Q1 2024

BIRD CONSTRUCTION INC.

Management's Discussion & Analysis

for the three month periods ended March 31, 2024 and 2023

bird

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The following Management's Discussion and Analysis ("MD&A") of Bird Construction Inc.'s ("the Company" or "Bird") financial condition and results of operations for the three months ended March 31, 2024, should be read in conjunction with the March 31, 2024 unaudited interim condensed consolidated financial statements. This MD&A has been prepared as of May 14, 2024. Unless otherwise specified, all amounts are expressed in Canadian dollars. The information presented in this MD&A is presented in accordance with IFRS Accounting Standards ("IFRS"), unless otherwise noted.

This discussion contains forward-looking statements and information, which are subject to a variety of factors that could cause actual results to differ materially from those contemplated by this information. See "Forward-Looking Information". Some of the factors that could cause results or events to differ from current expectations include, but are not limited to, the factors described in the "Risks Relating to the Business" section of the Company's MD&A and Annual Information Form for the year ended December 31, 2023, dated March 5, 2024. *Additional information about the Company is available through the System for Electronic Document Analysis and Retrieval ("SEDAR+") at www.sedarplus.ca and on the Company's website at www.bird.ca.*

Throughout this MD&A certain measures are used that, while common in the construction industry, do not have a standardized meaning prescribed by IFRS and are considered specified financial measures. These include non-GAAP financial measures, non-GAAP financial ratios and supplementary financial measures. These measures may not be comparable with similar measures presented by other companies. Further information regarding these measures can be found in the "Terminology and Non-GAAP & Other Financial Measures" section of this MD&A.

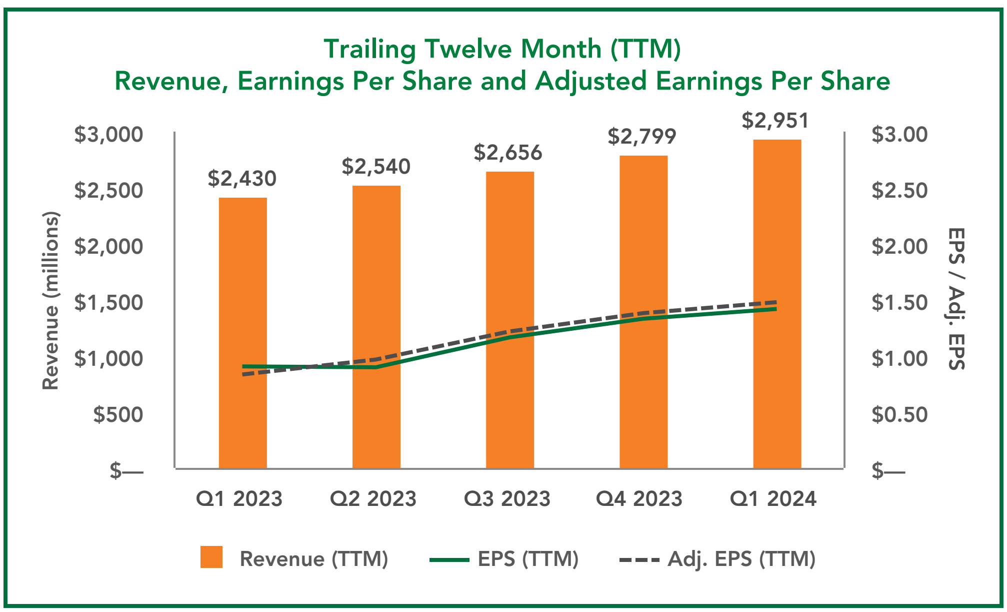
EXECUTIVE SUMMARY

(in thousands of Canadian dollars, except per share amounts)	Three months ended March 31,	
Income Statement Data	**2024**	2023
Revenue	$ 688,200	$ 536,459
Net income	9,984	5,149
Basic and diluted earnings per share ("EPS")	0.19	0.10
Adjusted Earnings [(1)]	10,576	5,272
Adjusted Earnings Per Share [(1)]	0.20	0.10
Adjusted EBITDA [(1)]	24,184	16,082
Adjusted EBITDA Margin [(1)]	3.5 %	3.0 %
Cash Flow Data		
Net (decrease) increase in cash and cash equivalents	$ (43,942)	$ (63,871)
Cash flows from operations before changes in non-cash working capital	31,188	17,628
Capital expenditures[(2)]	(8,360)	(7,673)
Cash dividends paid	(5,783)	(5,238)
Cash dividends declared per share	0.12	0.10
Balance Sheet Data	**March 31, 2024**	December 31, 2023
Total assets	$ 1,413,644	$ 1,424,364
Working capital	218,626	234,010
Loans and borrowings	89,113	72,926
ROU Liabilities	91,801	78,430
Shareholders' equity	328,014	322,494
Key Performance Indicators		
Pending Backlog [(1)]	$ 3,368,800	$ 3,007,400
Backlog [(3)]	3,457,736	3,448,237

[(1)] Adjusted Earnings and Adjusted EBITDA are non-GAAP financial measures. These measures, along with Adjusted Earnings Per Share, Adjusted EBITDA Margin and Pending Backlog do not have standardized meanings under IFRS and may not be comparable with similar measures presented by other companies. See "Terminology and Non-GAAP & Other Financial Measures."

[(2)] Represented by "Additions to property and equipment and intangible assets" in the consolidated statement of cash flows.

[(3)] Backlog is a measure that may not be comparable with a similar measure presented by other companies. See "Terminology and Non-GAAP & Other Financial Measures."



Q1 2024 HIGHLIGHTS

Building on strong momentum from 2023, Bird achieved impressive year over year growth in earnings and revenue in the first quarter. With record volumes of contracted and awarded work available to execute in the Company's Backlog and Pending Backlog, full year expectations for revenue growth were bolstered by favourable weather in the quarter that reduced seasonal down time and allowed work to commence earlier than estimated on certain projects. Bird's highly valued team continues to deliver on clients' expectations safely, reinforcing the Company's reputation for collaborative delivery of sophisticated, complex projects. The Company's balance sheet remains healthy and structured for flexibility to strategically pursue attractive acquisitions in the current active M&A environment. Bird is well positioned to continue to capitalize on significant demand across market sectors, supported by macro trends in critical areas that are aligned to longer-term development and investment cycles such as infrastructure requirements driven by urbanization and population growth, growing power and electrification demands, and the energy transition, together upholding the positive outlook through 2024 and beyond.

FIRST QUARTER 2024 COMPARED TO FIRST QUARTER 2023

- Construction revenue of $688.2 million earned in the quarter compared to $536.5 million earned in the prior year quarter, representing a 28.3% increase year-over-year.
- Net income and earnings per share were $10.0 million and $0.19 in Q1 2024, compared to $5.1 million and $0.10 in Q1 2023, representing increases of 94%.
- Adjusted Earnings[1] and Adjusted Earnings Per Share were $10.6 million and $0.20 in Q1 2024, compared to $5.3 million and $0.10 in Q1 2023, representing increases of 101%.
- Adjusted EBITDA[1] of $24.2 million, or 3.5% of revenues, compared to $16.1 million, or 3.0% of revenues in Q1 2023, representing an increase of 50.4%. Adjusted EBITDA Margin for Q1 2024 was impacted by $3.9 million additional share-based compensation costs driven by significant appreciation of Bird's common share price and total shareholder return during the quarter.

- Bird continued to deliver significant revenue growth in the first quarter of 2024, with over 90% of the 28.3% growth from organic sources. Year over year revenue growth also benefited from NorCan, acquired on January 18, 2024, and a full quarter of contributions from Trinity, acquired in February 2023.
- The Company's margin profiles in the first quarter of 2024 continued to improve compared to the prior year, with Gross Profit Percentage increasing to 8.0% compared to 7.4%, and Adjusted EBITDA Margin increasing to 3.5% from 3.0%.
- Bird added $697.7 million in securements to its Backlog in the first quarter, maintaining record Backlog levels of $3.5 billion at March 31, 2024. Pending Backlog of work awarded but not yet contracted remains at a healthy $3.4 billion at quarter end, and continues to include almost $1.0 billion of MSA and other recurring revenue to be earned over the next six years.
- The Company's liquidity position remains strong at March 31, 2024, with $133.6 million of cash and cash equivalents, and an additional $205.5 million available under the Company's Syndicated Credit Facility, to support ongoing investments in growth-related working capital, project-driven capital expenditures, and potential tuck-in acquisitions to further diversify service offerings and self-perform capabilities.
- During the first quarter of 2024, the Company announced that it had, as part of a 50/50 joint venture, entered into an Alliance Development Agreement to work collaboratively with Metrolinx to deliver the East Harbour Transit Hub, one of the first major projects in Canada to be procured using an 'alliance' model.
- In January 2024, the Company announced that it had acquired the assets of NorCan Electric Inc. ("NorCan") for total consideration of $11 million. NorCan is a leading electrical and instrumentation contractor providing maintenance turnaround and sustaining capital services in the Regional Municipality of Wood Buffalo in Alberta. During their 25 years of service in the region, they have developed deep, long-term relationships based on their strong service delivery and safety program. Since 2018, NorCan has operated through an Indigenous partnership, the NorCan/Infinity Limited Partnership, with Infinity Métis Corporation.

[1] Adjusted Earnings and Adjusted EBITDA are non-GAAP financial measures. See "Terminology and Non-GAAP & Other Financial Measures."

- The Board has declared eligible dividends of $0.0467 per common share for each of May 2024, June 2024 and July 2024.

QUARTERLY RESULTS OF OPERATIONS

Consolidated Statement of Income and Additional Financial Indicators
(in thousands of Canadian dollars, except per share amounts and percentages)

	Three months ended March 31,		
	2024	2023	% change
Construction revenue	**$ 688,200**	$ 536,459	28.3 %
Costs of construction	**633,065**	496,635	27.5 %
Gross profit	**55,135**	39,824	38.4 %
Income (loss) from equity accounted investments	**9**	84	(89.3)%
General and administrative expenses	**(40,097)**	(31,554)	27.1 %
Income from operations	**15,047**	8,354	80.1 %
Finance and other income	**1,679**	1,171	43.4 %
Finance and other costs	**(3,388)**	(2,792)	21.3 %
Income before income taxes	**13,338**	6,733	98.1 %
Income tax expense	**3,354**	1,584	111.7 %
Net income for the period	**$ 9,984**	$ 5,149	93.9 %
Total comprehensive income for the period	**$ 10,211**	$ 5,320	91.9 %
Basic and diluted earnings per share	**$ 0.19**	$ 0.10	90.0 %
Adjusted Earnings[(1)]	**$ 10,576**	$ 5,272	100.6 %
Adjusted Earnings Per Share	**$ 0.20**	$ 0.10	100.0 %
Adjusted EBITDA[(1)]	**$ 24,184**	$ 16,082	50.4 %
Adjusted EBITDA Margin	**3.5%**	3.0%	0.5 %

(1) Adjusted Earnings and Adjusted EBITDA are non-GAAP financial measures. See "Terminology and Non-GAAP & Other Financial Measures."

The Company recorded construction revenue of $688.2 million in the first quarter of 2024, representing a $151.7 million, or 28.3%, increase over amounts reported in the first quarter of 2023. Industrial construction drove the majority of organic growth, benefiting from milder winter weather conditions and schedule acceleration on a number of projects, with additional contributions from institutional building construction and infrastructure work programs.

Gross profit of $55.1 million for the first quarter of 2024, representing a Gross Profit Percentage[2] of 8.0%, was $15.3 million higher than the $39.8 million gross profit (7.4% Gross Profit Percentage) recorded in 2023. The increase in gross profit margins continues to be driven by improved margin profiles on newer work resulting from disciplined project selection and cost control, growing self-perform capabilities and cross-selling opportunities across the Company, as well as a higher proportion of industrial construction executed in the quarter compared to the prior year.

2 "Gross Profit Percentage" does not have a standardized meaning under IFRS and may not be comparable with similar measures presented by other companies. See "Terminology and Non-GAAP & Other Financial Measures."

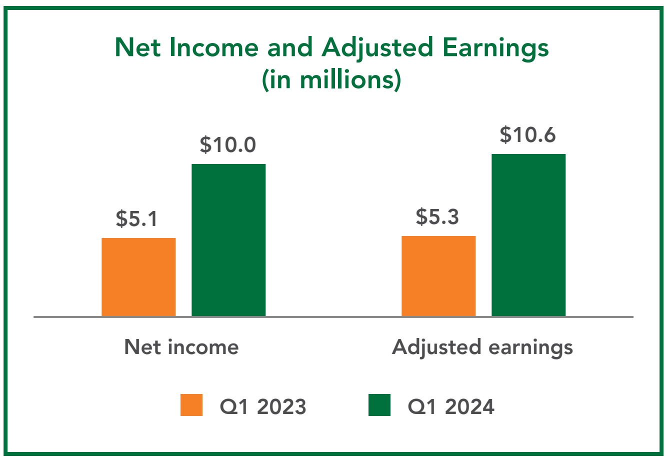
In the first quarter of 2024, general and administrative expenses were $40.1 million (5.8% of revenue[3]) versus $31.6 million (5.9% of revenue) in the first quarter of 2023. The primary drivers of the $8.5 million increase were: $5.7 million higher compensation costs in the current year quarter, including the impact of share-based compensation costs and related derivatives; $2.0 million higher growth-related increases to travel, business development, recruitment and pursuit costs driven by activity levels increasing compared to 2023; $0.6 million higher acquisition and integration costs; and $0.3 million aggregate increases across other categories including the expenses of NorCan which was acquired in January 2024.

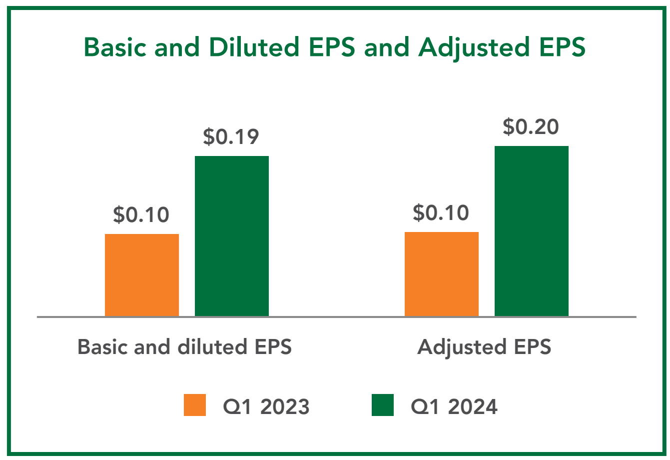
Finance and other income of $1.7 million in the first quarter of 2024 was $0.5 million higher than the first quarter of 2023, primarily due to interest earned on higher average cash balances in the current quarter.

Finance and other costs of $3.4 million in the first quarter of 2024 was $0.6 million higher than the same period of 2023, primarily due to a higher average debt balances outstanding during the quarter, including the impact of short term borrowings to fund working capital.

In the first quarter of 2024, income tax expense was $3.4 million, compared to $1.6 million recorded in the first quarter of 2023. Higher income tax expense for the first quarter of 2024 was driven by higher net income before tax in the current year as well as a slightly higher effective tax rate in the current year.

In the first quarter of 2024, total comprehensive income was $10.2 million, compared to $5.3 million in the first quarter of 2023. The increase is primarily due to the increase in net income of $4.8 million described above, and higher actuarial gains on pension plans.



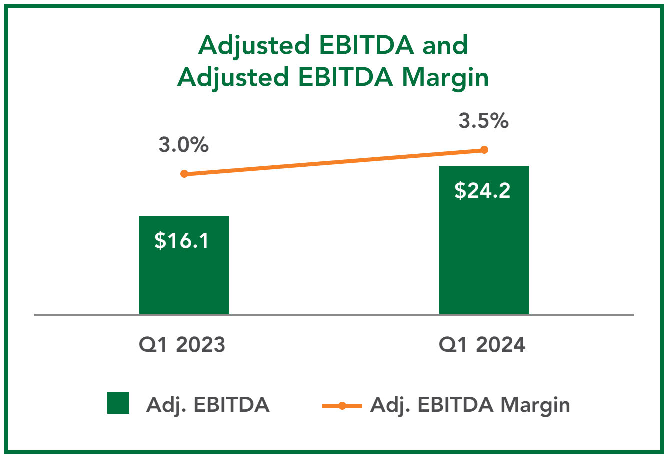


Adjusted Earnings[4] for the first quarter of 2024 was $10.6 million, $5.3 million higher than Adjusted Earnings in the first quarter of 2023. Adjusted Earnings reflects higher gross profit and finance and other income for the current quarter, partially offset by higher finance and other costs and higher income taxes, as described above, and $11.7 million higher general and administrative expenses, excluding the after-tax impact of acquisition and integration expenses which are excluded from Adjusted Earnings. General and administrative expenses included significantly higher compensation expenses due in part to the increased volume of work and profitability in the current period, and higher share based compensation resulting from significant increases in the Company's share price and total shareholder return in the current year.

Basic and diluted earnings per share was $0.19 in the first quarter of 2024, compared to $0.10 in the first quarter of 2023. Adjusted Earnings Per Share was $0.20 and $0.10 in the first quarter of 2024 and 2023, respectively. In addition to changes in Net Income and Adjusted Earnings discussed above, the weighted average shares outstanding for the first quarter of 2024 was higher by 121,404 shares primarily related to the NorCan acquisition on January 18, 2024.

3 "General and Administrative expenses as a percentage of revenue" does not have a standardized meaning under IFRS and may not be comparable with similar measures presented by other companies. See "Terminology and Non-GAAP & Other Financial Measures."

4 Adjusted Earnings is a non-GAAP financial measure. See "Terminology and Non-GAAP & Other Financial Measures."



Adjusted EBITDA[5] in the first quarter of 2024 was $24.2 million compared to $16.1 million earned in the first quarter of 2023. The $8.1 million year-over-year increase was consistent with higher gross profit, partially offset by growth-related increases in general and administrative expenses, including compensation costs, and the impact of $3.9 million higher share based compensation resulting from significant increases in share price and total shareholder return in the current year. The Company's Adjusted EBITDA Margin improved to 3.5% in the first quarter of 2024 compared 3.0% in the same period in 2023, driven primarily by improvements in Gross Profit Percentage, discussed above. Higher share based compensation costs reduced the current period Adjusted EBITDA margin by 0.6%.

KEY PERFORMANCE INDICATORS

Securements, Pending Backlog and Backlog

Securing profitable construction contracts and then controlling the costs during the execution of that work are the key drivers of success for the Company. To achieve this, new work must be available, which is a function of the general state of the economy. In periods of strong economic growth, client capital spending will generally increase and there will be more opportunities available in the construction industry. In economic downturns, fewer opportunities typically exist and competition for those opportunities becomes more intense, generally resulting in lower Gross Profit Percentages. The Company must be successful in securing profitable work in various economic conditions. The construction industry is highly fragmented and, accordingly, the Company competes with several international, national, regional, and local construction firms. The Company’s competitive advantages include its long-standing reputation for successfully delivering high quality projects that fully meet the needs of the customer and in delivering projects collaboratively which enables the Company to secure repeat business from existing clients and win work with new clients.

The Company’s success in securing work is reflected in the values of its Pending Backlog and Backlog. The following table shows the Company’s balances at the end of the following reporting periods:

(in thousands of Canadian dollars)		March 31, 2024		December 31, 2023
Pending Backlog	$	**3,368,800**	$	3,007,400
Backlog	$	**3,457,736**	$	3,448,237

Pending Backlog at March 31, 2024 was $3,368.8 million compared to $3,007.4 million at December 31, 2023, an increase of $361.4 million or 12.0%, and includes approximately $130 million of Pending Backlog from the acquisition of NorCan. The Company’s Backlog of $3,457.7 million at March 31, 2024 was comparable with the balance at December 31, 2023, with new contracts secured exceeding executed work by $9.5 million.

5 Adjusted EBITDA is a non-GAAP financial measure. See “Terminology and Non-GAAP & Other Financial Measures.”

Bird has a strong reputation for delivering sophisticated projects in a collaborative framework. As the Company pursues and participates in more of these projects, there may be client-driven requirements for early contractor involvement and pre-construction services. Bird's participation at earlier stages of the project development cycle can result in significant amounts of awarded project value being booked to and remaining in Pending Backlog for longer periods of time before transitioning to contracted Backlog. Due to the nature of the early involvement, smaller portions of work are typically contracted during initial phases of the project while working collaboratively to ensure the cost estimate, schedule forecast, and project planning are sufficiently advanced before contracts are executed for construction phases.

Pending Backlog includes approximately $975 million of recurring revenue contracts, primarily consisting of multi-year MSA, maintenance, task order, and similar contractual arrangements. These contracts are typically with industrial clients, span multiple years, and represent a recurring revenue stream over the next six years, with the Company converting these contracts to Backlog on a regular basis as purchase orders or other formal documents to proceed are received. The remaining projects included in Pending Backlog are geographically diverse, span multiple sectors, and are generally lower risk contract types and collaborative in nature.

The following table outlines the changes in the amount of the Company's Backlog throughout the current and prior reporting periods:

(in millions of Canadian dollars)		**Three months ended March 31, 2024**		Year ended December 31, 2023		Three months ended March 31, 2023
Opening balance	**$**	**3,448.2**	$	2,636.5	$	2,636.5
Securements, change orders & other adjustments		**697.7**		3,610.5		594.6
Realized in construction revenues		**(688.2)**		(2,798.8)		(536.5)
Closing balance	**$**	**3,457.7**	$	3,448.2	$	2,694.6

Gross Profit Percentage

After the Company has secured a contract, the profitability of that contract, measured by the Gross Profit Percentage, is primarily a function of initial pricing based on market conditions, and management's ability to control costs, achieve productivity objectives associated with the contract and resolve commercial issues if they arise.

During the first quarter of 2024, the Company realized a Gross Profit Percentage of 8.0% compared with 7.4% in first quarter of 2023. The year-over-year changes in Gross Profit Percentage for the quarter are discussed in the section above titled "Quarterly Results of Operations".

Financial Condition

The Company must have adequate working capital and equity retained in the business to support its ongoing operations, including surety and contract security requirements. The Company continually monitors the adequacy of its working capital and equity to satisfy contract security needs. Working capital is calculated as total current assets less total current liabilities.

The following table shows the working capital and shareholders' equity balances of the Company at the end of the current and prior reporting periods:

(in thousands of Canadian dollars)		**March 31, 2024**		December 31, 2023
Working capital	**$**	**218,626**	$	234,010
Shareholders' equity	**$**	**328,014**	$	322,494

Further discussion of the change in the Company's working capital and shareholders' equity balances is provided in the section entitled "Financial Condition, Capital Resources & Liquidity".

Health, Safety & Environment

Bird’s most important Corporate Value is ‘We Put Safety First’. This means ensuring that all work on the Company’s sites is executed to strict operational safety standards and follows Bird's rigorous health and safety systems. Furthermore, we foster a culture of caring for the well-being of all personnel that work on our projects. Collectively these cornerstones form a culture that send our people home every day healthy and injury free.

The following table shows the Company’s safety key performance indicators for the following current and prior reporting periods:

	Three months ended March 31, 2024	Year ended December 31, 2023	Three months ended March 31, 2023
Person-hours of work	**2,472,049**	10,591,963	2,232,892
Lost time incidents ("LTI")	**0**	0	0
Lost time incidents frequency ("LTIF")	**0.00**	0.00	0.00

OUTLOOK

Bird's substantial earnings and revenue growth in the first quarter of 2024 reflect the positive outlook for the year, supported by favourable weather conditions. The Company expects strong year over year growth in earnings and revenue along with operating cash flows proportional to this growth for the remainder of the year. Bird's focus on higher margin sectors, disciplined project selection and collaborative contracting continue to drive higher embedded margins in the Company's backlog, with longer term earnings accretion further supported by the robust demand across Bird's target sectors and Bird's reputation for strong project delivery driving growth in the pipeline through 2025.

Bird continued to deliver significant organic revenue growth and Gross Profit and Adjusted EBITDA margin accretion in the first quarter of 2024, with a growing work program bolstered by favourable weather conditions that led to reduced seasonal downtime and allowed certain project work to commence earlier than estimated. The shift of additional work into the first quarter is not expected to impact volumes for the remainder of the year, with more than sufficient contracted and awarded work available to execute in the Company's Backlog and Pending Backlog. The Company continues to expect considerable overall revenue growth for the remainder of the year with significant improvements to earnings and cash flow when compared to 2023.

The Company has a $3.5 billion Backlog of contracted work, which continues to reflect higher embedded margins resulting from the focus on higher margin sectors, disciplined project selection, and collaborative contracting. Embedded margins are further supported through leveraging our self perform capabilities and cross-selling opportunities between business units and newly acquired assets. Approximately $0.7 billion of new securements were added to Backlog in the first quarter of 2024, more than replacing the significant growth in work executed for the quarter and demonstrating the active pipeline of opportunities. These securements were diversified across regions and sectors and included awards and scope expansions in energy and power, mining, institutional buildings and transportation. Bird also maintains $3.4 billion of awarded work in Pending Backlog, including a portfolio of recurring revenue contracts approximating $1.0 billion, which are expected to convert to Backlog over the next one to six years. The combination of Backlog and Pending Backlog, along with a pipeline of attractive opportunities actively being pursued, provide Bird with significant visibility into full-year revenues and profitability, underpinning the Company's expectations for 2024 and beyond.

The Company continues to experience sustained demand and a robust bidding environment in its core markets. Government funding for infrastructure and institutional projects is being driven by significant population growth, an active commodities market, and growing demand for sustainability and energy transition-related projects, including increased demand for power generation through renewables, hydro and nuclear. Bird continues to pursue new work selectively, ensuring strategic alignment between capabilities, project type and delivery model, with a strong focus on early contractor involvement and collaborative opportunities to drive a larger share of negotiated work and improved outcomes for all parties.

Bird remains focused on maintaining its healthy balance sheet and strong operating cash flow generation to support strategic growth initiatives, including leveraging this flexibility to opportunistically pursue attractive opportunities that exist in the current M&A environment. Bird's balanced capital allocation approach allowed for significant investment in equipment during the first quarter of 2024 to support the Company's rapidly growing industrial and mining work programs for the year, while also returning capital to shareholders through the monthly dividend. On a full-year basis, the Company expects to retain in excess of two-thirds of net income to support organic growth and strategic M&A, such as the recent acquisition of NorCan Electric in January 2024, and capital investments in technology and equipment to support further productivity and growth.

FINANCIAL CONDITION, CAPITAL RESOURCES AND LIQUIDITY

The following table presents a summary of the Company's financial condition at the end of the following reporting periods:

(in thousands of Canadian dollars)		**March 31, 2024**		December 31, 2023
Cash and cash equivalents	**$**	**133,620**	$	177,529
Non-cash working capital		**85,006**		56,481
Working capital	**$**	**218,626**	$	234,010
Non-current loans and borrowings	**$**	**71,153**	$	64,621
Non-current right-of-use liabilities	**$**	**63,651**	$	57,680
Shareholders' equity	**$**	**328,014**	$	322,494

As a result of the strength of the Company's balance sheet and its Syndicated Credit Facility, the Company believes it has sufficient amounts of both working capital and liquidity to execute its Backlog and to accommodate expected growth in its diversified work program.

As a component of working capital, the Company maintains a balance of cash and cash equivalents. At March 31, 2024, this balance totalled $133.6 million. Accessible cash at March 31, 2024 was $21.3 million ($79.9 million at December 31, 2023) with the remaining cash and cash equivalents balance held in trust or in joint operations' accounts. Accessible cash at March 31, 2024 decreased primarily due to investments in working capital to support the Company's work programs, and investments in property, plant and equipment and intangible software. In addition, increased volumes of work executed through joint arrangements has driven a corresponding increase in cash held for joint operations (representing profit earned and recoverable overheads incurred to date, and advance billings), with partially offsetting shifts in geographical project mix and stage of completion on certain major projects in regions where trust cash requirements are enacted.

Non-cash working capital was $85.0 million at March 31, 2024, compared to $56.5 million at December 31, 2023. The investment in non-cash working capital utilized $28.5 million of cash year-to-date in 2024. The overall use of cash is consistent with seasonal expectations, including shifts in project mix and the stage of completion on certain major projects.

The Company's non-cash working capital position fluctuates significantly in the normal course of business from period to period, primarily due to the timing of differences between the settlement of payables due to subcontractors and suppliers, billings and collection of receivables from clients, and the timing in the settlement of income taxes payable. The Company's cash balances, and available credit facilities when needed, absorb these fluctuations with no net impact to the Company's net working capital position or ability to access contract surety support.

At March 31, 2024, the Company had working capital of $218.6 million compared with $234.0 million at December 31, 2023, a decrease of $15.4 million. Despite net income exceeding dividends paid by $4.2 million, working capital decreased due to a number of factors, including: $2.9 million net investments in property, plant, equipment and intangibles to support the Company's growing work program and productivity enhancements; $9.1 million net investments in leased equipment to support the Company's growing work program; $2.3 million related to share based compensation; $2.3 investments in equity accounted entities; and $3.2 million repayments of long term debt. The Company's acquisition of NorCan had minimal impact on working capital as the $9.4 million cash proceeds was financed through new long term debt. The Company’s current ratio[6] at March 31, 2024 was 1.25 compared to 1.26 at December 31, 2023.

The $5.5 million increase in shareholders’ equity since December 31, 2023 was primarily due to the Company’s net income of $10.0 million exceeding dividends declared by $3.8 million, plus the issuance of $1.7 million of Bird common shares in connection with the acquisition of NorCan during the quarter.

Credit Facilities

The Company has a number of credit facilities in place, including a Syndicated Credit Facility, Equipment Financing facilities, and Letters of Credit facilities, available to access in order to support the issuance of letters of credit, finance future capital expenditures and finance the day-to-day operations of the business. The composition and terms of these facilities are more fully described in Note 18 to the March 31, 2024 unaudited interim condensed consolidated financial statements.

The following table outlines the amount of the credit facilities, the amount of issued letters of credit and the amount of collateral pledged in support of the outstanding letters of credit at the end of the current and prior reporting periods:

(in thousands of Canadian dollars)		**March 31, 2024**		December 31, 2023
Committed revolving credit facility	**$**	**250,000**	$	250,000
Letters of credit issued from committed revolving credit facility		**11,816**		11,816
Drawn from committed revolving credit facility		**32,725**		22,725
Available committed revolving credit facility		**205,459**		215,459
Committed non-revolving term loan facility	**$**	**56,920**	$	47,500
Cumulative repayments of committed non-revolving term loan facility		**(7,361)**		(4,750)
Drawn committed non-revolving term loan facility		**49,559**		42,750
Non-committed Available Accordion	**$**	**50,000**	$	50,000
Letters of credit facilities	**$**	**150,000**	$	150,000
Letters of credit issued from letters of credit facilities		**40,467**		38,853
Available letters of credit facilities		**109,533**		111,147
Collateral pledged to support letters of credit	**$**	**—**	$	90
Guarantees provided by EDC	**$**	**40,467**	$	38,763

[6] “Current ratio” is the percentage derived by dividing total current assets by total current liabilities. See “Terminology and Non-GAAP & Other Financial Measures.”

Quarterly Cash Flow Data

The following table provides an overview of cash flows during the three months ended March 31, 2024 and 2023:

(in thousands of Canadian dollars)	Three months ended March 31, 2024	2023	$ change
Cash flows from operations before changes in non-cash working capital	$ **31,188**	$ 17,628	$ 13,560
Changes in non-cash working capital and other	**(61,183)**	(54,950)	(6,233)
Cash flows from (used in) operating activities	**(29,995)**	(37,322)	7,327
Investments net of capital distributions from equity accounted entities	**(2,299)**	236	(2,535)
Additions to property, equipment and intangible assets	**(8,360)**	(7,673)	(687)
Proceeds on sale of property and equipment	**1,292**	505	787
Acquisitions, net of cash acquired	**(9,429)**	(5,827)	(3,602)
Other long-term assets	**306**	69	237
Cash flows from (used in) investing activities	**(18,490)**	(12,690)	(5,800)
Dividends paid on shares	**(5,783)**	(5,238)	(545)
Net proceeds (repayment) of draws for working capital purposes	**10,000**	—	10,000
Proceeds from loans and borrowings	**9,420**	—	9,420
Repayment of loans and borrowings	**(3,233)**	(3,396)	163
Repayment of right-of-use liabilities	**(5,861)**	(5,225)	(636)
Cash flows from (used in) financing activities	**4,543**	(13,859)	18,402
Increase (decrease) in cash and cash equivalents	$ **(43,942)**	$ (63,871)	$ 19,929

Operating Activities

During the first quarter of 2024, cash flows from operating activities used cash of $30.0 million, a improvement of $7.3 million compared to $37.3 million cash used in the first quarter of 2023.

Cash flows from operations before changes in non-cash working capital of $31.2 million was $13.6 million higher than the $17.6 million cash generated in 2023. The improvement resulted from higher net income of $4.8 million in the current quarter and $8.7 million higher net addbacks for non-cash items on an aggregate basis, primarily consisting of higher deferred compensation costs of $5.7 million, higher non-cash income tax expense of $1.8 million, higher depreciation and amortization of $1.5 million, and higher net finance and other costs of $0.6 million, partially offset by higher gains on sale of property and equipment of $0.7 million, and higher finance and other income of $0.5 million.

Cash used by changes in non-cash working capital for the quarter increased $6.2 million compared to the first quarter of 2023, with largely offsetting increases in working capital driven by the seasonality of the Company's growing work program. The primary changes included higher net outflows related to changes in accounts payable and contract liabilities ($39.4 million), higher net outflows related to deferred compensation ($8.0 million), higher income tax payments ($9.5 million), and higher net outflows related to inventory and prepaid assets ($1.1 million), partially offset by higher net inflows related to changes in accounts receivable and contract assets ($47.7 million), and lower net outflows related to provisions ($4.1 million). The non-cash working capital position fluctuates significantly in the normal course of business from period to period, primarily due to the timing of differences between the settlement of payables due to subcontractors and suppliers, billings and collection of receivables from clients, and the timing of the settlement of income taxes payable.

Investing Activities

During the first quarter of 2024, the Company used $18.5 million of cash in investing activities compared to $12.7 million used in 2023. The increased use of cash was primarily driven by $3.6 million higher net cash proceeds for the acquisition of NorCan in 2024 compared to the acquisition of Trinity in 2023, and a $2.4 million investment in an equity accounted entity in the current quarter.

Financing Activities

During the first quarter of 2024, the Company generated $4.5 million of cash related to financing activities, comprised of $9.4 million proceeds on new term financing used to acquire NorCan, and $10.0 million net draws on the revolving credit facility used to fund working capital requirements, partially offset by $9.1 million of scheduled repayments of loans and borrowings and ROU liabilities, and $5.8 million of dividend payments. In the same period of 2023, the Company made dividend payments of $5.2 million, and made scheduled repayments of loans and borrowings and ROU liabilities of $8.6 million.

FINANCIAL INSTRUMENTS

The financial instruments that Bird uses, or may use from time to time, expose the Company to credit, liquidity, market and currency risks. Refer to Note 29 to the March 31, 2024 unaudited interim condensed consolidated financial statements for further details.

Credit Risk

The Company is primarily exposed to credit risk through accounts receivable. At March 31, 2024, accounts receivable outstanding for greater than 90 days and considered past due by the Company's management represent 17.5% (December 31, 2023 – 12.7%) of the balance of progress billings on construction contracts receivable. Management has recorded an allowance of $0.2 million (December 31, 2023 - $0.3 million) against these past due receivables, net of amounts recoverable from others.

Market Risk

The Company is exposed to interest rate risk to the extent that its credit facilities are based on variable rates of interest. At March 31, 2024, a one percent change in the interest rate applied to the Company's variable rate long-term debt would change annual income before income taxes by approximately $0.8 million (2023 – $0.7 million).

The Company has certain share-based compensation plans where the values are based on the common share price of the Company. At March 31, 2024, a 10 percent change in the share price applied to the Company's share based compensation plans would change income before income taxes by approximately $3.6 million (2023 – $0.7 million).

The Company has fixed a portion of the settlement costs of these plans by entering into a TRS derivative contract maturing in 2024. At March 31, 2024, a 10 percent change in the share price applied to the Company's TRS derivative would change income before income taxes by approximately $4.0 million (2023 – $1.9 million), largely offsetting the impact on the share-based compensation plans above caused by changes to market price of the Company's common shares.

Currency Risk

The Company uses foreign currency to settle payments to certain vendors and subcontractors. At March 31, 2024, a 10% movement in the Canadian and U.S. dollar exchange rate would have changed income before income taxes by approximately $0.2 million (2023 – $0.2 million).

DIVIDENDS

The Company declared monthly eligible dividends on common shares payable on or about the 20th of the month following the month in which the dividend was declared. The following table outlines Bird's dividend history:

Dividend Period		
January 1 to March 31, 2023	$	0.1008
April 1 to June 30, 2023	$	0.1074
July 1 to September 30, 2023	$	0.1074
October 1 to December 31, 2023	$	0.1074
January 1 to March 31, 2024	$	0.1183

As of May 14, 2024, the Board of Directors has declared eligible dividends with a record date subsequent to March 31, 2024, for the following months:

Eligible dividends declared	Record date	Payment date	Dividend per share	
April dividend	April 30, 2024	May 17, 2024	$	0.0467
May dividend	May 31, 2024	June 20, 2024	$	0.0467
June dividend	June 28, 2024	July 19, 2024	$	0.0467
July dividend	July 31, 2024	August 20, 2024	$	0.0467

OUTSTANDING COMMON SHARE DATA AND STOCK EXCHANGE LISTING

The Company is authorized to issue an unlimited number of common shares. The Company had a total of 53,891,909 common shares outstanding at May 14, 2024 (March 31, 2024 - 53,891,909). The Company's common shares are listed on the Toronto Stock Exchange ("TSX") under the trading symbol BDT.

OFF BALANCE SHEET ARRANGEMENTS

The Company has surety lien bonds issued on behalf of the Company valued at $99.3 million at March 31, 2024 (December 31, 2023 - $98.3 million).

The Company has recognized assets and liabilities for all leases with a term of more than twelve months, excluding low-value assets, in accordance with IFRS 16 Leases.

Further details of commitments and contingencies are included in Note 30 to the March 31, 2024 unaudited interim condensed consolidated financial statements.

SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars, except per share amounts)

	2022			2023				**2024**
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	**Q1**
Revenue	$ 576,688	$ 668,156	$ 648,967	$ 536,459	$ 686,415	$ 783,843	$ 792,068	**$ 688,200**
Net income	14,104	14,466	14,932	5,149	13,714	28,795	23,881	**9,984**
Earnings per share	0.26	0.27	0.28	0.10	0.26	0.54	0.44	**0.19**
Adjusted Earnings[(1)]	8,491	15,502	15,485	5,272	15,680	28,983	24,295	**10,576**
Adjusted Earnings Per Share	0.16	0.29	0.29	0.10	0.29	0.54	0.45	**0.20**
Adjusted EBITDA[(1)]	21,508	31,203	30,639	16,082	29,457	49,342	43,868	**24,184**

[(1)] Adjusted Earnings and Adjusted EBITDA are non-GAAP financial measures. See "Terminology and Non-GAAP & Other Financial Measures."

The Company typically experiences more seasonality in its business in the first quarter and early second quarter as a result of the nature of its work program for mining clients and the timing of new project starts in its industrial work program. Contracts for industrial and institutional work typically extend over several quarters and often over several years. In addition, seasonal activity often increases in both the spring and fall for the Company’s MRO services, related to plant turnarounds that are typically completed in this timeframe. In the fourth quarter of 2023, favourable winter weather conditions allowed additional progress to be achieved on multiple projects across the Company's work programs, resulting in higher work volumes being executed than in the third quarter of the year, which is typically the highest revenue quarter.

For the purpose of quarterly financial reporting, the Company must estimate the cost required to complete each contract to assess the overall profitability of the contract and the amount of gross profit to recognize for the quarter. For certain types of projects, such estimating includes contingencies to allow for certain known and unknown risks, with the magnitude of contingencies depending on the nature and complexity of the remaining work to be performed. As a contract progresses and remaining costs to be incurred and risk exposures become more certain, contingencies will typically decline or have been utilized, although certain risks may remain until the contract has been completed, or even beyond.

In some cases, variations in earnings may occur where costs incurred to date may be recoverable from insurance policies or claims to customers at a future date but cannot be recorded in the current quarter. In the case of insurance claims, financial recovery is not recorded until certainty of the recovery is attained. In the case of claims against customers that are considered constrained variable consideration, revenue is not recorded until it is highly probable that there will not be a significant reversal of cumulative revenue to date. As a result, earnings may fluctuate significantly from quarter-to-quarter, depending on whether contracts with these types of claims are completed or nearing completion during the quarter, or have been completed in a prior quarter, and may fluctuate based on timing of resolution of claims.

There are also several other factors that can affect the Company’s revenues and profit from quarter to quarter. These include the timing of contract awards, the value of subcontractor billings and project scheduling. Generally, management does not believe that any individual factor is responsible for changes in revenue from quarter-to-quarter, except for seasonality in the first quarter and early second quarter of each year, and significant acquisitions. In the fourth quarter of 2023 and first quarter of 2024, however, higher share-based compensation costs were experienced related to performance share units included in the Company's long term incentive plan due to significant increases in total shareholder return.

ACCOUNTING POLICIES

The Company's material accounting policies are outlined in the notes to the annual consolidated financial statements for the year ended December 31, 2023.

New Accounting Standards, Amendments and Interpretations Adopted

The Company has adopted amendments effective January 1, 2024 related to IAS 1 *Presentation of Financial Statements* relating to the classification of liabilities, and IFRS 16 *Leases,* that did not have a material impact on the Company's financial statements.

Future Accounting Changes

There are new accounting standards and amendments to accounting standards and interpretations that are effective for annual periods beginning on or after January 1, 2025 that have not been applied in preparing the financial statements for the period ended March 31, 2024. Except as disclosed below, these standards and interpretations are not expected to have a material impact on the Company's Financial Statements:

On April 9, 2024, the IASB issued IFRS 18 *Presentation and Disclosure in Financial Statements* to improve reporting of financial performance. IFRS 18 replaces IAS 1 *Presentation of Financial Statements*. It carries forward many requirements from IAS 1. IFRS 18 applies to annual reporting periods beginning on or after January 1, 2027. Earlier application is permitted. The key new concepts introduced in IFRS 18 relate to: the structure of the statement of profit or loss; required disclosures in the financial statements for certain profit or loss performance measures that are reported outside an entity's financial statements; and enhanced principles on aggregation and disaggregation which apply to the primary financial statements and notes. The Company is currently assessing the impact and efforts related to adopting IFRS 18.

CRITICAL ACCOUNTING ESTIMATES & JUDGEMENTS

The preparation of the financial statements requires management to make judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of revenues, expenses, assets, liabilities and the disclosure of contingent assets and liabilities at the reporting date.

Uncertainty about these assumptions and estimates could result in a material adjustment to the carrying amount of an asset or liability and/or the reported amount of revenue and expense in future periods. Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized in the period in which the estimates are revised and in any future periods affected. Estimates and judgements used in the preparation of the Company's financial statements are consistent with those used in the preparation of the Company's annual consolidated financial statements for the year ended December 31, 2023, as described in Note 3 of the financial statements, and include:

- Assets and liabilities acquired in a business combination
- Revenue and gross profit recognition
- Provisions
- Impairment of non-financial assets
- Measurement of pension obligations
- Share-based payments
- Leases
- Income taxes

CONTROLS AND PROCEDURES

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all material information is gathered and reported to senior management, including the President and Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), particularly during the period in which the annual filings are being prepared, and information required to be disclosed in the Company's annual filings, interim filings or other reports filed or submitted by it under securities legislation has been recorded, processed, summarized and reported within the time periods specified in the securities legislation.

An evaluation of the effectiveness of the design of the Company's disclosure controls and procedures was carried out under the supervision of management, including the CEO and CFO, with oversight by the Board of Directors and Audit Committee, as at March 31, 2024. Based on this evaluation, the Company's CEO and CFO have concluded that the design of the Company's disclosure controls and procedures, as defined in NI 52-109, was effective as at March 31, 2024.

Internal Controls over Financial Reporting

Internal controls over financial reporting are designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. Absolute assurance cannot be provided that all misstatements have been detected because of inherent limitations in all control systems. The Company's management is responsible for designing and maintaining adequate internal control over financial reporting for the Company.

An evaluation of the effectiveness of the design of the Company's internal controls over financial reporting was carried out under the supervision of management, including the CEO and CFO, with oversight by the Board of Directors and Audit Committee, as at March 31, 2024, using the control framework issued by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control - Integrated Framework (2013). Based on this evaluation, the Company's CEO and CFO have concluded that the design of the Company's internal controls over financial reporting, as defined in NI 52-109, was effective as at March 31, 2024.

There have been no material changes in the Company's internal controls over financial reporting during the period beginning on January 1, 2024 and ending on March 31, 2024, that materially affected, or are reasonably likely to materially affect, the Company's internal controls over financial reporting.

TERMINOLOGY AND NON-GAAP & OTHER FINANCIAL MEASURES

Terminology

Throughout this report, management uses the following terms that may not be comparable with similar terms presented by other companies and require definition.

- **"Backlog"** is the total value of all contracts awarded to the Company, less the total value of work completed on these contracts as of the date of the most recently completed quarter. This includes all contracts that have been awarded to the Company whether the work has commenced or will commence in the normal course. It includes all the Company's remaining performance obligations in its contracts with its clients, including work orders and other formal documents to proceed issued in connection with multi-year recurring revenue contracts such as MSAs, maintenance, task order, and similar contractual arrangements. It does not include amounts for variable consideration that are constrained, agency relationship construction management projects, and estimated future work orders or other formal documents to proceed to be performed as part of recurring revenue agreements. The Company's Backlog equates to the Company's remaining performance obligations as at March 31, 2024, and December 31, 2023; refer to Note 10 of the March 31, 2024 unaudited interim condensed consolidated financial statements.
- **"Lost Time Incident Frequency"** or **"LTI Frequency"** is the number of lost time incidents recorded per 200,000 person-hours of work by Bird employees.

Non-GAAP and Other Financial Measures

Throughout this MD&A certain measures are used that do not have a standardized meaning prescribed by IFRS and are considered specified financial measures. These include non-GAAP financial measures, non-GAAP financial ratios and supplementary financial measures. The Company's specified financial measures are detailed below. These measures may not be comparable with similar measures presented by other companies.

Non-GAAP Financial Measures

- **"Adjusted Earnings"** is defined as IFRS net income excluding asset impairments, acquisition, integration and restructuring (as defined in accordance with IFRS) costs and the income tax effect of these costs. Acquisition, integration and restructuring (as defined in accordance with IFRS) costs are a component of Costs of construction and General and administrative expenses presented in the statement of income. Management uses Adjusted Earnings to assess the operating performance of the business. These adjustments are made to exclude items of an unusual nature that are not reflective of ongoing operations. Management believes that investors and analysts use these measures, as they may provide predictive value to assess the ongoing operations of the business and are a more consistent comparison between financial reporting periods.

ADJUSTED EARNINGS
(in thousands of Canadian dollars, except per share amounts)

	Three months ended March 31,	
	2024	2023
Net income	**$ 9,984**	$ 5,149
Add: Acquisition and integration costs	**784**	162
Income tax effect of the above items	**(192)**	(39)
Adjusted Earnings	**$ 10,576**	$ 5,272
Adjusted Earnings Per Share [(1)]	**$ 0.20**	$ 0.10

[(1)] Calculated as Adjusted Earnings divided by basic weighted average shares.

- **"Adjusted EBITDA"** represents earnings before interest, taxes, depreciation and amortization, finance and other costs, finance and other income, asset impairment charges, gain or loss on sale of property and equipment, restructuring and severance costs outside of normal course, and acquisition, integration and restructuring (as defined in accordance with IFRS) costs. Acquisition costs, integration costs, restructuring (as defined in accordance with IFRS) costs, and other restructuring and severance costs are a component of Costs of construction and General and administrative expenses presented in the statement of income. Adjusted EBITDA is a common financial measure used by investors, analysts, and lenders as an indicator of cash operating performance, as well as a valuation metric, and as a measure of a company's ability to incur and service debt. The calculation of Adjusted EBITDA excludes items that do not reflect ongoing cash flows of the business or continuing operations, including impairment charges, restructuring charges, and acquisition and integration charges, as management believes that these items should not be reflected in a metric used for valuation and debt servicing evaluation purposes.

ADJUSTED EBITDA *(in thousands of Canadian dollars, except percentage amounts)*				
	Three months ended March 31,			
		2024		2023
Net income	$	**9,984**	$	5,149
Add: Income tax expense		**3,354**		1,584
Add: Depreciation and amortization		**9,334**		7,835
Add: Finance and other costs		**3,388**		2,792
Less: Finance and other income		**(1,679)**		(1,171)
Add: Loss (gain) on sale of property and equipment		**(981)**		(269)
Add: Acquisition and integration costs		**784**		162
Add: Impairment of assets		**—**		—
Adjusted EBITDA	$	**24,184**	$	16,082
Adjusted EBITDA Margin [(1)]		**3.5 %**		3.0 %

[(1)] Calculated as Adjusted EBITDA divided by Construction revenue.

Non-GAAP Financial Ratios

- **"Adjusted Earnings Per Share"** is calculated by dividing Adjusted Earnings by the basic weighted average number of shares.
- **"Adjusted EBITDA Margin"** is the percentage derived by dividing Adjusted EBITDA by construction revenue.

Supplementary Financial Measures

- **"Pending Backlog"** is the total potential revenue of awarded but not contracted projects including where the Company has been named preferred proponent, where a contract has not been executed and where the letter of intent or agreement received is non-binding. It may also include estimated amounts for pre-construction activities, collaborative contracting arrangements and future work orders to be performed as part of multi-year MSA, maintenance, task order, and similar contractual arrangements. Management does not provide any assurance that a contract will be finalized, or revenue recognized in the future.
- **"Gross Profit Percentage"** is the percentage derived by dividing gross profit by construction revenue. Gross profit is calculated by subtracting construction costs from construction revenue.
- **"Current ratio"** is the percentage derived by dividing total current assets by total current liabilities.
- **"General and Administrative expenses as a percentage of revenue"** is the percentage derived by dividing general and administrative expenses by construction revenue.

FORWARD-LOOKING INFORMATION

This MD&A contains forward-looking statements and information ("forward-looking statements") within the meaning of applicable Canadian securities laws. The forward-looking statements contained in this MD&A are based on the expectations, estimates and projections of management of Bird as of the date of this MD&A unless otherwise stated. The use of any of the words "believe", "expect", "anticipate", "contemplate", "target", "plan", "outlook", "potential", "estimated", "intends", "continue", "may", "will", "should" and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this MD&A contains forward-looking statements concerning: anticipated financial performance; the outlook for 2024; expectations for Adjusted EBITDA Margins in 2024 and beyond; dividend rates, their sustainability, and expected dividend payout ratios; expectations with respect to anticipated revenue growth and seasonality, growth in earnings, cash flow, earnings per share and adjusted EBITDA in 2024 and beyond, and margin improvements; the ability of the Company to further leverage its cost structure; the Company's ability to capitalize on opportunities and grow profitably; the robustness of near to medium term demand in core markets; the sufficiency of working capital and liquidity to support growth and finance future capital expenditures; and with respect to Bird's ability to convert Pending Backlog to Backlog and the timing of conversions.

Since forward-looking statements address future events and conditions, by their very nature they involve inherent risks and uncertainties. Investors are cautioned that forward-looking statements are based on the opinions, assumptions and estimates of management considered reasonable at the date the statements are made, and actual results could differ materially from those currently anticipated due to a number of factors and risks. These include, but are not limited to the risks associated with the industries in which Bird operates in general, such as:

- Ability to hire and retain qualified and capable personnel
- Maintaining safe work sites
- Economy and cyclicality
- Ability to secure work
- Performance of subcontractors
- Accuracy of cost to complete estimates
- Estimating costs and schedules/assessing contract risks
- Adjustments and cancellations of Backlog
- Global pandemics
- Joint arrangement risk
- Information systems and cyber-security risk
- Litigation/potential litigation
- Work stoppages, strikes and lockouts
- Acquisition and integration risk
- Competitive factors
- Potential for non-payment
- Climate change risks and opportunities
- Access to capital
- Quality assurance and quality control
- Design risks
- Insurance risk
- Access to surety support and other contract security
- Completion and performance guarantees
- Ethics and reputational risk
- Compliance with environmental laws
- Internal and disclosure controls

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of the Company are included in reports on file with applicable securities regulatory authorities, including but not limited to the Company's MD&A and Annual Information Form for the year ended December 31, 2023, which may be accessed on Bird's SEDAR+ profile at *www.sedarplus.ca*.

The forward-looking statements contained in this MD&A are made as of the date hereof and the Company undertakes no obligation to update publicly or revise any forward-looking statements, whether as a result of new information, future events or otherwise, except as, and to the extent required by applicable securities laws.