($35.6)**	**($35.3)**	**($44.3)**

Discount Rates

Projected unlevered after-tax free cash flows for Dorel developed from the Dorel Management Forecast and the Adjusted Forecast were discounted based on the WACC. The WACC for Dorel was calculated based upon Dorel's after-tax cost of debt and equity, weighted based upon an assumed optimal capital structure. The assumed optimal capital structure was determined based upon a review of the capital structures of comparable companies and the risks inherent in Dorel and the home products, juvenile products and sporting goods sectors. The cost of debt for Dorel was calculated based on the risk-free rate of return and an appropriate borrowing spread to reflect credit risk at the assumed optimal capital structure. TD Securities used the capital asset pricing model ("CAPM") approach to determine the appropriate cost of equity. The CAPM approach calculates the cost of equity with reference to the risk-free rate of return, the volatility of equity prices relative to a benchmark ("Beta") and the equity risk premium. TD Securities reviewed a range of unlevered Betas for Dorel and a select group of comparable companies that have risks similar to Dorel in order to select the appropriate Beta for Dorel. The selected unlevered Beta was levered using the assumed optimal capital structure and was then used to calculate the cost of equity. TD Securities also applied a size premium to arrive at the cost of equity.

The base assumptions used by TD Securities in estimating the WACC for Dorel were as follows:

Cost of Debt	
Risk Free Rate (10-Year Government of Canada Bonds)	0.78%
Borrowing Spread	7.22%
Pre-tax Cost of Debt	8.00%
Tax Rate	22.6%
After Tax Cost of Debt	6.19%
Cost of Equity	
Risk Free Rate (10-Year Government of Canada Bonds)	0.78%
Equity Risk Premium	5.00%
Size Premium(1)	3.16%
Unlevered Beta	1.20
Levered Beta	1.60
After Tax Cost of Equity	11.93%
WACC	
Optimal Capital Structure (% Debt)	30.0%
WACC	10.21%

1. Source: Size premium for Micro-Cap 9-10 decile companies from Duff & Phelps 2020 Valuation Handbook.

Based upon the foregoing and taking into account sensitivity analyses on the variables discussed above, TD Securities determined the appropriate WACC for Dorel to be in the range of 9.5% to 10.5%.

Terminal Value

TD Securities calculated the terminal value for Dorel by applying perpetual free cash flow growth rates to the unlevered after-tax free cash flow in the terminal year. The perpetual growth rate range used to calculate the terminal value was 1.75% to 2.25%. In selecting this range of growth rates, TD Securities took into account the outlook for long-term inflation and growth prospects for Dorel beyond the terminal year.

Summary of Discounted Cash Flow Analysis

The following is a summary of the value per share of Dorel implied by TD Securities' DCF analysis:

(in US$ millions, except per share data)	**Dorel Management Forecast**		**Adjusted Forecast**	
	Low	**High**	**Low**	**High**
Assumptions				
WACC	10.50%	9.50%	10.50%	9.50%
Free Cash Flow Growth Rate	1.75%	2.25%	1.75%	2.25%
DCF Analysis				
Free Cash Flow Growth Approach				
Net Present Value				
Unlevered After-tax Free Cash Flows.......	118.3	121.9	112.8	116.2
Terminal Value...	626.7	786.4	596.2	748.2
Enterprise Value..	745.0	908.4	709.0	864.4
Net Debt[(1)]...	(354.8)	(354.8)	(354.8)	(354.8)
Other Adjustments[(2)]...............................	(35.2)	(34.9)	(35.6)	(35.3)
Equity Value...	355.1	518.6	318.6	474.2
Equity Value Per Share (C$)	C$13.83	C$20.20	C$12.41	C$18.47

1. Net Debt as at September 30, 2020.
2. As defined in the paragraph titled *Other Adjustments*.

Sensitivity Analysis

As part of the DCF analysis, TD Securities performed sensitivity analyses on certain key assumptions as outlined below:

		Impact on per Share Value[(1)] (C$)	
Variable	**Sensitivity**	**Dorel Management Forecast**	**Adjusted Forecast**
WACC...	+ 0.50%	($2.12)	($2.00)
	- 0.50%	$2.41	$2.27
Free Cash Flow Growth Rate.........	+ 0.50%	$1.98	$1.86
	- 0.50%	($1.74)	($1.64)

1. Impact is calculated based on the mid-point of the DCF analysis.

Comparable Precedent Transactions Analysis

TD Securities reviewed publicly available information with respect to comparable precedent transactions for each of Dorel's three divisions. The Company's diversified business mix reduced the comparability of en bloc precedent transactions, warranting a segmented approach to evaluating the Home, Juvenile and Sports divisions. The primary metric considered in analyzing the selected precedent transaction was enterprise value as a multiple of EBITDA for the last twelve month ("LTM") period.

The comparable precedent transactions involving companies in the home products, juvenile products and sporting goods sectors which were identified and reviewed by TD Securities are summarized on the following page.

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Announcement Date	Target	Acquiror	Enterprise Value	EV / LTM EBITDA
			(millions)	
Home Products:				
7-Jun-18	HAY A/S (33% interest)	Herman Miller, Inc.	US$217	14.0x
23-May-18	Ekornes ASA	Qumei Investment AS	NOK$5,640	11.6x
10-Dec-17	Muuto A/S	Knoll Denmark ApS	US$300	14.3x
5-Sep-17	ClosetMaid Operations	Griffon Corporation	US$175	5.5x
7-Jan-16	HTL International Holdings Limited	Ideal Homes International Limited	US307	13.4x
7-Jul-14	Scandinavian Business Seating AS	Triton Fund IV	NOK1,925	8.2x
5-Feb-14	Poltrona Frau S.p.a.	Haworth, Inc.	€505	16.4x
27-Sep-12	Sealy Corporation	Tempur-Pedic International Inc.	US1,300	10.0x
Juvenile Products:				
17-Jun-19	Fábricas Agrupadas de Muñecas de Onil, S.A.	Giochi Preziosi S.p.A.	€175	8.8x
28-Apr-16	Mayborn Group Limited	Shanghai Jahwa United Co., Ltd.	£300	12.0x
6-Jun-14	Evenflo Company, Inc.	Goodbaby International Holdings Limited	US$143	16.0x
1-Dec-14	Baby Jogger, LLC	Newell Rubbermaid Inc.	US$210	12.0x
28-Feb-14	Mega Brands Inc.	Mattel, Inc.	US460	9.8x
10-Mar-11	RC2 Corporation	TOMY Company, Ltd.	US624	9.4x
21-Nov-10	Britax Childcare Holdings Ltd.	Nordic Capital VII, L.P.	£450	11.3x
26-Mar-08	Giochi Preziosi S.p.A.	Clessidra SGR S.p.A. & Consortium	€740	9.3x
Sporting Goods:				
9-Mar-20	Marucci Sports LLC	Compass Diversified Holdings	US$200	14.1x
30-Nov-18	JACK WOLFSKIN Ausrüstung für Draussen GmbH & Co. KGaA	Callaway Golf Company	€476	11.9x
26-May-17	Newell Brands Inc. (Winter Sports business)	Kohlberg & Company, L.L.C.	US$240	9.6x
25-Feb-16	Bell Sports Corp.	Vista Outdoor Inc.	US$404	10.0x
26-Apr-12	Raleigh UK Ltd.	Accell Group N.V.	€76	9.5x
19-Sep-11	Derby Cycle AG	Pon Holding Germany GmbH	€208	10.9x
4-Feb-08	CB Liquidation Corp.	Dorel Industries Inc.	US202	10.0x
22-Jun-98	GT Bicycle Inc.	Schwinn Holdings Corp.	US$186	11.4x

The process of analyzing valuation multiples implied by comparable precedent transactions and applying these valuation multiples to Dorel's Home, Juvenile and Sports segments involved certain judgments concerning the financial and operating characteristics of the companies acquired in these transactions compared to Dorel. Given differences in business mix, economic and market conditions, growth prospects and risks inherent in the comparable precedent transactions identified, TD Securities did not consider any specific precedent transactions to be directly comparable to Dorel. TD Securities noted that precedent transactions occurred in a varying range of economic and business environments.

Based upon the foregoing and review of all comparable precedent transactions identified, TD Securities determined the appropriate multiple for Dorel Home and Dorel Juvenile to be in the range of 7.0x to 9.0x EV/EBITDA (LTM) and for Dorel Sports to be in the range of 8.0x to 10.0x EV/EBITDA (LTM).

Adjustments to Dorel's LTM EBITDA for the Purpose of Precedent Transactions Analysis

Given the nature of Dorel's business and the economic impact of the Pandemic, applying the above precedent transaction multiples to the last twelve months reported EBITDA as a September 30, 2020 ("LTM EBITDA") would not provide an indication of value that a prudent and informed buyer and prudent and informed seller would agree to in an arm's length transaction. Therefore, TD Securities made several adjustments to LTM EBITDA to reflect a normalized operating environment ("Adjusted LTM EBITDA").

There are three categories of adjustments included in Adjusted LTM EBITDA. First, TD Securities was provided with adjustments by Dorel Management that reflect several one-time items that have been impacted by various nonrecurring macroeconomic events ("Management Adjustments"). These adjustments include, among other items, timing of tariffs, warehouse and shipping provisions, bad debt provisions, furlough cost reductions and government grants. Second, TD Securities made an adjustment to Dorel Sports' LTM EBITDA to account for the abnormally high product demand in the LTM period due to the Pandemic ("Sports Segment Normalization"). This adjustment was based on a number of factors including: (i) expected performance of the segment prior to the Pandemic; (ii) performance during the Pandemic; and (iii) discussion with Dorel Management regarding the outlook of the segment in 2021. Third, capitalized research and development expenses at Dorel Juvenile under IFRS accounting standards were reclassified as operating expenses to enhance comparability to precedent transactions ("Capitalized R&D Cost Adjustment").

The adjustments to LTM EBITDA described in the preceding paragraphs are summarized in the table below.

(in US$ millions)	**Consolidated**
LTM EBITDA[(1)]	$164.1
Management Adjustments	(17.2)
Sports Segment Normalization	(16.8)
Capitalized R&D Cost Adjustment	(10.5)
Adjusted LTM EBITDA	**$119.6**

(1) Excludes the effects of IFRS 16, such as operating lease interest expense and depreciation on right-of-use assets in operating expenses.

Normalization of Non-Cash Net Working Capital for the Purpose of Precedent Transactions Analysis

TD Securities evaluated non-cash net working capital as at September 30, 2020 and compared the balances to historical levels and forecasted levels provided by Dorel Management. The current non-cash net working capital balances are significantly below historical and forecasted levels due to the increase in business activity and depletion of inventory from the Pandemic. Therefore, TD Securities determined a non-cash net working capital adjustment would be required to account for the required cash investment to support the business at current revenue expectations ("Non-Cash NWC Adjustment"). The selected methodology for calculating the Non-Cash NWC Adjustment is to apply the Dorel Management Forecast's non-cash net working capital intensity for 2021 to LTM net sales. This analysis was performed on a segmented basis.

The calculation to arrive at the Non-Cash NWC Adjustment is presented in the table below:

(in US$ millions)	**LTM Net Sales (3Q20A)**	**NWC as at 3Q20**	**NWC as a % of LTM Net Sales**	**2021 NWC as % of 2021E Net Sales**	**Normalized NWC**	**Non-Cash NWC Adjustment**
	(A)	**(B)**	**(B ÷ A)**	**(C)**	**(C x A)**	**((C x A) - B)**
Dorel Home	$911.6	$120.6	13.2%	14.8%	$134.7	$14.1
Dorel Juvenile	787.0	159.7	20.3%	22.6%	178.1	18.4
Dorel Sports	1,012.1	195.1	19.3%	27.3%	276.5	81.4
Consolidated Non-Cash NWC Adjustment						**$113.9**

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Summary of Comparable Precedent Transactions Value

The following is a summary of the results of TD Securities' comparable precedent transactions analysis and the adjustments made by TD Securities for Dorel's net debt and change of control expenses to determine the resulting implied value per Share:

(in US$ millions)	**Home**		**Juvenile**		**Sports**	
Segmented Analysis	**Low**	**High**	**Low**	**High**	**Low**	**High**
LTM EBITDA[1]	$65.7		$40.7		$74.3	
Management Adjustments	2.9		(9.1)		(11.0)	
Sports Segment Normalization	-		-		(16.8)	
Capitalized R&D Cost Adjustments	-		(10.5)		-	
Adjusted LTM EBITDA	68.6		21.1		46.5	
Enterprise Value / EBITDA	7.0x	9.0x	7.0x	9.0x	8.0x	10.0x
Enterprise Value (Before Adjustments)	**480.5**	**617.7**	**147.8**	**190.1**	**371.6**	**464.5**
Non-Cash NWC Adjustment	(14.1)		(18.4)		(81.4)	
Enterprise Value	**$466.4**	**$603.7**	**$129.4**	**$171.7**	**$290.2**	**$383.1**

(in US$ millions, except per share data)	**Enterprise Value**	
Comparable Precedent Transactions Analysis (Consolidated)	**Low**	**High**
Enterprise Value	$886.0	$1,158.4
Corporate Costs[2]	(121.8)	(154.9)
Total Enterprise Value	**764.3**	**1,003.5**
Less: Other Adjustments[3]	(44.3)	(44.3)
Less: Net Debt	(354.8)	(354.8)
Equity Value Range	365.2	604.5
Equity Value per Share (C$)	**C$14.22**	**C$23.54**

1. Excludes the effects of IFRS 16, such as operating lease interest expense and depreciation on right-of-use assets in operating expenses.
2. Value of corporate costs based on blended multiple range of 7.3x to 9.3x EV/EBITDA based on the Comparable Precedent Transactions Analysis.
3. As defined in the paragraph titled *Other Adjustments*.

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VALUATION SUMMARY

The following is a summary of the range of fair market values of the Dorel Shares resulting from the DCF analysis and the comparable precedent transactions analysis:

	Value Using DCF Analysis				Value Using Comparable Precedent Transactions Analysis	
	Dorel Management Forecast		Adjusted Forecast			
	Low	High	Low	High	Low	High
Equity Value (US$ millions)................	$355.1	$518.6	$318.6	$474.2	$365.2	$604.5
Equity Value Per Share (C$)................	C$13.83	C$20.20	C$12.41	C$18.47	C$14.22	C$23.54

In arriving at its opinion as to the fair market value of the Dorel Shares, TD Securities made qualitative judgments based upon its experience in rendering such opinions and on circumstances prevailing as to the significance and relevance of each valuation methodology.

VALUATION CONCLUSION

Based upon and subject to the foregoing, TD Securities is of the opinion that, as of November 12, 2020, the fair market value of the Dorel Shares is in the range of $14.00 to $17.00 per Share.

Approach to Fairness

In considering the fairness of the Consideration to be received by the Shareholders in connection with the Transaction, other than any consideration to be received by the Family Shareholders in the form of Rollover Shares, TD Securities principally considered and relied upon a comparison of the Consideration to the fair market value of the Shares as determined in the Valuation.

The Consideration to be received by the Shareholders in connection with the Transaction is within the range of fair market value of the Dorel Shares as at November 12, 2020 as determined by TD Securities in the Valuation.

FAIRNESS OPINION CONCLUSION

Based upon and subject to the foregoing, TD Securities is of the opinion that, as of November 12, 2020, the Consideration to be received by the Shareholders in connection with the Transaction, other than any consideration to be received by the Family Shareholders in the form of Rollover Shares, is fair, from a financial point of view, to such Shareholders.

Yours very truly,

TD Securities Inc.

TD SECURITIES INC.

APPENDIX G
FAIRNESS OPINION OF BMO NESBITT BURNS INC.

[see attached]

BMO Capital Markets

November 12, 2020

The Board of Directors and Special Committee of the Board of Directors
Dorel Industries Inc.
1255 Greene Ave
Westmount, Quebec H3Z 2A4

To the Board of Directors and Special Committee of the Board of Directors:

BMO Nesbitt Burns Inc. ("BMO Capital Markets", "we" or "us") understands that Dorel Industries Inc. ("Dorel" or the "Company") and 9428-4502 Québec Inc. (the "Purchaser"), an affiliate of funds managed by Cerberus Capital Management, L.P. ("Cerberus"), propose to enter into an arrangement agreement to be dated November 12, 2020 (the "Arrangement Agreement") pursuant to which the Purchaser will acquire, for C$14.50 per share in cash, all of Dorel's issued and outstanding Class A Multiple Voting Shares and Class B Subordinate Voting Shares (the "Shares") except for certain shares (the "Rollover Shares") owned by Martin Schwartz, Alan Schwartz, Jeffrey Schwartz, Jeff Segel and members of their respective immediate families (collectively, the "Family Shareholders") by way of a plan of arrangement under the *Business Corporations Act* (Québec) (the "Arrangement"). The terms and conditions of the Arrangement will be summarized in the Company's management information circular (the "Circular") to be mailed or made available to holders of Shares (the "Shareholders") in connection with a special meeting of the Shareholders to be held to consider and, if deemed advisable, approve the Arrangement.

We have been retained to provide financial advice to the Company, including our opinion (the "Opinion") to the board of directors (the "Board of Directors") and the special committee of the Board of Directors ("Special Committee") of the Company as to the fairness to the Shareholders (other than the Family Shareholders, solely in respect of the Rollover Shares) from a financial point of view of the consideration to be received by the Shareholders (other than the Family Shareholders, solely in respect of the Rollover Shares) pursuant to the Arrangement.

ENGAGEMENT OF BMO CAPITAL MARKETS

Following the formation of the Special Committee in December 2019, the Company contacted BMO regarding a potential transaction ultimately leading to the Arrangement. BMO Capital Markets was formally engaged by the Company pursuant to an agreement dated February 6, 2020 (the "Engagement Agreement"). Under the terms of the Engagement Agreement, BMO Capital Markets has agreed to provide the Company and the Board of Directors with various advisory services in connection with the Arrangement including, among other things, the provision of the Opinion.

BMO Capital Markets will receive a fixed fee for rendering the Opinion and upon the announcement of the Arrangement. We will also receive certain fees for our advisory services under the Engagement Agreement, a substantial portion of which are contingent upon the successful completion of the Arrangement. The Company has also agreed to reimburse us for our reasonable out-of-pocket expenses and to indemnify us against certain liabilities that might arise out of our engagement. The payment by the Company of the fee for rendering the Opinion and upon the announcement of the Arrangement and of our expenses is not dependent on the completion of the Arrangement or the conclusions reached in the Opinion.

This fairness opinion has been prepared in accordance with the Disclosure Standards for Formal Valuations and Fairness Opinions of the Investment Industry Regulatory Organization of Canada ("IIROC") but IIROC has not been involved in the preparation or review of this fairness opinion.

CREDENTIALS OF BMO CAPITAL MARKETS

BMO Capital Markets is one of North America's largest investment banking firms, with operations in all facets of corporate and government finance, mergers and acquisitions, equity and fixed income sales and trading, investment research and investment management. BMO Capital Markets has been a financial advisor in a significant number of transactions throughout North America involving public and private companies in various industry sectors and has extensive experience in preparing fairness opinions.

The Opinion represents the opinion of BMO Capital Markets, the form and content of which have been approved for release by a committee of our officers who are collectively experienced in merger and acquisition, divestiture, restructuring, valuation, fairness opinion and capital markets matters.

INDEPENDENCE OF BMO CAPITAL MARKETS

Neither BMO Capital Markets, nor any of our affiliates, is an insider, associate or affiliate (as those terms are defined in the *Securities Act* (Ontario) or the rules made thereunder) of the Company, the Purchaser, or any of their respective associates or affiliates (collectively, the "Interested Parties").

BMO Capital Markets has not been engaged to provide any financial advisory services nor has it participated in any financings involving the Interested Parties within the past two years, other than: (i) acting as financial advisor to the Board of Directors and the Special Committee pursuant to the Engagement Agreement; (ii) providing financing services to the Purchaser in connection with the Arrangement; (iii) acting as a financial advisor to Cerberus pursuant to a separate confidential buy-side transaction in a different industry; (iv) providing financing services to Albertsons and CSI, both of which are portfolio companies of Cerberus, in April 2020 and October 2019, respectively; (v) acting as a co-financial advisor to the Company pursuant to the issuance of US$125 million senior unsecured notes in June 2019; (vi) acting as a financial advisor to the Company on an unsuccessful confidential transaction in 2018-2019, which was terminated; and (vii) providing cash management services, and revolving and term facilities, to the Company since March 2017.

Other than as set forth above, there are no understandings, agreements or commitments between BMO Capital Markets and any of the Interested Parties with respect to future business dealings. BMO Capital Markets may, in the future, in the ordinary course of business, provide financial advisory, investment banking, or other financial services to one or more of the Interested Parties from time to time. BMO Capital Markets or one or more of our affiliates may provide financing services to the Purchaser in connection with the Arrangement, for which services BMO Capital Markets or such affiliate would receive compensation.

BMO Capital Markets and certain of our affiliates act as traders and dealers, both as principal and agent, in major financial markets and, as such, may have had and may in the future have positions in the securities of one or more of the Interested Parties and, from time to time, may have executed or may execute transactions on behalf of one or more Interested Parties for which BMO Capital Markets or such affiliates received or may receive compensation. As investment dealers, BMO Capital Markets and certain of our affiliates conduct research on securities and may, in the ordinary course of business, provide research reports and investment advice to clients on investment matters, including with respect to one or more of the Interested Parties or the Arrangement. In addition, Bank of Montreal ("BMO"), of which BMO Capital Markets is a wholly-owned subsidiary, or one or more affiliates of BMO, may provide banking or other financial services to one or more of the Interested Parties in the ordinary course of business.

OVERVIEW OF DOREL INDUSTRIES INC.

Dorel Industries Inc. is a global organization, operating three distinct businesses in juvenile products, bicycles and home products. Dorel Juvenile's branded products include global brands like Maxi-Cosi, Quinny and Tiny Love, complemented by regional brands such as Safety 1st, Bébé Confort, Cosco and Infanti. Dorel Sports brands include Cannondale, Schwinn, GT, Mongoose, Caloi and IronHorse. Dorel Home 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.

SCOPE OF REVIEW

In connection with rendering the Opinion, we have reviewed and relied upon, or carried out, among other things, the following:

1. a draft of the Arrangement Agreement dated November 12, 2020;
2. a draft of the voting support agreements (the “Voting Support Agreements”) dated November 12, 2020, between the Purchaser, on the one hand, and Martin Schwartz, Alan Schwartz, Jeffrey Schwartz, Jeff Segel and the independent directors and two other executive officers of the Company, respectively, on the other hand;
3. a draft of the commitment letter (the “Debt Commitment Letter”) dated November 12, 2020 and provided to the Purchaser and Cerberus by two groups of institutional lenders in connection with the Arrangement; a draft of the Preferred Equity Commitment Letter (the “Preferred Equity Commitment Letter”) dated November 12, 2020 and provided to the Purchaser and Cerberus by Koch Equity Development LLC and a draft of the equity commitment letter dated November 12, 2020 and provided to the Purchaser by Cerberus Global Private Equity Partners, LP and Cerberus CAL III Partners, LP (the “Equity Commitment Letter” and together with the Debt Commitment Letter and Preferred Equity Commitment Letter, the “Commitment Letters”);
4. certain publicly-available information relating to the business, operations, financial condition and trading history of the Company and other selected public companies we considered relevant;
5. certain internal financial, operating, corporate and other information prepared or provided by or on behalf of the Company relating to the business, operations and financial condition of the Company;
6. internal management forecasts, projections, estimates and budgets prepared or provided by or on behalf of management of the Company;
7. discussions with management of the Company relating to the Company’s current business, plan, financial condition and prospects;
8. discussions with the Company’s and the Special Committee’s legal counsel;
9. public information with respect to selected precedent transactions we considered relevant;
10. various reports published by equity research analysts and industry sources we considered relevant;
11. a letter of representation as to certain factual matters and the completeness and accuracy of certain information upon which the Opinion is based, addressed to us and dated as of the date hereof, provided by senior officers of the Company; and
12. such other information, investigations, analyses and discussions as we considered necessary or appropriate in the circumstances.

BMO Capital Markets has not, to the best of its knowledge, been denied access by the Company to any information under the Company’s control requested by BMO Capital Markets.

ASSUMPTIONS AND LIMITATIONS

We have relied upon and assumed the completeness, accuracy and fair presentation of all financial and other information, data, advice, opinions, representations and other material obtained by us from public sources or provided to us by or on behalf of the Company or otherwise obtained by us in connection with our engagement (the "Information"). The Opinion is conditional upon such completeness, accuracy and fair presentation. We have not been requested to, and have not assumed any obligation to, independently verify the completeness, accuracy or fair presentation of any such Information. We have assumed that forecasts, projections, estimates and budgets provided to us and used in our analyses were reasonably prepared on bases reflecting the best currently-available assumptions, estimates and judgments of management of the Company, having regard to the Company's business, plans, financial condition and prospects.

Senior officers of the Company have represented to BMO Capital Markets in a letter of representation delivered as of the date hereof, among other things, that: (i) the Information provided to BMO Capital Markets verbally, or in writing, by or on behalf of the Company or its representatives in respect of the Company in connection with the Arrangement is, as of the date hereof, or, in the case of historical Information was, at the date of preparation, true, complete and accurate in all material respects, and did not and does not contain any untrue statement of a material fact, and does not omit to state a material fact necessary to make the Information not misleading in the light of the circumstances in which it was presented, and (ii) since the dates on which the Information was provided to BMO Capital Markets, except as disclosed in writing to BMO Capital Markets, there has been no material change, financial or otherwise, in the financial condition, assets, liabilities (contingent or otherwise), business, operations or prospects of the Company or any of its subsidiaries or affiliates, and no change has occurred in the Information or any part thereof which would have or which could reasonably be expected to have a material effect on the Opinion.

In preparing the Opinion, we have assumed that the executed Arrangement Agreement, the Voting Support Agreements and the Commitment Letters will not differ in any material respect from the drafts that we reviewed, and that the Arrangement will be consummated in accordance with the terms and conditions of the Arrangement Agreement without waiver of, or amendment to, any term or condition that is in any way material to our analyses.

The Opinion is rendered on the basis of securities markets, economic, financial and general business conditions prevailing as of the date hereof and the condition and prospects, financial and otherwise, of the Company as they are reflected in the Information and as they have been represented to BMO Capital Markets in discussions with management and representatives of the Company. In our analyses and in preparing the Opinion, BMO Capital Markets made numerous judgments and assumptions with respect to industry performance, general business, market and economic conditions and other matters, many of which are beyond our control or that of any party involved in the Arrangement.

The Opinion is provided to the Board of Directors and the Special Committee for their exclusive use only in considering the Arrangement and may not be used or relied upon by any other person or for any other purpose without our prior written consent. The Opinion does not constitute a recommendation as to how any Shareholder should vote or act on any matter relating to the Arrangement. Except for the inclusion of the Opinion in its entirety and a summary thereof (in a form acceptable to us) in the Circular, the Opinion is not to be reproduced, disseminated, quoted from or referred to (in whole or in part) without our prior written consent.

We have not been asked to prepare and have not prepared a formal valuation or appraisal of the securities or assets of the Company or of any of its affiliates, and the Opinion should not be construed as such. The Opinion is not, and should not be construed as, advice as to the price at which the securities of the Company may trade at any time. BMO Capital Markets was not engaged to review any legal, tax or regulatory aspects of the Arrangement and the Opinion does not address any such matters. We have relied upon, without independent verification, the assessment by the Company and its legal and tax advisors with respect to such matters. In addition, the Opinion does not address the relative merits of the Arrangement as compared to any strategic alternatives that may be available to the Company.

The Opinion is rendered as of the date hereof and BMO Capital Markets disclaims any undertaking or obligation to advise any person of any change in any fact or matter affecting the Opinion which may come or be brought to the attention of BMO Capital Markets after the date hereof. Without limiting the foregoing, if we learn that any of the information we relied upon in preparing the Opinion (including, without limitation, the Information) was inaccurate, incomplete or misleading in any material respect, BMO Capital Markets reserves the right to change or withdraw the Opinion.

APPROACH TO FAIRNESS AND ANALYSIS

BMO Capital Markets performed various analyses in connection with rendering the Opinion. In arriving at our conclusion, we did not attribute any particular weight to any specific approach or analysis, but rather developed qualitative judgments on the basis of our experience in rendering such opinions and the information presented as a whole.

In considering the fairness from a financial point of view of the consideration to be received by the Shareholders (other than the Family Shareholders, solely in respect of the Rollover Shares) pursuant to the Arrangement, we considered whether the value of such consideration fell within a range of fair values for the Shares. To determine a range of fair values for the Shares, we considered the following principal methodologies: (i) comparable company trading analysis; (ii) precedent transactions analysis; and (iii) discounted cash flow (DCF) analysis.

Comparable Company Trading Analysis

BMO Capital Markets reviewed publicly-available information for selected publicly-listed entities we considered relevant to each of the individual business segments as well as the consolidated Company and applied a range of enterprise values to EBITDA and Price to EPS multiples considered appropriate in the circumstances to 2021 EBITDA and 2021 EPS estimates to obtain a range of enterprise values for the Company. Certain adjustments, including capital structure adjustments, were then made to obtain a range of fair values for the Shares.

Precedent Transactions Analysis

BMO Capital Markets reviewed publicly-available information for selected transactions involving entities we considered relevant to each individual business segment and derived a range of enterprise values to trailing twelve months EBITDA. BMO Capital Markets applied the range of multiples for each segment to the segment's trailing twelve months EBITDA as at September 30, 2020 to obtain a range of enterprise values for the Company. Certain adjustments, including capital structure adjustments, were then made to obtain a range of fair values for the Shares.

Discounted Cash Flow (DCF) Analysis

The discounted cash flow methodology is a calculation of the present value of the Company's projected future cash flows to determine a range of values for the Shares. It involved estimating annual net cash flows, for each of the business segments and for the consolidated Company, for each year of the three-year projection period, which was based upon projections for the Company provided by management of the Company and discounting them at discount rates BMO Capital Markets determined reasonable. A terminal value was also calculated for the Company and was discounted at the same discount rates used for the annual net cash flows in the projection period. As part of the discounted cash flow methodology, BMO Capital Markets performed sensitivity analyses on the key factors considered to be primary drivers of the discounted cash flow methodology.

The consideration to be received by the Shareholders (other than the Family Shareholders, solely in respect of the Rollover Shares) pursuant to the Arrangement is consistent with the range of fair values for the Shares generated by the foregoing analyses applying the above-mentioned methodologies.

CONCLUSION

Based upon and subject to the foregoing, BMO Capital Markets is of the opinion that, as of the date hereof, the consideration to be received by the Shareholders (other than the Family Shareholders, solely in respect of the Rollover Shares) pursuant to the Arrangement is fair from a financial point of view to the Shareholders.

Yours truly,

BMO Nesbitt Burns Inc.

BMO Nesbitt Burns Inc.

QUESTIONS? NEED HELP VOTING?

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