

PRESS RELEASE

TAIGA'S (TBL) THIRD QUARTER RESULTS IMPACTED BY LOWER VOLUME SALES OF COMMODITY PRODUCTS

BURNABY, BC, November 8, 2024 - Taiga Building Products Ltd. ("Taiga" or the "Company") today reported its financial results for the three and nine months ended September 30, 2024.

Third Quarter Ended September 30, 2024 Earnings Results

Sales for the quarter ended September 30, 2024 were \$423.9 million compared to \$456.6 million over the same period last year. Sales decreased by \$32.7 million or 7% mainly due to a reduction in commodity products sold.

Gross margin for the quarter ended September 30, 2024 decreased to \$45.5 million from \$56.4 million over the same period last year. Gross margin percentage was 10.7% for the three months ended September 30, 2024 compared to 12.4% over the same period last year. The decrease in gross margin dollars was mainly due to a reduction in commodity products sold.

Net earnings for the quarter ended September 30, 2024 decreased to \$14.3 million from \$21.4 million over the same period last year primarily due to decreased gross margin dollars.

EBITDA for the quarter ended September 30, 2024 was \$21.5 million compared to \$27.6 million for the same period last year. EBITDA decreased primarily due to lower margin dollars earned during the quarter.

Nine Months Ended September 30, 2024 Earnings Results

Sales for the nine months ended September 30, 2024 were \$1,245.3 million compared to \$1,312.0 million over the same period last year. Sales decreased by \$66.7 million or 5% mainly due to a reduction in commodity products sold.

Gross margin for the nine months ended September 30, 2024 decreased to \$132.0 million from \$155.9 million over the same period last year. Gross margin percentage was 10.6% for the nine months ended September 30, 2024 compared to 11.9% over the same period last year. The decrease in gross margin dollars was mainly due to a reduction in commodity products sold.

Net earnings for the nine months ended September 30, 2024 were \$41.0 million compared to \$51.9 million for the same period last year primarily due to a decreased gross margin.

EBITDA for the nine months ended September 30, 2024 was \$64.0 million compared to \$78.1 million for the same period last year. EBITDA decreased primarily due to lower margin dollars earned during the period.

Condensed Consolidated Statement of Earnings

For the Three Months Ended

	September 30,	
<i>(in thousands of Canadian dollars, except for per share amounts)</i>	2024	2023
Sales	423,886	456,615
Gross margin	45,544	56,403
Distribution expense	8,151	8,135
Selling and administration expense	19,169	23,447
Finance expense	3	98
Other (income) expense	(109)	263
Earnings before income taxes	18,330	24,460
Income tax expense	3,999	3,056
Net earnings	14,331	21,404
Net earnings per share ⁽¹⁾	0.13	0.20
EBITDA ⁽²⁾	21,497	27,617

The following is the reconciliation of net earnings to EBITDA:

	September 30,	
<i>(in thousands of Canadian dollars)</i>	2024	2023
Net earnings	14,331	21,404
Income tax expense	3,999	3,056
Finance and subordinated debt interest expense	3	98
Amortization	3,164	3,059
EBITDA	21,497	27,617

For the Nine Months Ended

	September 30,	
<i>(in thousands of Canadian dollars, except for per share amounts)</i>	2024	2023
Sales	1,245,340	1,312,009
Gross margin	132,009	155,947
Distribution expense	24,605	24,018
Selling and administration expense	53,183	62,645
Finance expense	202	2,727
Other income	(183)	230
Earnings before income taxes	54,202	66,327
Income tax expense	13,177	14,416
Net earnings	41,025	51,911
Net earnings per share ⁽¹⁾	0.38	0.48
EBITDA ⁽²⁾	64,037	78,121

The following is the reconciliation of net earnings to EBITDA:

<i>(in thousands of Canadian dollars)</i>	September 30,	
	2024	2023
Net earnings	41,025	51,911
Income tax expense	13,177	14,416
Finance and subordinated debt interest expense	202	2,727
Amortization	9,634	9,067
EBITDA	64,037	78,121

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 unaudited condensed interim consolidated financial statements for three and nine months ended September 30, 2024 and accompanying notes and management's discussion and analysis which will be available shortly on SEDAR+ at www.sedarplus.ca.

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