



Taiga Announces First Quarter 2024 Results

- *Produced 329 Nomad™ snowmobiles in the first quarter of 2024.*
- *Recorded \$5.08 million in revenue from the delivery of 207 vehicles.*
- *Began deployment of enhanced omnichannel sales model adding dealerships supporting improved local sales & servicing of Taiga vehicles.*
- *Continued international market growth and secured electric snowmobile sales agreements to resort operators in Sweden, Italy and France, and watercraft distribution to U.A.E. and South America.*

MONTREAL, May 15, 2024 – [Taiga Motors Corporation](#) (TSX: TAIG) (“**Taiga**” or the “**Company**”), a leading electric off-road vehicle manufacturer, today reported its financial and operating results for the first quarter of 2024. Taiga reported \$5.08 million from the sale of 207 vehicles during the first quarter ending March 31, 2024, showcasing revenue growth of 194% compared to the first quarter of 2023.

During the quarter, the Company launched an evolution of its omnichannel retail model, by adding established powersport dealerships as future points of sale alongside distribution and direct to customer sales to further accelerate its market penetration and better support customers in their local markets. Taiga continued building its international markets by initiating deliveries in Brazil and the U.A.E., and securing sales agreements in France, Italy and Sweden.

First Quarter 2024 Operational Updates

- Produced 329 Nomad snowmobiles.
- Sold and delivered 207 vehicles, including 129 Orca™ PWC and 78 Nomad snowmobiles.
- Focused on strengthening its order book in line with its seasonal production plan by initiating the deployment of its dealer model in addition to its existing fleet, distributor and direct customer orders.
- Announced partnership with Alterra Mountain Company with snowmobile deliveries to 15 mountain resorts across North America.
- Implemented strategic cost reduction initiatives and adjusted its operations to better align seasonal production timing with dealer inventory levels.

First quarter 2024 Financial Highlights *(All amounts in Canadian dollars unless indicated otherwise)*

- Recorded revenue of \$5.08 million during the first quarter of 2024, compared to \$1.72 million in the first quarter of 2023.
- Recorded Cost of Sales of \$8.67 million during the first quarter of 2024, compared to \$5.78 million in the first quarter of 2023 attributed to a higher production volume.
- Research & Development (R&D) expense (net of tax credits) decreased to \$3.01 million in the first quarter of 2024 from \$3.91 million in the first quarter of 2023.
- General & Administration (G&A) expense decreased to \$4.38 million from \$5.02 million compared to the first quarter of 2023.

- Sales & Marketing (S&M) expense of \$1.08 million remained relatively stable with no significant change compared to the first quarter of 2023.
- Net loss for the period increased to \$14.38 million compared to \$12.99 million in the first quarter of 2023.

2024 Priorities

After making major investments in 2022-2023 on new product launches and to support the Company's rapid production ramp-up, Taiga is now focused on driving cost efficiency throughout the business, including continued vehicle cost down programs to improve margins. In addition, Taiga is continuing to develop its omnichannel sales model, with distributors, dealers and DTC, to support sustainable growth. Investors should see "Forward-Looking Statements" below and "Business Risks" sections of the accompanying first quarter 2024 MD&A.

About Taiga

Taiga (TSX: TAIG) is a Canadian company reinventing the powersports landscape with breakthrough electric off-road vehicles. Through a clean-sheet engineering approach, Taiga has pushed the frontiers of electric technology to achieve extreme power-to-weight ratios and thermal specifications required to outperform comparable high-performance combustion powersports vehicles. The first models released include a lineup of electric snowmobiles and personal watercraft to deliver on a rapidly growing demand from recreational and commercial customers who are seeking better ways to explore the great outdoors without compromise. For more information, visit www.taigamotors.com

Forward-Looking Statements

This press release contains "forward-looking information" within the meaning of applicable Canadian securities legislation. Such forward-looking information includes, but is not limited to, information with respect to our objectives and the strategies to achieve these objectives, the expected operations, financial results and condition of the Company, expectations regarding market trends, the Company's growth rates, the Company's future objectives and strategies to achieve those objectives, as well as information with respect to our beliefs, plans, expectations, anticipations, estimates and intentions.

This forward-looking information is identified by the use of terms and phrases such as "may", "would", "should", "could", "expect", "intend", "estimate", "anticipate", "plan", "foresee", "believe", and "continue", as well as the negative of these terms and similar terminology, including references to assumptions, although not all forward-looking information contains these terms and phrases. Forward-looking information is provided for the purposes of assisting the reader in understanding the Company and its business, its financial position, operations, prospects and risks at a point in time in the context of historical and possible future developments and therefore the reader is cautioned that such information may not be appropriate for other purposes.

We draw your attention to the "Financial Position" section of the Company's management's discussion and analysis for the three-month period ended March 31, 2024, and to note 2 of our condensed consolidated interim financial statements which indicate the existence of material uncertainty that may cast significant doubt on the Company's ability to continue as a going concern. Both during the upcoming fiscal quarter and over the next twelve months, and despite having announced earlier in March 2024 that

an existing lender of the Company had agreed to upsize its funding facility with Taiga, the Company will require additional financing in the immediate term in order to fund its existing and future operations and obligations, including through the issuance of equity, equity-related or debt securities or through obtaining credit from government or financial institutions. See the "Update on Financing" section of the Company's management's discussion and analysis for the three-month period ended March 31, 2024 for additional details. At the present time and despite having deployed significant efforts to seek any form of additional funding, there is a risk that the Company will not be able to secure any meaningful amount of additional third-party funding or financing in the immediate, near and medium terms. Given all of the above, Taiga has taken a number of steps to restructure its operations and to reduce its operating expenses, and the Company may well be required to take additional restructuring measures in the near term. However, there can be no assurance that any such downsizing efforts and initiatives currently underway or that may be undertaken by the Company in the near term will prove to be effective in sufficiently reducing the Company's operating burn and, as such, there can be no assurance that the Company will be able to continue as a going concern and continue to pay its obligations and liabilities as they become due.

Forward-looking information is based on a number of assumptions and is subject to a number of risks and uncertainties, many of which are beyond our control, which could cause actual results to differ materially from those that are disclosed in, or implied by, such forward-looking information. These risks and uncertainties include, but are not limited to, the Company's continuing negative operating cash flows and the limited prospects for the Company to obtain a meaning amount of additional funding or financing, limited operating history, delays in the ramp-up and commissioning of our assembly and production facilities, development of the network of dealers, supply chain dependence and disruptions and the impact of such disruptions on our ability to fulfil orders, quality control concerns, regulatory compliance, future capital requirements, warranty and product recalls, product and those described in the Company's management's discussion and analysis for the three-month period ended March 31, 2024, and under the "Risk Factors" section of the Company's annual information form filed on April 2, 2024 on the Company's SEDAR+ profile at sedarplus.ca. Forward-looking statements reflect management's current beliefs, expectations and assumptions and are based on information currently available to management. Readers are cautioned not to place undue reliance on forward-looking statements, as there can be no assurance that the future circumstances, outcomes or results anticipated or implied by such forward-looking statements will occur or that plans, intentions or expectations upon which the forward-looking statements are based will occur. By their nature, forward-looking statements involve known and unknown risks and uncertainties and other factors that could cause actual results to differ materially from those contemplated by such statements.

All of the forward-looking information contained in this press release is qualified by the foregoing cautionary statements, and there can be no guarantee that the results or developments that we anticipate will be realized or, even if substantially realized, that they will have the expected consequences or effects on our business, financial condition or results of operation. Unless otherwise noted or the context otherwise indicates, the forward-looking information contained herein is provided as of the date hereof, and we do not undertake to update or amend such forward-looking information whether as a result of new information, future events or otherwise, except as may be required by applicable law.

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