

PRESS RELEASE

TAIGA'S (TBL) FOURTH QUARTER RESULTS IMPACTED BY LOW COMMODITY PRICES

BURNABY, BC, February 23, 2023 - Taiga Building Products Ltd. ("Taiga" or the "Company") today reported its financial results for the year ended December 31, 2023.

Fourth Quarter Ended December 31, 2023 Earnings Results

The Company's consolidated net sales for the quarter ended December 31, 2023 were \$367.7 million compared to \$400.8 million over the same quarter last year. A decrease in sales by \$33.1 million.

Gross margin for the quarter ended December 31, 2023 decreased to \$42.4 million from \$49.4 million over the same quarter last year. The decrease in gross margin was primarily due to lower commodity prices during the quarter.

Net earnings for the quarter ended December 31, 2023 had a slight decrease to \$9.4 million compared to \$9.7 million over the same period last year primarily due to lower sales accompanied by an increase in operating costs.

EBITDA for the quarter ended December 31, 2023 was \$13.1 million compared to \$17.2 million for the same period last year. EBITDA decreased primarily due to lower margins earned during the quarter.

Year Ended December 31, 2023 Earnings Results

Sales for the year ended December 31, 2023 were \$1,679.7 million compared to \$2,192.7 million in the prior year. The decrease in sales was largely due to the Company experiencing lower selling prices for its commodity products.

Gross margin for the year ended December 31, 2023 decreased to \$198.4 million from \$291.2 million in the prior year. The decrease in gross margin was primarily due to lower commodity prices during the period.

Net earnings for the year ended December 31, 2023 were \$61.3 million compared to \$88.6 million in the prior year. The decrease in net earnings was primarily due to decreased gross margins during the period.

EBITDA for the year ended December 31, 2023 was \$91.3 million compared to \$139.3 million in the prior year. EBITDA decreased primarily due to lower margins earned during the period.

Consolidated Statement of Earnings

For the Three Months Ended

	December 31,	
<i>(in thousands of Canadian dollars, except for per share amounts)</i>	2023	2022
Sales	367,658	400,813
Gross margin	42,448	49,431
Distribution expense	8,241	7,933
Selling and administration expense	24,335	27,210
Finance expense	(425)	1,055
Subordinated debt interest expense	-	113
Other expense (income)	(61)	20
Earnings (loss) before income taxes	10,358	13,100
Income tax expense	968	3,387
Net earnings (loss)	9,390	9,713
Net earnings (loss) per share ⁽¹⁾	0.09	0.09
EBITDA ⁽²⁾	13,141	17,221

The following is the reconciliation of net earnings to EBITDA:

	December 31,	
<i>(in thousands of Canadian dollars)</i>	2023	2022
Net earnings (loss)	9,390	9,713
Income tax expense	968	3,387
Finance and subordinated debt interest expense	(425)	1,168
Amortization	3,208	2,953
EBITDA	13,141	17,221

For the Year ended

<i>(in thousands of Canadian dollars, except for per share amounts)</i>	December 31,	
	2023	2022
Sales	1,679,667	2,192,705
Gross margin	198,395	291,153
Distribution expense	32,259	29,941
Selling and administration expense	86,980	133,522
Finance expense	2,302	6,553
Subordinated debt interest expense	-	769
Other expense (income)	169	(140)
Earnings before income taxes	76,685	120,508
Income tax expense	15,384	31,880
Net earnings	61,301	88,628
Net earnings per share ⁽¹⁾	0.57	0.82
EBITDA ⁽²⁾	91,263	139,299

The following is the reconciliation of net earnings to EBITDA:

<i>(in thousands of Canadian dollars)</i>	December 31,	
	2023	2022
Net earnings	61,301	88,628
Income tax expense	15,384	31,880
Finance and subordinated debt interest expense	2,302	7,322
Amortization	12,276	11,469
EBITDA	91,263	139,299

Notes:

(1) Earnings per share is calculated using the weighted average number of shares.

(2) Reference is made above to EBITDA, which represents earnings before interest, taxes, and amortization. As there is no generally accepted method of calculating EBITDA, the measure as calculated by Taiga might not be comparable to similarly titled measures reported by other issuers. EBITDA is presented as management believes it is a useful indicator of a company's ability to meet debt service and capital expenditure requirements and because management interprets trends in EBITDA as an indicator of relative operating performance. EBITDA should not be considered by an investor as an alternative to net income or cash flows as determined in accordance with IFRS. For the disclosure of the manner in which EBITDA is calculated and reconciliation to net earnings refer to the "EBITDA" section of the Company's management's discussion and analysis which will be available shortly on SEDAR at www.sedar.com.

The foregoing selected financial information is qualified in its entirety by and should be read in conjunction with our consolidated financial statements for the year ended December 31, 2023 and accompanying notes and management's discussion and analysis which will be available shortly on SEDAR+ at www.sedarplus.ca.

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