

## PRESS RELEASE

### **Taiga (TBL) Q4 margin impacted by commodity price fluctuations**

BURNABY, BC, February 25, 2022 - Taiga Building Products Ltd. ("Taiga" or the "Company") today reported its financial results for the year ended December 31, 2021.

#### **Fourth Quarter Ended December 31, 2021 Earnings Results**

The Company's consolidated net sales for the quarter ended December 31, 2021 were \$412.5 million compared to \$411.3 million over the same quarter last year.

Gross margin for the quarter ended December 31, 2021 decreased to \$54.3 million from \$60.4 million over the same quarter last year.

Net earnings for the quarter ended December 31, 2021 were \$10.3 million compared to net earnings of \$17.6 million over the same quarter last year.

EBITDA for the quarter ended December 31, 2021 was \$17.4 million compared to an EBITDA of \$29.4 million for the same quarter last year.

#### **Year Ended December 31, 2021 Earnings Results**

Sales for the year ended December 31, 2021 were \$2,219.7 million compared to \$1,589.1 million in the prior year. The increase in sales by \$630.6 million or 40% was largely due to increased selling prices for commodity products.

Gross margin dollars for the year ended December 31, 2021 increased to \$300.2 million from \$225.2 million over the same period last year. The increase was primarily from higher selling prices for commodity products.

Net earnings for the year ended December 31, 2021 were \$92.7 million compared to \$70.8 million in the prior year.

EBITDA for the year ended December 31, 2021 was \$145.2 million compared to \$116.9 million in the prior year.

#### **Management Update on the COVID-19 Pandemic**

The outbreak of the coronavirus, also known as "COVID-19", has spread across the globe and is impacting worldwide economic activity. Conditions surrounding the coronavirus continue to rapidly evolve and government authorities have implemented emergency measures to mitigate the spread of the virus. As at the financial statement approval date, the pandemic has had a positive impact on Taiga's business and financial performance in fiscal 2020 and the first half of fiscal 2021. This is a direct result of the increased demand for detached housing, record high commodity prices and low borrowing rates experienced during the pandemic. However, commodity prices did fall dramatically during the Company's third quarter of fiscal 2021 which had a material impact on its results. The extent to which these

events may continue to impact the Company's business activities in the same manner in future periods will depend on a number of factors, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, the rate at which vaccines are administered, the effectiveness of vaccines against the coronavirus and its mutations, subsequent outbreaks, business disruptions, and the effectiveness of actions taken in Canada, the United States and other countries to contain and treat the disease, the demand for detached housing in North America, future commodity prices, interest rates and the strength of the general economy. These events are highly uncertain and as such, the Company cannot predict with any certainty how the progression of the coronavirus pandemic and these events will ultimately impact the Company's financial performance beyond fiscal year 2021.

### Consolidated Statement of Earnings For the Three Months Ended

	December 31,	
<i>(in thousands of Canadian dollars, except for per share amounts)</i>	2021	2020
Sales	\$412,461	\$411,283
Gross margin	54,285	60,361
Distribution expense	6,861	7,439
Selling and administration expense	32,789	26,602
Finance expense	1,724	2,057
Subordinated debt interest expense	219	219
Other income	(17)	(28)
Earnings before income taxes	12,709	24,072
Income tax expense	2,427	6,437
Net earnings	\$10,282	\$17,635
Net earnings per share <sup>(1)</sup>	\$0.10	\$0.16
EBITDA <sup>(2)</sup>	17,425	29,410

The following is the reconciliation of net earnings to EBITDA:

	December 31,	
<i>(in thousands of Canadian dollars)</i>	2021	2020
Net earnings	10,282	17,635
Income tax expense	2,427	6,437
Finance and subordinated debt interest expense	1,943	2,276
Amortization	2,773	3,062
EBITDA	17,425	29,410

## Consolidated Statement of Earnings

For the Year Ended

<i>(in thousands of Canadian dollars, except for per share amounts)</i>	December 31,	
	2021	2020
Sales	\$2,219,674	\$1,589,123
Gross margin	300,192	225,170
Distribution expense	27,569	26,843
Selling and administration expense	138,282	95,648
Finance expense	7,519	8,450
Canada Emergency Wage Subsidy	-	(2,919)
Subordinated debt interest expense	875	875
Other expenses	285	63
Earnings before income taxes	125,662	96,210
Income tax expense	32,976	25,384
Net earnings	\$92,686	\$70,826
Net earnings per share <sup>(1)</sup>	\$0.85	\$0.64
EBITDA <sup>(2)</sup>	145,181	116,904

The following is the reconciliation of net earnings to EBITDA:

<i>(in thousands of Canadian dollars)</i>	December 31,	
	2021	2020
Net earnings	92,686	70,826
Income tax expense	32,976	25,384
Finance and subordinated debt interest expense	8,394	9,325
Amortization	11,125	11,369
EBITDA	145,181	116,904

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](http://www.sedar.com).

The foregoing selected financial information is qualified in its entirety by and should be read in conjunction with, our audited consolidated financial statements for the year ended December 31, 2021 and accompanying notes and management's discussion and analysis which will be available shortly on SEDAR at [www.sedar.com](http://www.sedar.com).

For further information regarding Taiga, please contact:

Mark Schneidereit-Hsu  
CFO and VP, Finance & Administration  
Tel: 604.438.1471  
Email: [mschneidereit@taigabuilding.com](mailto:mschneidereit@taigabuilding.com)