

## PRESS RELEASE

### **Taiga (TBL) delivered higher Q4 sales due to rising commodity prices**

BURNABY, BC, February 26, 2021 - Taiga Building Products Ltd. ("Taiga" or the "Company") today reported its financial results for the year ended December 31, 2020.

#### **Fourth Quarter Ended December 31, 2020 Earnings Results**

The Company's consolidated net sales for the quarter ended December 31, 2020 were \$411.3 million compared to \$298.1 million over the same quarter last year. The increase in sales by \$113.2 million or 38% was largely due to higher selling prices on commodities in the quarter ended December 31, 2020.

Gross margin for the quarter ended December 31, 2020 increased to \$60.4 million from \$30.6 million over the same quarter last year.

Net earnings for the quarter ended December 31, 2020 were \$17.6 million compared to net earnings of \$5.8 million over the same quarter last year.

EBITDA for the quarter ended December 31, 2020 was \$29.4 million compared to an EBITDA of \$12.9 million for the same quarter last year.

#### **Year Ended December 31, 2020 Earnings Results**

Sales for the year ended December 31, 2020 were \$1,589.1 million compared to \$1,299.1 million in the prior year. The increase in sales by \$290.0 million or 22% was largely due to increased selling prices for commodity products.

Gross margin dollars for the year ended December 31, 2020 increased to \$225.2 million from \$129.5 million over the same period last year.

Net earnings for the year ended December 31, 2020 were \$70.8 million compared to \$25.9 million in the prior year.

EBITDA for the year ended December 31, 2020 was \$116.9 million compared to \$57.7 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 outbreak and the related mitigation measures had the following impacts on the Company's operations, among others: Sales declined by over 30% for the month of April 2020, however subsequent to this revenues have recovered and exceeded projections for the remainder of 2020. The extent to which these

events may impact the Company's business activities will depend on future developments, such as the ultimate geographic spread of the disease, the duration of the outbreak, travel restrictions, subsequent outbreaks, business disruptions, and the effectiveness of actions taken in Canada and other countries to contain and treat the disease. These events are highly uncertain and as such, the Company cannot determine the ultimate financial impacts at this time. However, the Company recognizes that there will be economic and financial challenges for the foreseeable future.

### Condensed Consolidated Statement of Earnings

For the Three Months Ended

	December 31,	
<i>(in thousands of Canadian dollars, except for per share amounts)</i>	2020	2019
Sales	\$411,283	\$298,125
Gross margin	60,361	30,592
Distribution expense	7,439	6,223
Selling and administration expense	26,602	14,066
Finance expense	2,057	2,702
Subordinated debt interest expense	219	219
Other income	(28)	(80)
Earnings before income taxes	24,072	7,462
Income tax expense	6,437	1,699
Net earnings	\$17,635	\$5,763
Net earnings per share <sup>(1)</sup>	\$0.16	\$0.05
EBITDA <sup>(2)</sup>	29,410	12,874

The following is the reconciliation of net earnings to EBITDA:

	December 31,	
<i>(in thousands of Canadian dollars)</i>	2020	2019
Net earnings	17,635	5,763
Income tax expense	6,437	1,699
Finance and subordinated debt interest expense	2,276	2,921
Amortization	3,062	2,491
EBITDA	29,410	12,874

**Condensed Consolidated Statement of Earnings**  
For the Year Ended

<i>(in thousands of Canadian dollars, except for per share amounts)</i>	December 31,	
	2020	2019
Sales	\$1,589,123	\$1,299,122
Gross margin	225,170	129,456
Distribution expense	26,843	25,835
Selling and administration expense	95,648	56,940
Finance expense	8,450	10,157
Canada Emergency Wage Subsidy	(2,919)	-
Subordinated debt interest expense	875	875
Other income	63	(202)
Earnings before income taxes	96,210	35,851
Income tax expense	25,384	9,946
Net earnings	\$70,826	\$25,905
Net earnings per share <sup>(1)</sup>	\$0.64	\$0.23
EBITDA <sup>(2)</sup>	116,904	57,675

The following is the reconciliation of net earnings to EBITDA:

<i>(in thousands of Canadian dollars)</i>	December 31,	
	2020	2019
Net earnings	70,826	25,905
Income tax expense	25,384	9,946
Finance and subordinated debt interest expense	9,325	11,032
Amortization	11,369	10,791
EBITDA	116,904	57,675

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, 2020 and accompanying notes and management's discussion and analysis which will be available shortly on SEDAR at [www.sedar.com](http://www.sedar.com).

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