

Investor Presentation

Q4-FY2021



Cautionary statement



This presentation does not constitute an offer to buy or sell or a solicitation of an offer to buy or sell any securities of Dollarama Inc. and does not constitute or form part of, and under no circumstances is to be construed as, an offering document, such as an offering memorandum, or an advertisement for an offer to buy or sell any securities of Dollarama Inc.

Forward-Looking Information

This presentation contains forward-looking information about results, levels of activity, performance, goals or achievements of Dollarama and Dollarcity or other future events or developments that may affect Dollarama and Dollarcity which are based on information currently available to management and estimates and assumptions that management believes are appropriate and reasonable in the circumstances. However, there can be no assurance that such estimates and assumptions will prove to be correct. Many factors could cause actual results, levels of activity, performance, goals or achievements or other future events or developments to differ materially from those expressed or implied by the forward-looking information contained herein including, without limitation, the risk factors described in Dollarama's Annual Management Discussion and Analysis (MD&A) dated March 31, 2021 filed with Canadian securities regulators and available on SEDAR at www.sedar.com. The forward-looking information contained in this presentation represents management's expectations as at March 31, 2021, and, accordingly, is subject to change after such date. Except as may be required by law, management has no intention and undertakes no obligation to update or revise any forward-looking information.

COVID-19

On March 11, 2020, the World Health Organization declared the rapidly spreading coronavirus disease (COVID-19) outbreak a pandemic. Subsequently, all of the jurisdictions in which Dollarama operates imposed strict measures in an attempt to slow down the transmission of the virus in its first wave in the spring of 2020 and then again starting in December 2020 as Canada experienced a resurgence in COVID-19 infections brought on by a second wave and as fears of new variants of the disease being more transmissible grew. These measures included travel restrictions, self-isolation measures, temporary closures of non-essential services and businesses, temporary bans on the sale of non-essential items, curfews, in-store capacity limits and other physical distancing requirements. Similar measures have been taken in the countries of operation of Dollarcity. Dollarama has been recognized as an essential business in Canada, and Dollarcity received the same recognition in El Salvador, Guatemala and Colombia.

From the outset of the COVID-19 outbreak, Dollarama implemented mitigation strategies, contingency plans and several preventative measures to protect the health and safety of its employees and customers. Also, Dollarama is continuously monitoring the impact of the pandemic on its local and global supply chains and its operations in Canada and Latin America. Measures adopted by Dollarama in response to COVID-19 as well as measures implemented by different levels of governments, which continue to evolve to this date, and their impact on operations, operating costs, customer traffic and labour productivity and availability could materially adversely affect financial results.

It remains difficult to reliably estimate the duration, severity and extent of public health and economic impacts of the COVID-19 pandemic on the operations and financial results of Dollarama, both in the short term and in the long term. Another resurgence of COVID-19 infections across Canada could force governments to reverse reopening plans.

Cautionary statement



Presentation of Financial Information

All amounts are expressed in Canadian dollars, unless otherwise indicated. Certain values used in this presentation are for illustration purposes only and are based on various factors that may or may not materialize, including past performance metrics that may not be indicative of future performance.

Credit Ratings

A rating is not a recommendation to buy, sell or hold investments, and may be subject to revision or withdrawal at any time by the relevant rating agency.

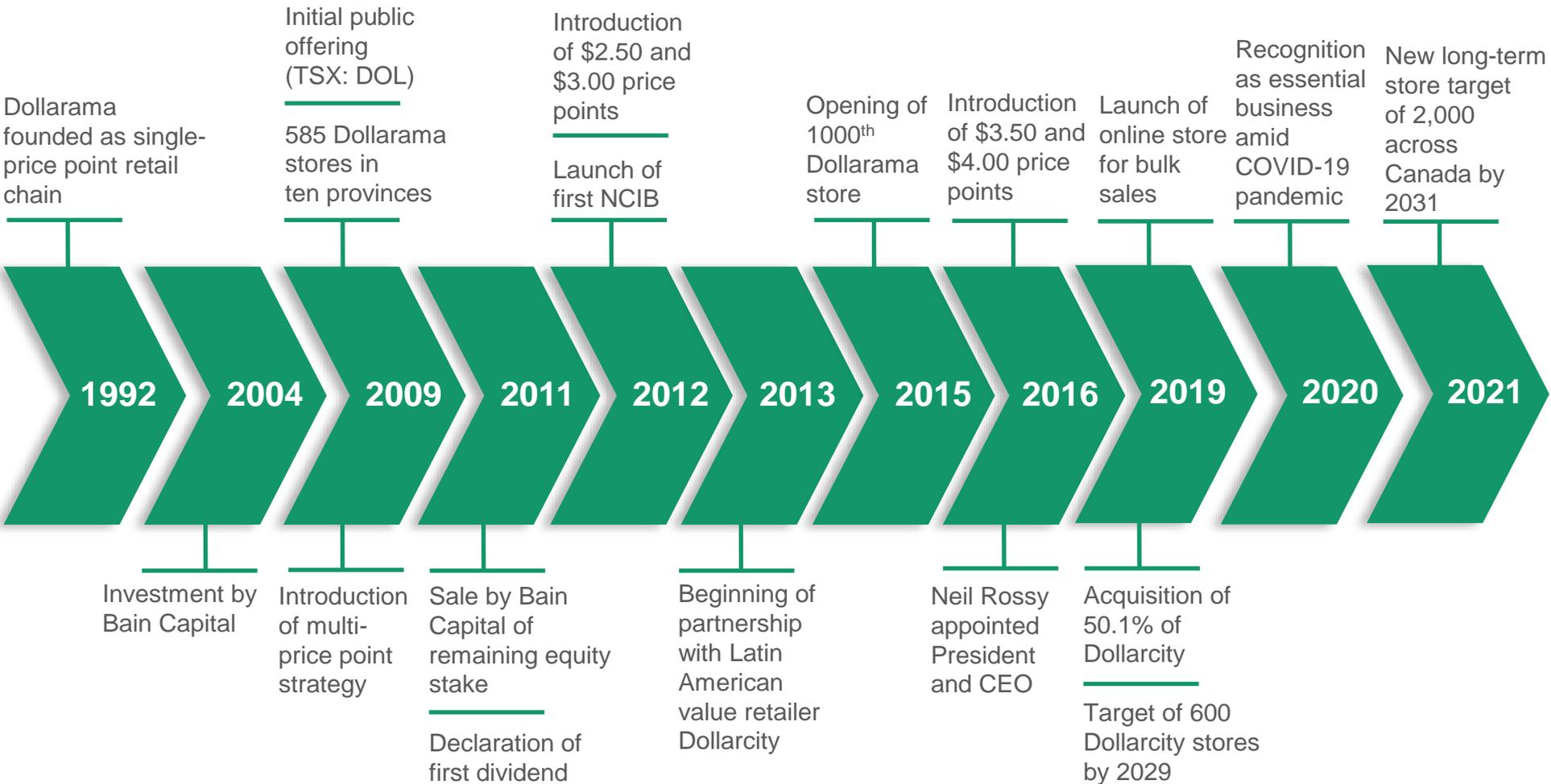
Market and Industry Data

This presentation contains market and industry data sourced from a combination of internal company surveys, third party information, including third party websites, and estimates of management. While those sources are believed to be reliable, they have not been independently verified, and management has no assurance that the information contained in third party websites is current and up-to-date. While management is not aware of any misstatements regarding the market and industry data presented herein, such data involves risks and uncertainties and is subject to change based on various factors. Unless otherwise indicated, the data contained in this presentation is stated as at March 31, 2021.

Non-GAAP Measures

This presentation refers to certain non-GAAP measures. These measures do not have a standardized meaning prescribed by GAAP and are therefore unlikely to be comparable to similar measures presented by other issuers. Consequently, they should not be considered in isolation or as a substitute for financial performance measures calculated in accordance with GAAP. Refer to the section entitled "Selected Consolidated Financial Information" of Dollarama's MD&A dated March 31, 2021 for a reconciliation of those non-GAAP measures to the most directly comparable GAAP measures.

Dollarama through the years



Dollarama today



Largest and only national dollar store chain in Canada

- 1,356 corporate-operated stores
- Avg. of 10,325 sq. ft. per store
- Avg. store annual sales of \$3.0 million

Strong value proposition at select fixed price points up to \$4

- Broad assortment of everyday goods
- ~50% of merchandise sourced directly
- ~75% of sales from products priced above \$1.25

Robust financial performance⁽¹⁾

- LTM sales: \$4.03B
- LTM⁽²⁾ EBITDA: \$1,131M (28.1% of sales)

(1) For the last twelve months ended January 31, 2021

(2) Inclusive of direct costs related to COVID-19 measures implemented from the outset of the pandemic through to the end of the fourth quarter ended January 31, 2021 (approximately \$84.0 million)



A simple, growth-oriented business model



We build

on our growing store network and our low-cost direct sourcing platform

We focus

on delivering compelling value to our customers

We solidify

our brand reputation and deliver superior financial results

Backed by seasoned team and disciplined execution

Competitive Advantages



Direct sourcing expertise



Longstanding relationships with low-cost supplier network:

- Overseas direct sourcing program initiated in 1992
- Well-diversified base of established suppliers
- ~50% merchandise sourced directly from over 25 countries (primarily China)



Benefits of direct sourcing:

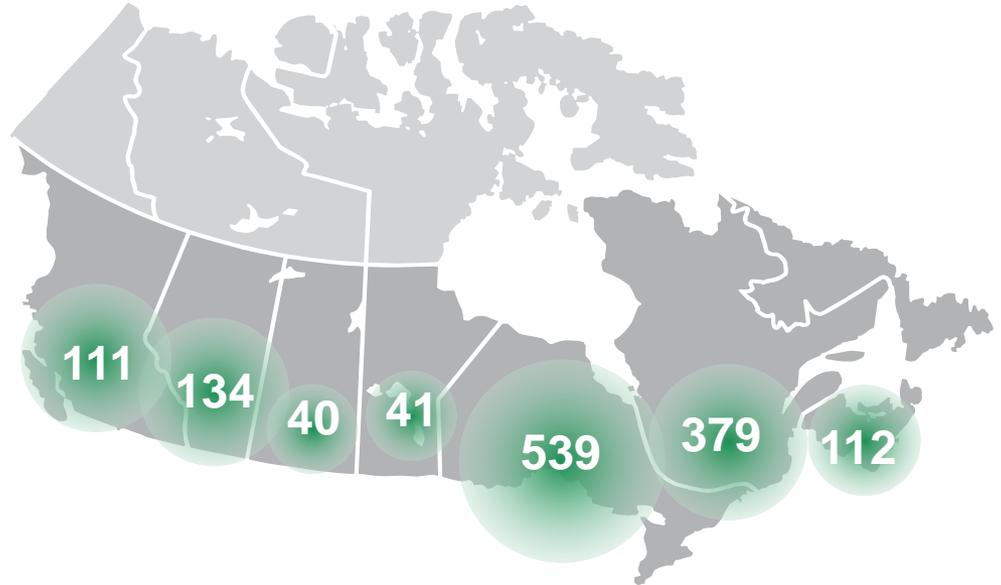
- Creates different, more compelling product selection
- Reduces costs associated with intermediaries
- Increases bargaining power with suppliers
- Provides cost flexibility to help control inflation and currency fluctuations



Large network with over 1,350 stores across Canada

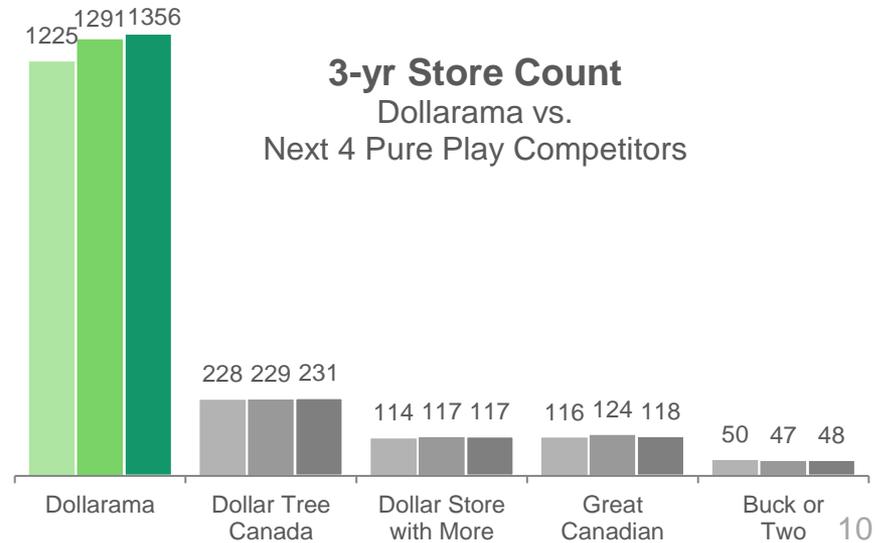


Only dollar store chain with a significant presence in **all ten provinces**



~2.6x more stores than 4 largest pure play competitors combined

~5.9x larger than next largest pure play competitor



Source: company reports and websites

Compelling product offering



 Broad assortment of products across 20+ departments at compelling value

 Mix of store brands and name brands

 Multiple fixed price points



Offering convenience and value



-  Strong brand recognition and reputation for delivering value
-  Unrivaled presence across Canada in convenient locations
-  Destination store appealing to broad customer base
-  Consistent in-store shopping experience
-  Recognition as essential business amid COVID-19 pandemic



Strategies for driving growth and creating value



- 1. Grow store network in Canada in a disciplined manner
 - New long-term target of 2,000 Dollarama stores by 2031
 - Leverage strengths to stimulate sales
 - Maintain low-cost operating model

- 2. Develop second growth platform in Latin America
 - Acquisition of 50.1% interest in Dollarcity in Q3-FY2020
 - Target of 600 Dollarcity stores by 2029 in the initial 3 countries
 - Enter the Peruvian market in 2021



Significant potential for additional growth in Canada



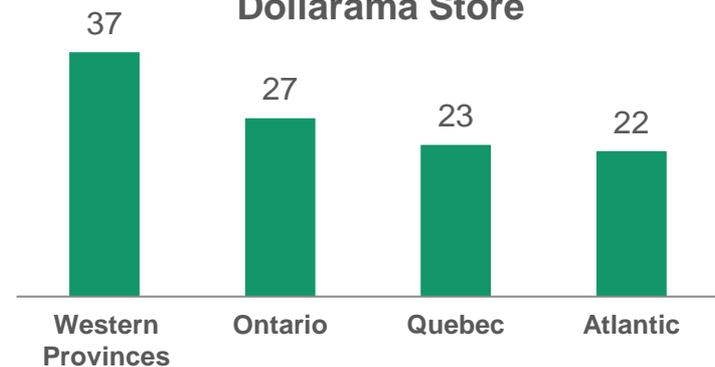
Average of **70 net new stores** per year over last 10 fiscal years

Eastern Canadian market **not saturated**

Dollarama **underpenetrated** in Ontario and Western Canada



Thousands of People per Dollarama Store

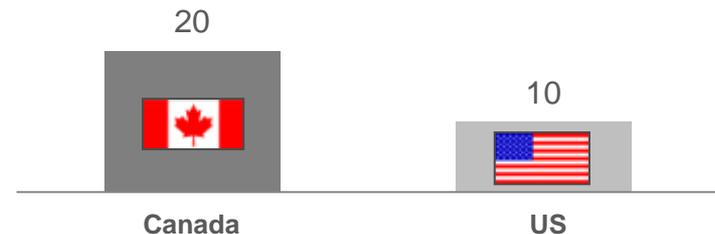


Source: Statistics Canada; Q4-FY21 store count

Canadian market **underpenetrated** relative to US dollar store segment
(subject to notable differences in business models)



Thousands of People per Dollar Store (5 chains combined)



Canada: Dollarama, Buck or Two, Dollar Store with More, Dollar Tree Canada, Great Canadian
US: Dollar General, Dollar Tree, Family Dollar, Fred's, 99c only 15
Source: Census data and company websites

Disciplined approach to growth



Efficient capital model

- \$650K in leasehold improvements, fixtures and inventory for new Dollarama store



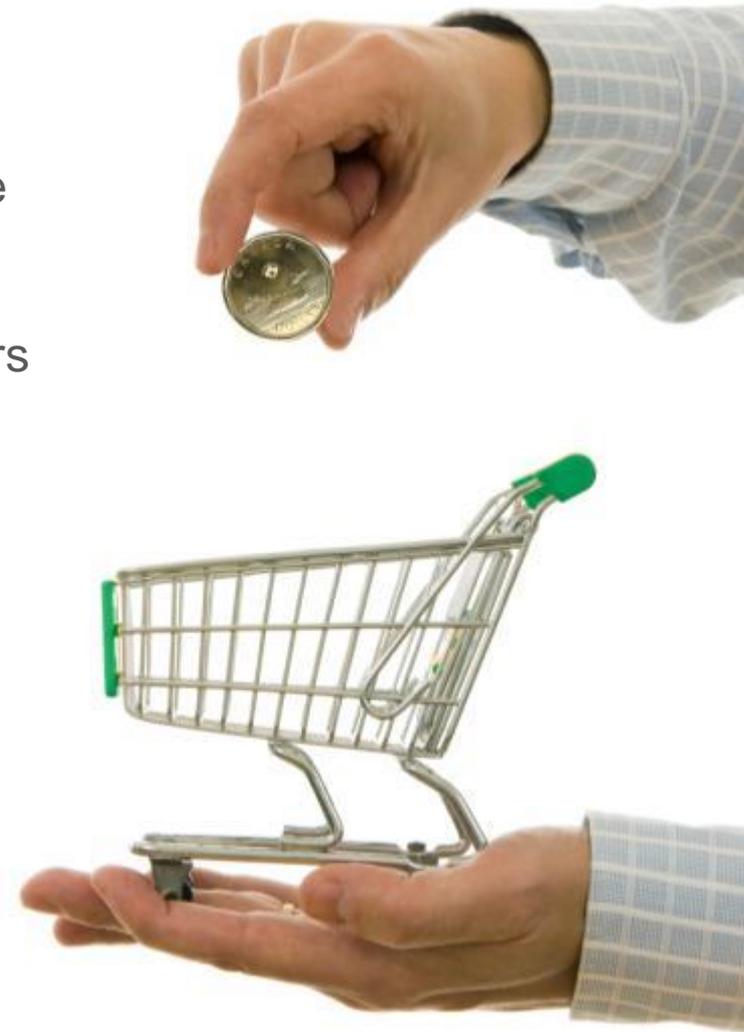
Quick sales ramp-up

- Average sales ramp-up to \$2.3M within 2 years
- Rapid payback of approximately 2 years



Low maintenance capex

Strong **profitability**,
low capital intensity
and **high ROI**



Leverage strengths to stimulate Dollarama sales



Effective and flexible merchandising

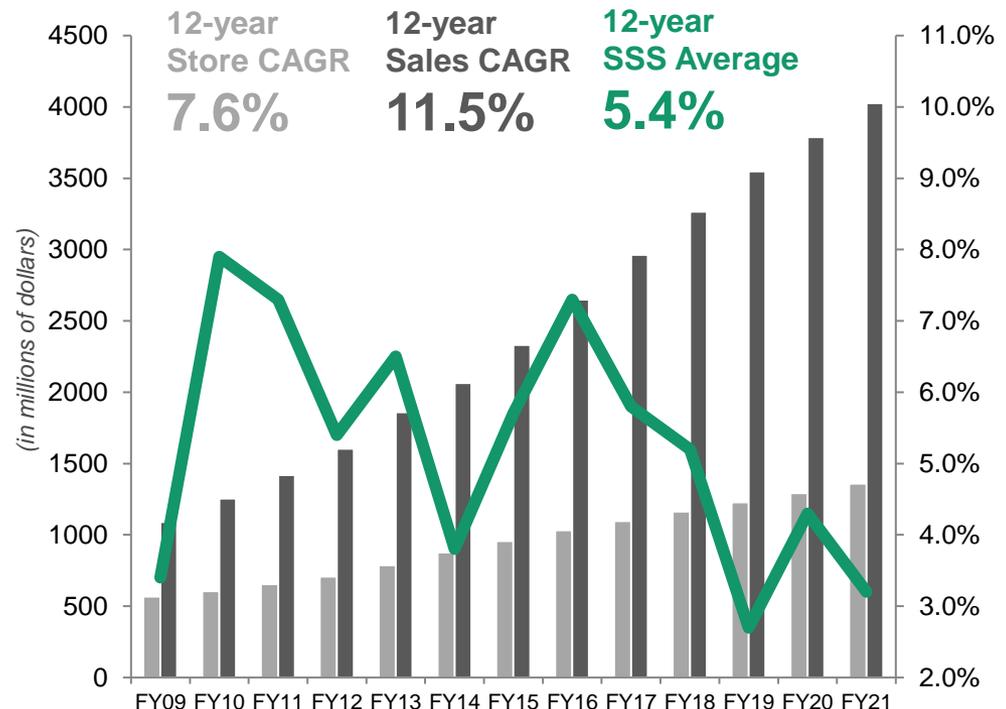
- Refresh 25-30% of merchandise every year
- Zonogram by department (vs. fixed planogram)
- No loss leaders



Multiple fixed price points

- Introduction of new price points in 2009, 2012 & 2016
- \$3.50 & \$4.00 price points introduced on August 1st, 2016 (first day of Q3-FY2017)

Industry leading same-store sales



Maintain low-cost operating model



Continuous in-store productivity improvements

- POS systems
- Kronos advanced scheduling
- NCR point of sale terminals
- WIFI and mobile-driven projects
- LED retrofits
- Security cameras
- Self-checkouts

Efficient supply chain

- DC, warehouse and transportation logistics

Lean overhead operations



Dollarcity transaction overview



Acquisition of 50.1% interest in Dollarcity

- Final purchase price of US\$92.7M¹; upfront payment of US\$40M in Q3-FY20, balance of US\$52.7M paid in Q3-FY21
- Immediately accretive to DOL EPS (+CA\$0.03 per share in F2020²)
- Investment reported based on equity method



A compelling growth platform

- Creates compelling second growth platform, in complement to Canadian growth strategy
- Proven business model with 7 years of success creating a 'localized' DOL
- Strong local partners committed as long-term operators

(1) Equity value calculated as 50.1% of 5x EBITDA for the 12 months ended June 30, 2020, minus net debt +/- other customary adjustments.

(2) FY2020 EPS includes 50.1% of approximately 4,5 months of Dollarcity's net earnings.



Dollarcity's growth trajectory



'Localized' Dollarama concept initially tested and established in El Salvador and Guatemala



Since 2017, network expansion has been mainly focused on Colombia, a compelling retail market with significant growth opportunities



Entry into Peru planned for 2021



Recognition as essential business in all 3 countries amid COVID-19 pandemic



Target of 600 Dollarcity stores in Colombia, Guatemala and El Salvador by 2029

- Majority of store network growth will be focused in Colombia
- Does not include Peru
- 264 stores as at Dec. 31, 2020



(1) As at Dollarcity's latest quarter ended Dec. 31, 2020.

(2) In Colombia, Guatemala and El Salvador by 2029; does not include Peru.

Robust financial performance



<i>(in millions of dollars, except per share amounts)</i>	FOURTH QUARTER ENDED				Y-O-Y	FISCAL YEAR ENDED				Y-O-Y
	JAN. 31, 2021 ⁽¹⁾		FEB. 2, 2020		GROWTH	JAN. 31, 2021 ⁽²⁾		FEB. 2, 2020 ⁽³⁾		GROWTH
Sales	\$1,104	% OF SALES	\$1,065	% OF SALES	3.6%	\$4,026	% OF SALES	\$3,787	% OF SALES	6.3%
Gross Margin	\$502	45.5%	\$476	44.7%	5.5%	\$1,765	43.8%	\$1,652	43.6%	6.8%
SG&A	\$186	16.9%	\$156	14.6%	19.5%	\$654	16.2%	\$552	14.6%	18.5%
Equity Pick-Up (Dollarcity)	\$11	1.0%	\$9	0.8%	22.9%	\$20	0.5%	\$10	0.3%	91.5%
EBITDA	\$327	29.6%	\$329	30.9%	(0.7%)	\$1,131	28.1%	\$1,111	29.3%	1.8%
Operating Income	\$256	23.2%	\$266	25.0%	(3.8%)	\$861	21.4%	\$868	22.9%	(0.8%)
Net Earnings	\$174	15.8%	\$179	16.8%	(2.7%)	\$564	14.0%	\$564	14.9%	0.1%
EPS	\$0.56		\$0.57		(1.8%)	\$1.81		\$1.78		1.7%
Adj. Net Debt / LTM EBITDA⁽⁴⁾	2.68x		2.97x			2.68x		2.97x		

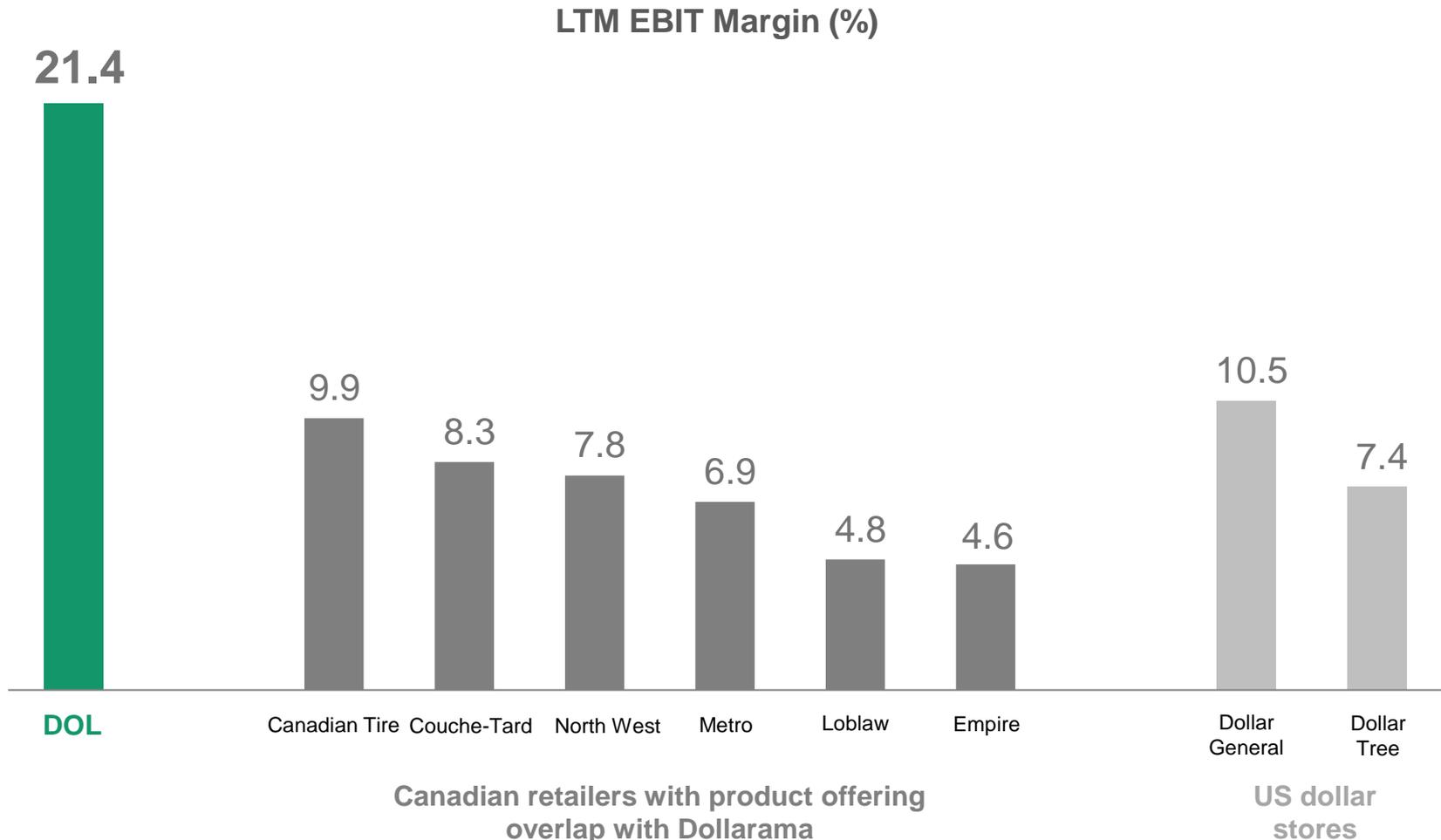
(1) ~ \$23.8M of direct costs were incurred in Q4-FY21 in connection with COVID-19 (all included in SG&A)

(2) ~ \$84.0M of direct costs were incurred in FY21 in connection with COVID-19 (~ \$81.1M included in SG&A)

(3) Only includes ~ 4.5 months of equity pick-up for Dollarcity as the acquisition was closed on August 15, 2019

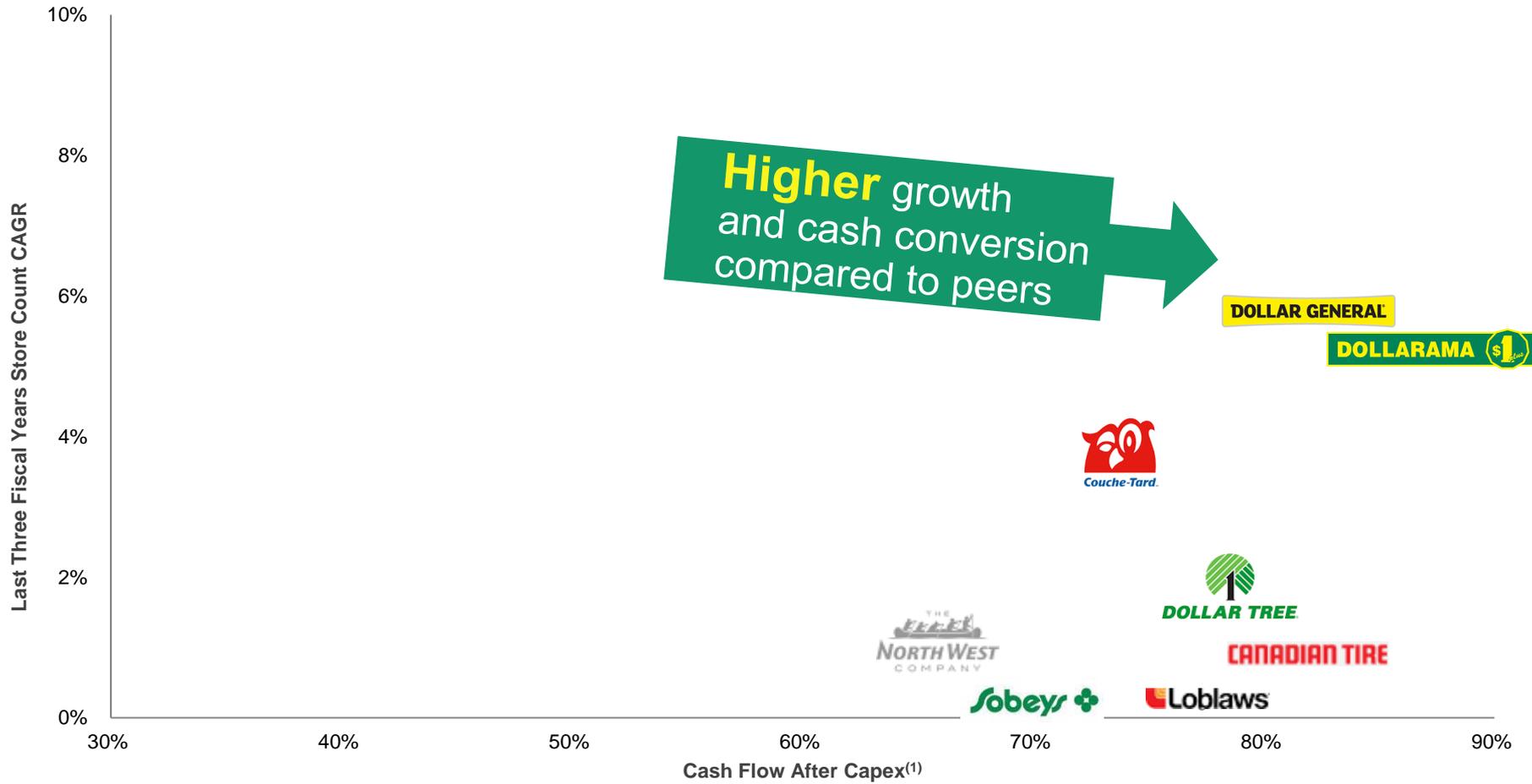
(4) (Total net debt + total lease liabilities) / LTM EBITDA

Balanced approach to operating margin



Source: Company websites; Walmart Canada figures not available

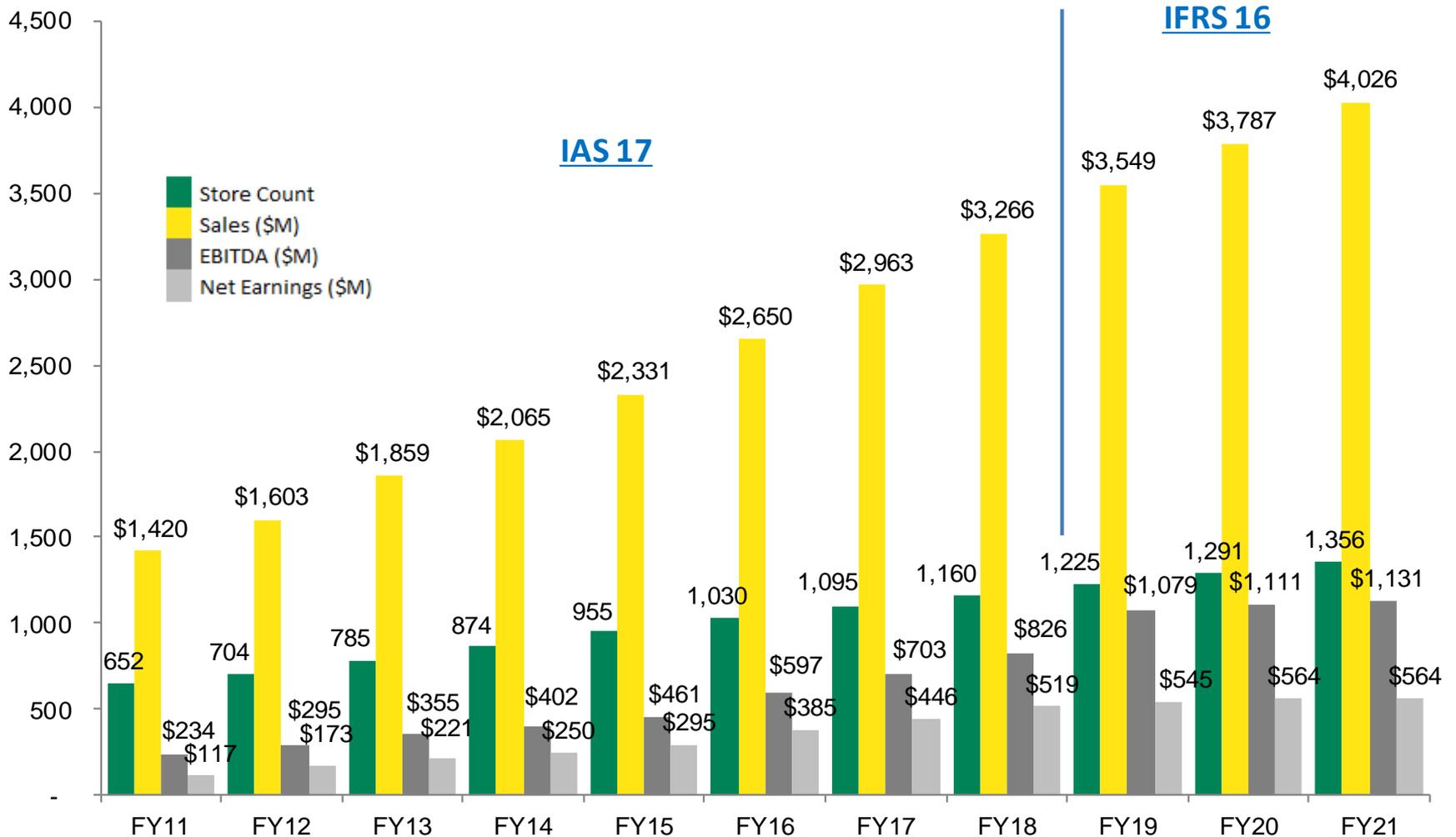
Strong organic growth with low capital requirements



Source: Company websites; Walmart Canada figures not available

(1) $(EBITDA - CAPEX) / EBITDA$

Strong key metrics growth since IPO

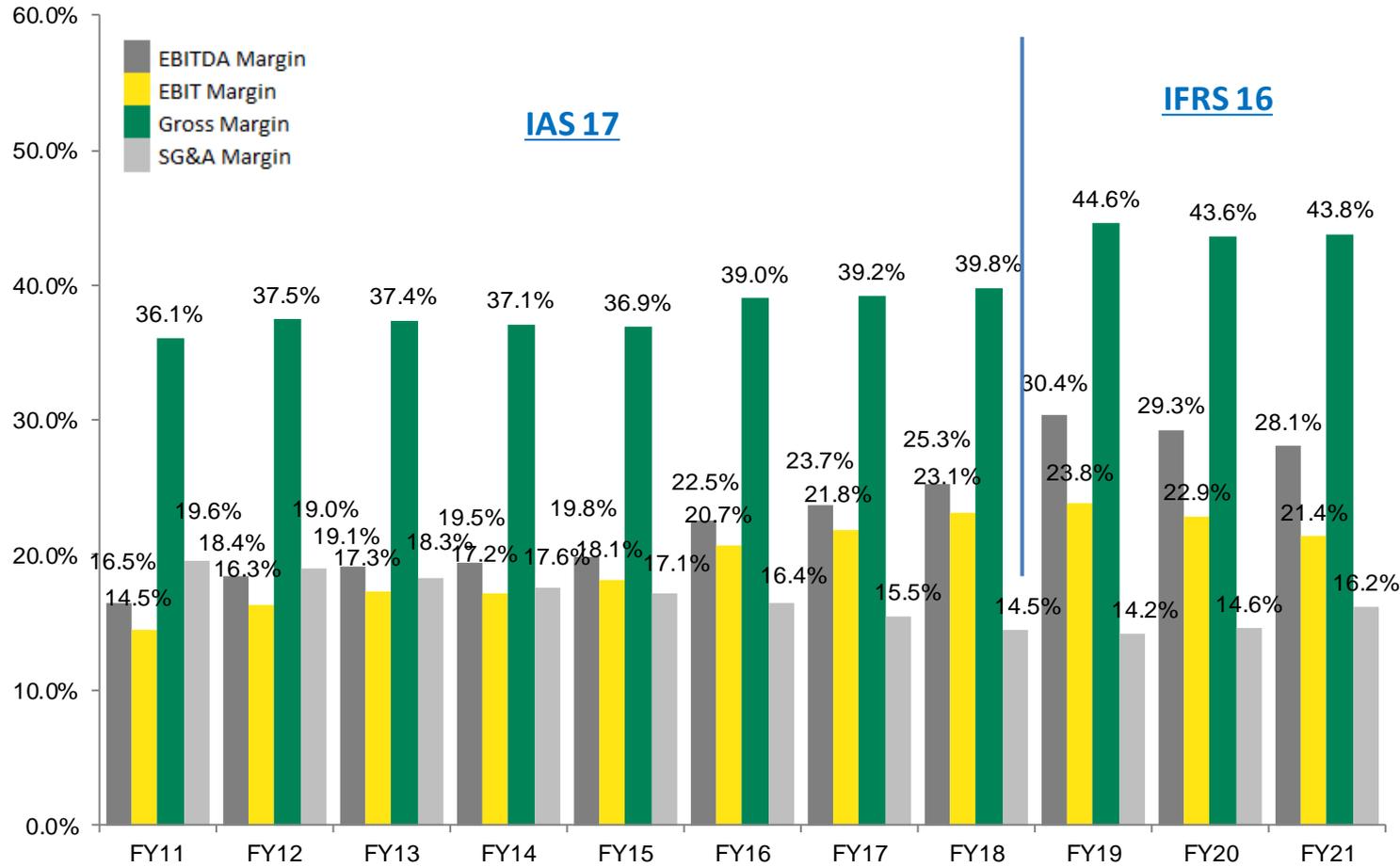


FY21 EBITDA & Net Earnings reflect incremental direct costs related to COVID-19 (~\$84.0M on a pre-tax basis)

Continuous margin improvement since IPO



 Variable cost structure allows for scaling benefits with top line growth



FY21 metrics reflect incremental direct costs related to COVID-19 (~\$2.9M in Gross Margin, ~\$81.1M in SG&A, ~\$84.0M in EBITDA and EBIT)

Debt structure as at Q4-FY2021



- **84%** fixed rate debt, **16%** floating rate debt
- **\$939M** available liquidity (\$139M cash + \$800M undrawn and available credit facility) ^(1,2)
- **~2.3%** weighted average cost of debt
- **~2.2** years weighted average time to maturity



(1) Excludes letters of credit (approximately \$1.1M)

(2) Does not include an amount of \$300M that was utilized on February 1st for the repayment of the February 2021 FRN following the issuance in September 2020 of the \$300M 1.505% September 2027 bond.

U.S. Commercial Paper Program



Issuer:	Dollarama Inc. - Bloomberg Ticker ("DOL")
Guarantors:	Dollarama L.P. and Dollarama GP Inc., both wholly-owned subsidiaries of the Issuer
Securities:	Commercial Paper Notes
Program Ratings:	S&P: A-2 / Moody's: P-2
Long-Term Ratings:	S&P: BBB / Moody's: Baa2 / DBRS: BBB
Program Size:	Up to US \$500 million
Maturities:	Overnight to 397 days (target 1 week to 90 days)



We intend to shift a portion of borrowings to commercial paper and utilize the revolving credit facility as a backstop to the commercial paper program



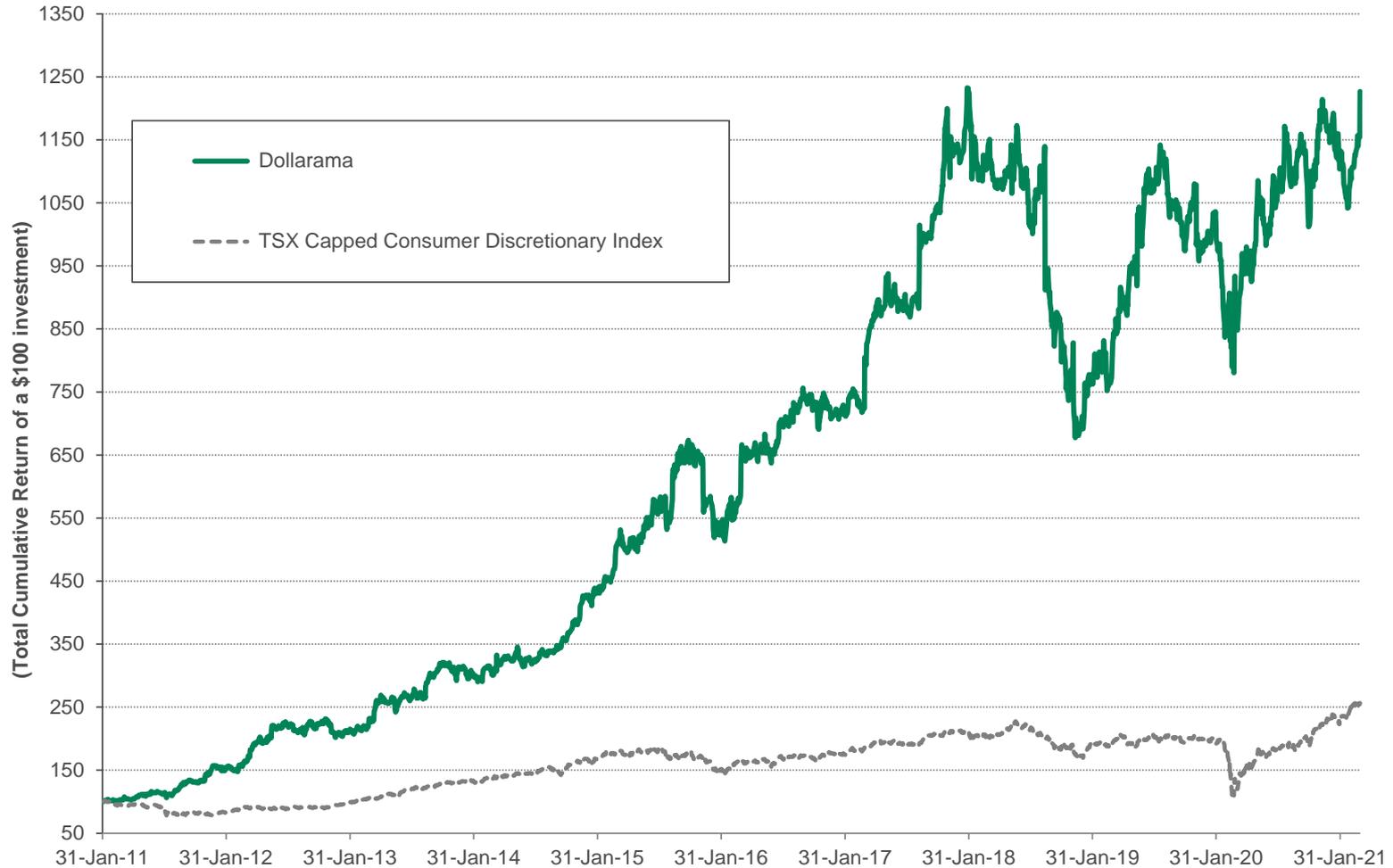
Credit Facilities

- CDN \$800 million committed
- Syndicate of six Canadian and two international financial institutions
- Same day draw capabilities up to U.S. \$300 million
- Ability to draw in both Canadian and U.S. dollars
- Different maturity dates including a tranche maturing on September 29, 2024 (extended annually)

Total shareholder return



Performance Graph Since January 31, 2011



Disciplined execution of our growth plan



Disciplined execution of our Canadian growth plan

- New long-term target of 2,000 stores in Canada by 2031
- Maintain payback period of approximately 2 years
- Sustain attractive same-store sales growth
- Maintain balanced operating margins

Development of our LATAM growth platform

- Target of 600 stores in initial three countries by 2029
- Entry into Peru planned for 2021
- Continue implementation of various operational initiatives

Create value for all stakeholders

- Comfort zone between 2.75x – 3.00x adjusted net debt to EBITDA allows for significant return of capital to shareholders through share repurchases & dividends

ESG



Dollarama's ESG framework



PRIORITY AREAS

OUR PEOPLE

- Fair labour practices
- Diversity and inclusion

OUR PRODUCTS

- Product safety and quality

OUR SUPPLY CHAIN

- Product sourcing
- Human rights
- Fair labour practices

OUR OPERATIONS

- Energy management and climate change
- Waste management
- Data security and privacy

MATERIALITY AND GOVERNANCE

Dollarama's ESG priority areas are based on comprehensive enterprise risk and ESG materiality assessments, and are managed within the company's enterprise risk management framework.

The 2021 ESG Report will be available in June

The 2019 ESG Report and other relevant documents are available at: www.dollarama.com/en-CA/corp/corporate-governance-and-responsibility



ESG priorities overview



KEY 2019-2020 ESG PRIORITIES



OUR PEOPLE

Promoting a dynamic and inclusive workforce

- Successfully recruit in support of expanding store network
- Increase internal promotions from store level to field management
- Aim for zero workplace accidents
- Maintain 25% representation of women among independent board members



OUR PRODUCTS

Providing customers with compelling value and a consistent shopping experience

- Maintain a diverse supplier base and ensure products meet our safety and quality specifications
- Increase number and frequency of product testing on toys
- Proactively communicate product recalls via Dollarama's website

ESG priorities overview



KEY 2019-2020 ESG PRIORITIES



OUR SUPPLY CHAIN

A three-pronged approach to vendor compliance and engagement

- Maintain vendor adherence and compliance with Vendor Code of Conduct
- Update Vendor Code of Conduct
- Roll-out Vendor Compliance Survey
- Roll-out third-party Social Audit Program



OUR OPERATIONS

Minimizing the environmental footprint of our operations

- Continue to measure Scope 1 and 2 GHG emissions
- Increase use of LED lighting across operations
- Increase reuse and recycling through various initiatives (pallet recycling, baler installation)

Thank you



A seasoned board and management team



BOARD OF DIRECTORS

Stephen Gunn

Chair of the Board
Corporate Director

Joshua Bekenstein

Managing Director
Bain Capital Partners

Gregory David

Chief Executive Officer
GRI Capital

Elisa D. Garcia

Chief Legal Officer
Macy's

Kristin W. Mugford

Senior Lecturer
Harvard Business
School

Nicholas Nomicos

Managing Director
Nonantum Capital Partners

Neil Rossy

President & Chief Executive
Officer
Dollarama

Richard Roy, FCPA, FCA

Corporate Director

Huw Thomas, FCPA, FCA

Corporate Director

OFFICERS

Neil Rossy

President & Chief Executive
Officer

J.P. Towner

Chief Financial Officer

Johanne Choinière

Chief Operating Officer

Nicolas Hien

Chief Information Officer

Geoffrey Robillard

Senior Vice President
Import Division

Josée Kouri

Senior Vice-President, Legal
Affairs & Corporate Secretary