2024

BIRD CONSTRUCTION INC.

Management's Discussion & Analysis

for the years ended
December 31, 2024 and 2023

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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 and twelve months ended December 31, 2024, should be read in conjunction with the December 31, 2024 consolidated annual financial statements. This MD&A has been prepared as of March 12, 2025. 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 this MD&A and the Company's Annual Information Form for the year ended December 31, 2024, dated March 12, 2025. *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

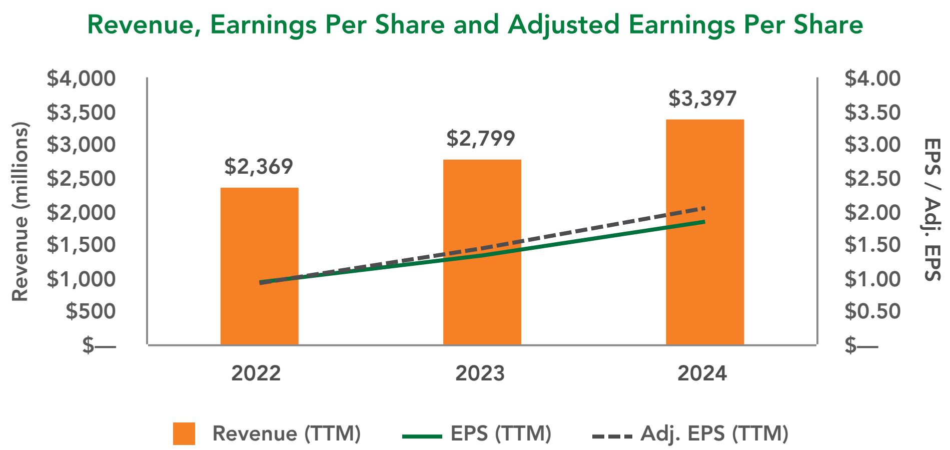
(in thousands of Canadian dollars, except per share amounts)			
Income Statement Data	**2024**	2023	2022
Revenue	**$ 3,397,346**	$ 2,798,785	$ 2,369,332
Net income	**100,099**	71,539	49,863
Basic and diluted earnings per share ("EPS")	**1.84**	1.33	0.93
Adjusted Earnings [(1)(4)]	**111,251**	77,284	49,144
Adjusted Earnings Per Share [(1)(4)]	**2.04**	1.44	0.92
Adjusted EBITDA [(1)]	**212,793**	138,749	101,185
Adjusted EBITDA Margin [(1)]	**6.3 %**	5.0 %	4.3 %
Cash Flow Data			
Net (decrease) increase in cash and cash equivalents	**$ (233)**	$ 2,938	$ (15,691)
Cash flows from operations before changes in non-cash working capital	**228,501**	144,407	114,370
Capital expenditures[(2)]	**(33,777)**	(30,956)	(27,766)
Cash dividends paid	**(30,003)**	(22,564)	(20,941)
Cash dividends declared per share	**0.59**	0.42	0.39
Balance Sheet Data	**December 31, 2024**	December 31, 2023	December 31, 2022
Total assets	**$ 1,806,643**	$ 1,424,364	$ 1,226,734
Working capital	**286,921**	234,010	184,632
Loans and borrowings	**153,157**	72,926	75,091
ROU Liabilities	**108,198**	78,430	73,259
Shareholders' equity	**430,281**	322,494	272,988
Key Performance Indicators			
Pending Backlog [(1)]	**$ 3,938,700**	$ 3,007,400	$ 2,489,900
Backlog [(3)]	**3,719,292**	3,448,237	2,636,543

(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."

(4) The Company's definition of the non-GAAP financial measure Adjusted Earnings was revised in 2024. Prior year amounts for Adjusted Earnings and Adjusted Earnings Per Share have been restated to align with the current year's definition. See "Terminology and Non-GAAP & Other Financial Measures." for additional information.



Nature of the Business

Overview

Bird is a leading Canadian construction and maintenance company operating from coast-to-coast-to-coast. Servicing all of Canada's major markets through a collaborative, safety-first approach, Bird provides innovative solutions through a comprehensive range of construction and maintenance services and self-perform capabilities to the industrial, buildings, and infrastructure markets.

The Company has been in operation for over 100 years, and draws upon the extensive experience of over 6,000 employees throughout the year to deliver exceptional operational performance and collaborative execution across all project sizes and delivery models.

Our Locations

The Company operates from coast-to-coast-to-coast and services all of Canada's major geographic markets.

HOW WE DO BUSINESS

Bird has strategically diversified its revenue sources while shifting to a risk-balanced mix of work through disciplined project selection, and has established itself as a leading collaborative contractor in Canada. Through the delivery of increased value for our clients and a broader range of solutions delivered with increased collaboration, Bird has enhanced its profitability and adjusted EBITDA margins. Today, Bird is known for delivering complex and sophisticated projects across the industrial, infrastructure, and building markets.

Project Delivery Models: Bird executes projects and work programs with its clients using a variety of delivery models and contract types, including: Construction Management ("CM"), Integrated Project Delivery ("IPD"), Alliance Agreement, Progressive Design-Build - Target Price, Cost Reimbursable, Stipulated Sum, Unit Price, Design-Build, Progressive Design-Build, Alternative Finance Projects, and Public Private Partnerships ("PPP").

Of the delivery models and contract types, CM, IPD, Alliance Agreement, Progressive Design-Build - Target Price, Cost Reimbursable, Stipulated Sum, Unit Price, and Progressive Design-Build contracting types are considered low to medium risk by the Company, with the remaining contracting types representing higher levels of risk.

Self-Perform Delivery: Self-perform work involves Bird utilizing its own employees and resources to execute services and scopes, rather than subcontracting to third parties. Bird leverages this approach and cross-sells its comprehensive range of self-perform services along with the innovative services described below, across all market sectors. Examples of these services and scopes include: civil services such as earthworks, concrete works, roadworks and bridges; heavy civil services including mine site development and other mining services; underground and process piping; equipment installation; fabrication; insulation and cladding; telecommunications infrastructure; and mechanical, electrical and instrumentation services, including powerline and high voltage services.

MANAGING RISK

Bird's primary constraints on growth are the availability and retention of qualified and capable personnel who are available for projects, and the ability to secure new work at appropriate margins. Bird self-performs large projects, particularly in industrial, infrastructure and MRO, while in other areas, the majority of construction may be performed by Bird's subcontractors.

Bird is successful in winning work through qualifications-based selection criteria and contractual approaches to project delivery that align and incentivize all parties to achieve project goals involving shared identification and management of risk, resulting in a risk-balanced work program for the Company. Collaborative delivery models include Alliance Agreement, IPD, certain CM contracts, Progressive Design-Build, and MSA's. While all CM is considered low risk, the contractual agreement determines whether it is considered a collaborative delivery project.

In the buildings market where some risks are transferred through subcontracting, the scope of work of each subcontractor is generally defined by the same contract documents that form the basis of the Company's agreements with its clients. The terms of the agreements between the Company and its clients are generally replicated in the agreements between the Company and its subcontractors. These "flow-down" provisions substantially mitigate the risk borne by the Company. Depending on the value of the work, the Company may require bonds or other forms of contract security, including enrolling our subcontractors in Bird's subcontractor default insurance program, which helps mitigate exposure to possible additional costs should a subcontractor not be able to meet its contractual obligations.

INDUSTRY SECTORS

INDUSTRIAL

Bird executes large and complex projects for clients primarily operating in the chemicals, oil and gas, liquefied natural gas ("LNG"), natural resources, nuclear, power, renewable energy, and water and wastewater sectors. Additionally, Bird delivers large, complex industrial buildings, including manufacturing, processing, distribution, and warehouse facilities, often in internal partnerships to leverage Bird's buildings expertise. Known for its collaborative approach and early contractor involvement, Bird offers a range of services covering the entire project lifecycle, from initial earthworks and foundations and process and non-process facilities, to long term maintenance, repair, and operations. Bird self-performs a range of scopes including electrical and instrumentation, high voltage testing and commissioning, as well as power line construction, structural, mechanical, and piping, including off-site metal and modular fabrication. These industrial service capabilities and capacity were enhanced with the acquisition of the assets of NorCan Electric Inc. ("NorCan") in January 2024. Bird's expanded industrial general contracting business is augmented with industrial maintenance contracting and additional civil and facilities maintenance services, which have expanded opportunities for additional maintenance clients in a broader geographical footprint.

INFRASTRUCTURE

Bird has a well-developed offering of civil and structural construction capabilities essential for infrastructure projects. The Company has played an active role in the delivery of civil infrastructure across Canada's power, mining, transportation, and utilities markets for both public and private sector clients for many years. The offering includes site preparation, earthworks, underground piping, utilities, drilling, blasting, and foundations and other concrete services. In the mining sector, Bird provides site development, mine support and contract mining services. Bird also performs a full suite of scopes on greenfield and brownfield hydroelectric facilities.

Bird delivers a range of commercial systems and utility services, including the design and installation of complex electrical and mechanical infrastructure, data communications, telecommunications, security, and lifecycle services, including national roll-out services that provide private and public sector clients with a range of ongoing electrical maintenance service functions across Canada. Bird delivers these and other related critical infrastructure services across all of the sectors where Bird operates, including power, data and intelligence, healthcare, education, transportation, multi-residential, and manufacturing and other light industrial. In January 2023 Bird acquired Trinity Communication Services Ltd. ("Trinity"), an Ontario-based diversified telecommunication and utility infrastructure contractor. This acquisition added specialized self-perform capabilities including underground, aerial, commercial inside plant, and multi-dwelling unit installations. Additional value is added to projects through pre-planning and design, prefab, building information modeling ("BIM") and virtual design construction ("VDC"), and in-house software tools such as real-time performance modules. Reliable power distribution and efficient communication networks are essential to support growing requirements stemming from the rapid evolution of technology and increasing electrification needs created by decarbonization efforts. The Company's commercial systems and utilities business is one of Canada's largest electrical and data system contractors.

The Company's acquisition of Jacob Bros. Construction ("Jacob Bros") in August 2024 significantly expanded Bird's national civil capabilities and self-perform capacity across key civil infrastructure sub-sectors including airports, seaports, rail, bridges and structures, earthworks, energy projects and utilities. The addition of Jacob Bros' capabilities and service offerings further improve Bird's competitive position nationally, and enable the Company to capitalize on higher portions of self-perform work in larger-scale projects, and provide greater access to the British Columbia market.

BUILDINGS

Bird's buildings expertise spans across all sectors. Bird constructs and retrofits institutional facilities, including healthcare, long term care, post-secondary education, transportation, public safety and defence facilities, as well as K-12 schools, public spaces, and government buildings. The Company's capabilities also include new construction and retrofit of warehousing, manufacturing and processing facilities, laboratories, data centres, office buildings, retail spaces, film studio infrastructure, hotels, and select mixed-use mid- to high-rise residential buildings. Bird provides comprehensive services covering every aspect of a project's lifecycle, from design-assist and preconstruction to construction, commissioning, and lifecycle services. Furthermore, Bird leverages its Centre for Building Performance and sustainable buildings expertise to help our clients create design-focused buildings that are operationally efficient and built to last.

INNOVATIVE SOLUTIONS

Bird provides many innovative solutions to all of the sectors it services, including:

MASS TIMBER

Bird is a North American leader in mass timber construction, with an extensive resume including post-secondary education, recreation and seniors' living facilities. Bird has the expertise, experience, and supply chain to present an opportunity for greener buildings by using a renewable resource as a primary construction material.

In addition to its carbon capture benefits, studies have shown that visible wood in buildings has various psychological and physical impacts that can lead to higher occupant satisfaction, lower stress levels and blood pressure, better concentration, and increased optimism.

The growing popularity of mass timber as a primary building material for structures from high-rise wood frame housing developments to large-scale institutional buildings is indicative of a shift to buildings that are good for the environment and good for people.

CENTRE FOR BUILDING PERFORMANCE

The Centre for Building Performance facilitates seamless construction delivery that minimizes environmental impacts throughout every step of the construction process and supports the lifecycle of a building asset. The effective deployment of technology, including the use of sensors and BIM/VDC, reduces waste generated during the construction process and optimizes the use of fuel resources, for example, during heating and curing cycles.

Integrating all building systems data provides visibility into a building's performance, ensuring it performs as designed or better. These insights can generate analytics, reports, and trends through a single customized dashboard for asset owners to ensure efficiency is maintained.

Building performance solutions can reduce overall capital budgets by optimizing building systems and infrastructure while ensuring a high-performance building and faster occupancy handover. Post occupancy, in-house designed solutions provide valuable insights that help simplify building management and maintenance decisions, reducing operating costs and improving efficiency, and ultimately impacting the overall carbon intensity of the building.

INNOVATIVE TRENCHING SOLUTIONS

Innovative Trenching Solutions provides single-pass trenching with the use of custom-built, proprietary equipment that expedites installation of underground utilities for oil and gas, renewables, water, and telecommunications infrastructure. The system minimizes environmental impact by reducing ground disturbance and construction footprint while maintaining better stability across a variety of terrain.

CENTRES OF EXCELLENCE

Drawing on our subject matter experts, the Centres of Excellence provide thought leadership and direction in key areas, leading the way in exploring and adopting new technology, tools, relationships, techniques, and/or best practices that reduce risk and improve Bird's profitability, effectiveness, and reputation in a particular focus area, such as Net Zero, deep carbon retrofits and energy transition.

STACK MODULAR

Bird's partnership with Stack Modular, a global design-build structural steel modular manufacturer, is an innovative solution in the multi-family, hospitality, resource, and student and senior housing sectors. The partnership is focused on helping clients leverage the advantages of combining conventional and modular methods of construction, enabling time and cost savings, and ensuring delivery of high-quality, local code compliant modules with stakeholder assurance that projects will be executed successfully and safely.

2024 HIGHLIGHTS

Bird's fourth quarter results capped off a strong 2024 fiscal year that saw revenue grow by 21% over 2023, while achieving continued margin accretion and delivering earnings and operating cash flow improvements that significantly outpaced revenue growth. With these results, Bird has surpassed its 2022-2024 Strategic Plan targets, and in October 2024 the Company unveiled its 2025-2027 Strategic Plan and associated targets for future organic growth and profitability. During 2024, the Company continued to pursue accretive acquisitions that expanded its self-perform capabilities and further diversified the Company's operations across Canada with the addition of NorCan and Jacob Bros to the One Bird team. Bird enters 2025 with a strong balance sheet and record liquidity, and remains committed to a balanced capital allocation strategy that targets a dividend payout ratio of net income of 33%, while retaining approximately two-thirds of net income to support organic growth and strategic M&A, as well as capital investments in technology and equipment to support further productivity and growth.

FULL-YEAR 2024 COMPARED TO FULL-YEAR 2023

- Construction revenue of $3,397.3 million was earned in 2024, compared to $2,798.8 million earned in 2023, representing a 21% increase year-over-year.
- Net income and earnings per share for the year ended December 31, 2024 were $100.1 million and $1.84, compared to $71.5 million and $1.33 in 2023, representing increases of 40% and 38%, respectively.
- Adjusted Earnings[1,2] and Adjusted Earnings Per Share[2] were $111.3 million and $2.04 for full-year 2024, compared to $77.3 million and $1.44 in the prior year, representing increases of 44% and 42%, respectively.
- Adjusted EBITDA[1] for full-year 2024 was $212.8 million, or 6.3% of revenues, compared to $138.7 million, or 5.0% of revenues in 2023, representing an increase of 53%. Adjusted EBITDA Margin for 2024 was impacted by $5.8 million additional share-based compensation costs driven by significant appreciation of Bird's common share price and total shareholder return during the quarter.

FOURTH QUARTER 2024 COMPARED TO FOURTH QUARTER 2023

- Construction revenue of $936.7 million was earned in Q4 2024 compared to $792.1 million earned in the prior year quarter, representing an 18% increase year-over-year.
- Net income and earnings per share were $32.5 million and $0.59 in Q4 2024, compared to $23.9 million and $0.44 in Q4 2023, representing increases of 36% and 32%, respectively.
- Adjusted Earnings[1,2] and Adjusted Earnings Per Share[2] were $37.3 million and $0.67 in Q4 2024, compared to $24.9 million and $0.46 in Q4 2023, representing increases of 50% and 45%, respectively.
- Adjusted EBITDA[1] of $71.9 million, or 7.7% of revenues in Q4 2024, compared to $43.9 million, or 5.5% of revenues in Q4 2023, representing an increase of 64%. Adjusted EBITDA Margin for Q4 2024 was impacted by $2.9 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 fourth quarter of 2024, with almost half of the 18% growth from organic sources. The remainder of revenue growth was driven by Jacob Bros, acquired on August 1, 2024, and NorCan, acquired on January 18, 2024.
- The Company's margin profiles in the fourth quarter of 2024 continued to improve compared to the prior year, with Gross Profit Percentage increasing to 10.3% compared to 9.2%, and Adjusted EBITDA Margin increasing to 7.7% from 5.5%. On a full-year basis, Gross Profit Percentage was 9.7%, 110 basis points higher than in 2023, and Adjusted EBITDA Margin was 6.3%, 130 basis points higher than in the prior year.
- Bird's Backlog was $3.7 billion at December 31, 2024, with $862.4 million of securements in the fourth quarter ($3.7 billion year-to-date). Pending Backlog, which is work awarded but not yet contracted, was $3.9 billion at

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

[2] The Company's definition of the non-GAAP financial measure Adjusted Earnings was revised in 2024. Prior year amounts for Adjusted Earnings and Adjusted Earnings Per Share have been restated to align with the current year's definition. See "Terminology and Non-GAAP & Other Financial Measures." for additional information.

year-end and continues to include almost $900 million of master service agreement (“MSA”) and other recurring revenue to be earned over the next six years.

- At December 31, 2024, Bird had $177.4 million of cash and cash equivalents, with operating cash flows of $77.5 million in the fourth quarter before changes in non-cash working capital, a $30.0 million improvement over amounts generated in the prior year quarter. Seasonal unwinding of non-cash working capital balances in the quarter contributed an additional $60.3 million of operational cash flow.
- In December 2024, Bird amended the terms of its Syndicated Credit Facility to increase amounts available under the committed revolving facility by $100 million, raising the overall facility limit to $400 million. Amounts available under this revolving facility totalled $377.3 million at year-end, and the Syndicated Credit Facility continues to include a $100 million uncommitted accordion feature allowing the Company to increase the capacity of the term or revolving facilities with approval of the lenders.
- In December 2024, Bird paid a dividend of $0.07 per common share to shareholders on record at the end of November, reflecting the 50% dividend increase announced at the Company's Investor Day on October 9, 2024. With this dividend increase, the Company has increased its dividend in three consecutive years by a total of 215%, and continues to target a dividend payout ratio of 33% of net income for its 2025-2027 Strategic Plan period.
- Subsequent to the quarter end, the Company announced that it was awarded the following projects and contracts:
    - Bird was awarded five projects with a combined value of approximately $470 million. These projects include Bird’s first project to be delivered through an Integrated Project Delivery (IPD) model in Atlantic Canada, two new buildings that support Ontario Power Generation’s nuclear program, civil infrastructure work with the Government of B.C., two significant multi-year agreements in the industrial maintenance sector, and a recreation centre redevelopment project in B.C.
    - Bird, as part of its 50/50 joint venture Rail Connect Partners, had finalized and signed a Project Alliance Agreement with Metrolinx to deliver the East Harbour Transit Hub, that will strengthen transit options for the City of Toronto. The project includes completion of the rail corridor and bridge widening over an important thoroughfare, and the commencement of the station works and associated infrastructure.
- The Board has declared eligible dividends of $0.07 per common share for each of March 2025 and April 2025.

ANNUAL RESULTS OF OPERATIONS

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

		2024		2023	% change
Construction revenue	$	**3,397,346**	$	2,798,785	21.4 %
Costs of construction		**3,068,587**		2,558,249	19.9 %
Gross profit		**328,759**		240,536	36.7 %
Income (loss) from equity accounted investments		**3,013**		3,418	(11.8)%
General and administrative expenses		**(185,211)**		(142,781)	29.7 %
Income from operations		**146,561**		101,173	44.9 %
Finance and other income		**7,949**		5,216	52.4 %
Finance and other costs		**(21,097)**		(13,158)	60.3 %
Income before income taxes		**133,413**		93,231	43.1 %
Income tax expense		**33,314**		21,692	53.6 %
Net income for the period	$	**100,099**	$	71,539	39.9 %
Total comprehensive income for the period	$	**99,987**	$	71,569	39.7 %
Basic and diluted earnings per share	$	**1.84**	$	1.33	38.3 %
Adjusted Earnings(1)(2)	$	**111,251**	$	77,284	44.0 %
Adjusted Earnings Per Share(2)	$	**2.04**	$	1.44	41.7 %
Adjusted EBITDA(1)	$	**212,793**	$	138,749	53.4 %
Adjusted EBITDA Margin		**6.3%**		5.0%	1.3 %

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

(2) The Company's definition of the non-GAAP financial measure Adjusted Earnings was revised in 2024. Prior year amounts for Adjusted Earnings and Adjusted Earnings Per Share have been restated to align with the current year's definition. See "Terminology and Non-GAAP & Other Financial Measures." for additional information.

For the year ended December 31, 2024, the Company recorded construction revenue of $3,397.3 million, a $598.6 million increase compared to $2,798.8 million of construction revenue recorded in 2023. Organic revenue growth accounted for over 70% of the growth, with the first half of the year benefiting from favourable weather and schedule acceleration on a number of projects driving higher growth, and the third quarter being impacted by permitting delays in the start of a small number of new projects which continued, to a lesser extent, into the fourth quarter. Industrial and Infrastructure, including five months of Jacob Brothers revenue, drove the majority of total growth with more modest growth from Buildings.

The Company's gross profit of $328.8 million in 2024, representing a 9.7% Gross Profit Percentage[3], compares to $240.5 million gross profit (8.6% Gross Profit Percentage) recorded in 2023. All groups contributed to the increase in gross profit margins, with the majority of the 110 basis point margin increase driven by higher growth in Industrial and Infrastructure which have favourable margin profiles and higher proportions of self-perform work. The increase in gross profit continues to reflect the improved margin profiles on newer work resulting from disciplined project selection, strong project execution, growing self-perform capabilities and cross-selling opportunities across the Company.

[3] "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."

Income from equity accounted investments in 2024 totalled $3.0 million, compared with income of $3.4 million in 2023. The lower income in 2024 was primarily driven by lower income related to a multi-school project in Alberta that was completed in 2024, partially offset by higher income related to Stack Modular in the current year.

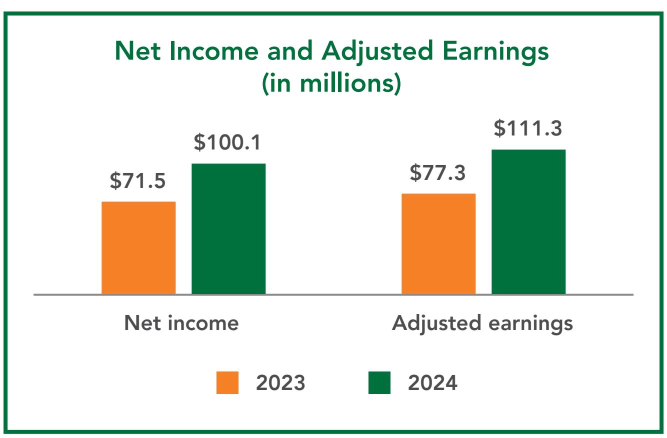
General and administrative expenses were $185.2 million (5.5% of revenue[4]) for the year ended December 31, 2024, compared to $142.8 million (5.1% of revenue) in 2023. The primary drivers for the $42.4 million year-over-year increase were: $20.7 million higher compensation costs in the current year, including the impact of share-based compensation costs and related derivatives, and including compensation costs of Jacob Bros acquired in August 2024; $12.1 million higher depreciation and amortization, including depreciation and amortization of Jacob Bros tangible and intangible assets acquired; $4.5 million higher growth-related increases to travel, business development, recruitment and pursuit costs driven by activity levels increasing compared to 2023; $3.2 million higher acquisition and integration costs related to the acquisitions of NorCan and Jacob Bros in 2024; and $3.9 million aggregate increases across other categories, including additional expenses of NorCan and Jacob Bros which were acquired during the year. Partially offsetting these increases was $1.2 million lower foreign currency exchange costs in 2024, and $1.4 million of asset write-downs related to the rationalization of the Company's leased office space in 2023 with no corresponding amounts in 2024.

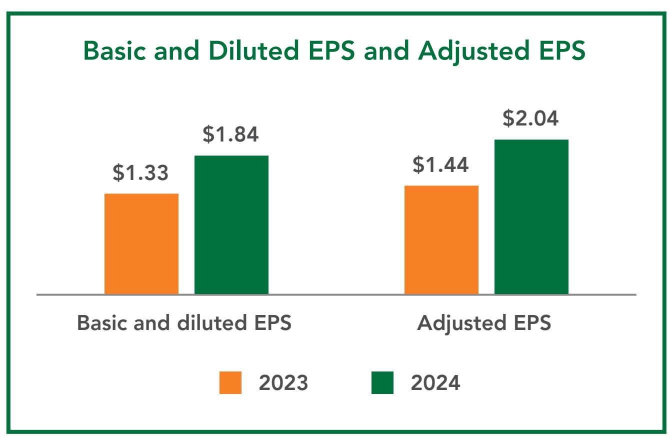
Finance and other income of $7.9 million in 2024 was $2.7 million higher than 2023 primarily due to interest earned in the current year on higher average cash balances, including cash held for joint operations and restricted cash, partially offset by lower rates earned on those cash balances. The additional interest earned on cash balances in 2024 partially offset some of the higher interest expense incurred on loans and borrowings reported as a component of finance and other costs, discussed below.

Finance and other costs of $21.1 million in 2024 was $7.9 million higher than in 2023 primarily due to: $3.9 million higher interest on loans and borrowings driven by higher average debt balances outstanding during the year, including the impact of term loan borrowings used to fund the acquisitions of NorCan and Jacob Bros as well as the impact of short term borrowings to fund growth in non-cash working capital, partially offset by lower variable interest rates in the current year; $1.9 million higher ROU accretion interest driven by higher ROU liability balances in the current year resulting from new or extended premises leases and new equipment leases; and $2.1 million increased interest and other charges primarily related to the Company's TRS derivative resulting from the resets of the derivative's notional share price in December 2023 and May 2024, partially offset by lower variable rates in the current year.

For the year ended December 31, 2024, income tax expense of $33.3 million increased compared to the $21.7 million expense recorded in 2023 driven by higher taxable income in the current year and the impact of a higher effective tax rate.

Total comprehensive income was $100.0 million in 2024, compared to $71.6 million in 2023. The increase was primarily due to the Company's $28.6 million higher net income, discussed above, and higher actuarial gains on the Company's defined benefit pension plans, partially offset by higher foreign currency translation losses on equity accounted investments.

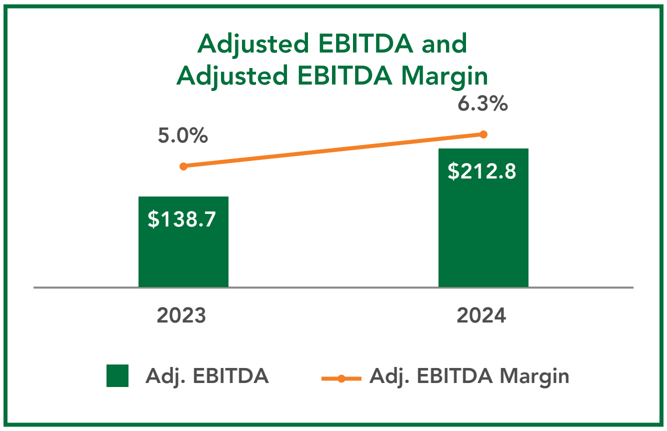




[4] "General and Administrative expenses as a percentage of revenue" does not have a standardized meaning under IFRS and may not be comparable with similar measures presented by other companies. See "Terminology and Non-GAAP & Other Financial Measures."

Adjusted Earnings[5,6] for the year ended December 31, 2024 was $111.3 million, compared with Adjusted Earnings of $77.3 million in 2023. Adjusted Earnings reflects significant increases in year-to-date revenues and gross profit, as well as $2.7 million higher finance and other income. These increases were partially offset by: decreases in income from equity accounted investments; $36.2 million higher general and administrative expenses, excluding the after-tax impact of acquisition and integration expenses and amortization of acquisition intangible assets, which are excluded from Adjusted Earnings; $7.9 million higher finance and other costs driven by higher average debt balances, increased ROU liabilities and derivative notional amounts; and $11.6 million higher income taxes.

Basic and diluted earnings per share was $1.84 for 2024, compared to $1.33 in 2023. Adjusted Earnings Per Share[6] was $2.04 and $1.44 for 2024 and 2023, respectively. In addition to the impacts of changes in Net Income and Adjusted Earnings discussed above, the basic weighted average shares outstanding for 2024 was higher by 741,496 due to common shares issued in connection with the Jacob Bros acquisition on August 1, 2024, with additional increases due to the NorCan acquisition on January 18, 2024, as well as the Trinity acquisition in February 2023.



Adjusted EBITDA[7] for the year ended December 31, 2024 was $212.8 million compared to $138.7 million recorded in 2023. The $74.0 million year-over year increase was consistent with the increases in gross profit discussed above, partially offset by growth-related increases in general and administrative expenses, including compensation costs, lower income from equity accounted investments, and the impact of $5.8 million higher share based compensation resulting from significant increases in share price and total shareholder return in the current year. Adjusted EBITDA margin for the year was 6.3% compared to 5.0% in 2023, representing a 130 basis point improvement. Higher share based compensation costs, noted above, reduced the 2024 Adjusted EBITDA margin by 0.2%.

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

[6] The Company's definition of the non-GAAP financial measure Adjusted Earnings was revised in 2024. Prior year amounts for Adjusted Earnings and Adjusted Earnings Per Share have been restated to align with the current year's definition. See "Terminology and Non-GAAP & Other Financial Measures." for additional information.

[7] Adjusted EBITDA is a non-GAAP financial measure. See "Terminology and Non-GAAP & Other Financial Measures."

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 December 31, 2024	2023	% change
Construction revenue	$ **936,666**	$ 792,068	18.3 %
Costs of construction	**840,194**	718,856	16.9 %
Gross profit	**96,472**	73,212	31.8 %
Income (loss) from equity accounted investments	**1,832**	1,601	14.4 %
General and administrative expenses	**(49,962)**	(40,506)	23.3 %
Income from operations	**48,342**	34,307	40.9 %
Finance and other income	**1,965**	1,206	62.9 %
Finance and other costs	**(6,240)**	(4,247)	46.9 %
Income before income taxes	**44,067**	31,266	40.9 %
Income tax expense	**11,562**	7,385	56.6 %
Net income for the period	$ **32,505**	$ 23,881	36.1 %
Total comprehensive income for the period	$ **31,862**	$ 23,900	33.3 %
Basic and diluted earnings per share	$ **0.59**	$ 0.44	34.1 %
Adjusted Earnings[(1)(2)]	$ **37,258**	$ 24,869	49.8 %
Adjusted Earnings Per Share[(2)]	$ **0.67**	$ 0.46	45.7 %
Adjusted EBITDA[(1)]	$ **71,942**	$ 43,868	64.0 %
Adjusted EBITDA Margin	**7.7%**	5.5%	2.2 %

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

(2) The Company's definition of the non-GAAP financial measure Adjusted Earnings was revised in 2024. Prior year amounts for Adjusted Earnings and Adjusted Earnings Per Share have been restated to align with the current year's definition. See "Terminology and Non-GAAP & Other Financial Measures." for additional information.

The Company recorded construction revenue of $936.7 million in the fourth quarter of 2024, representing a $144.6 million, or 18.3%, increase over amounts reported in the fourth quarter of 2023, with organic growth accounting for almost half of the overall revenue growth. Revenue from Jacob Bros, acquired on August 1, 2024, and revenue from NorCan, acquired in January 2024, represented the remainder of the growth for the quarter. All groups contributed to organic growth for the quarter, with Industrial and Buildings driving the majority of organic growth.

Gross profit of $96.5 million for the fourth quarter of 2024, representing a Gross Profit Percentage[8] of 10.3%, was $23.3 million higher than the $73.2 million gross profit (9.2% Gross Profit Percentage) recorded in 2023. All groups contributed to the increase in gross profit margins, with the majority of the margin increase driven by higher growth in Infrastructure, which benefited from a full quarter of gross profit contributions from Jacob Bros, and Industrial. The increase in gross profit continues to reflect the 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.

8 "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."

Income from equity accounted investments in the fourth quarter of 2024 was $1.8 million, $0.2 million higher than the $1.6 million recorded in same period of 2023 primarily driven by higher income from Stack Modular, partially offset by lower income from a multi-school project in Alberta that was completed in 2024.

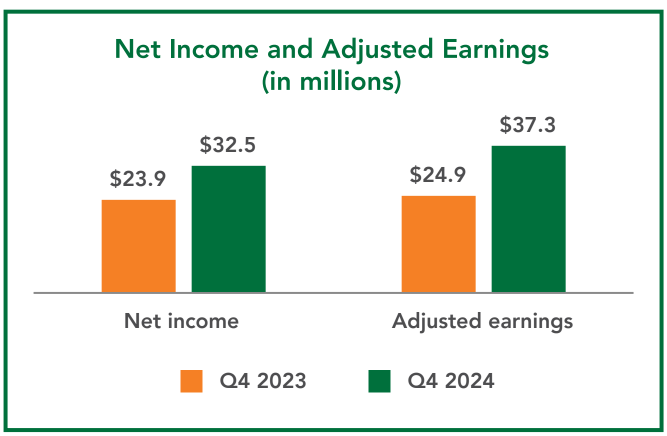
In the fourth quarter of 2024, general and administrative expenses were $50.0 million (5.3% of revenue[9]) compared to $40.5 million (5.1% of revenue) in the fourth quarter of 2023. The primary drivers of the $9.5 million increase were: $0.6 million higher compensation costs in the current year quarter, including compensation costs of Jacob Bros and the impact of share-based compensation costs and related TRS derivative; $7.2 million higher depreciation and amortization including depreciation and amortization of Jacob Bros acquired tangible and intangible assets; $1.6 million higher growth-related increases to travel, business development, recruitment and pursuit costs driven by activity levels increasing compared to 2023; $0.3 million higher acquisition and integration costs primarily related to acquisition of Jacob Bros acquired in August 2024; and $0.4 million aggregate increases across other categories including additional expenses of NorCan and Jacob Bros acquired in 2024. Partially offsetting these increases was a reduction in foreign exchange translation costs of $0.7 million.

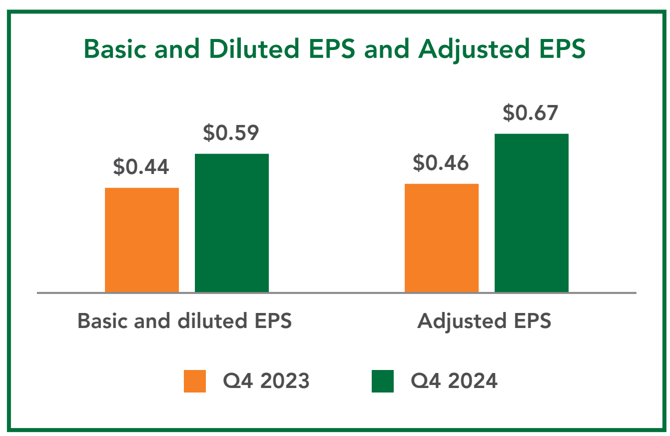
Finance and other income of $2.0 million in the fourth quarter of 2024 was $0.8 million higher than the fourth quarter of 2023, primarily due to interest earned on higher average cash balances in the current quarter, partially offset by lower rates earned on those cash balances.

Finance and other costs of $6.2 million in the fourth quarter of 2024 was $2.0 million higher than the same period of 2023, primarily due to: $1.2 million higher interest on loans and borrowings driven by higher average debt balances outstanding during the quarter, including the impact of long term borrowings to help fund the acquisition of Jacob bros as well as short term borrowings to fund organic growth in the business and the corresponding investments in non-cash working capital, partially offset by lower variable interest rates in the current year; $0.6 million higher ROU accretion interest driven by higher liability balances in the current quarter primarily due to new equipment leases to support organic growth; and $0.2 million increased interest charges primarily related to the Company's TRS derivative resulting from the resets of the derivative's notional share price in December 2023 and May 2024, partially offset by lower variable rates in the current quarter.

In the fourth quarter of 2024, income tax expense was $11.6 million, compared to $7.4 million recorded in the fourth quarter of 2023. Higher income tax expense for the fourth quarter of 2024 was driven by higher net income before tax in the current year as well as a higher effective tax rate in the current year.

In the fourth quarter of 2024, total comprehensive income was $31.9 million, compared to $23.9 million in the fourth quarter of 2023. The increase is primarily due to the increase in net income of $8.6 million described above, higher actuarial losses on pension plans, and higher foreign currency translation losses on equity accounted investments.

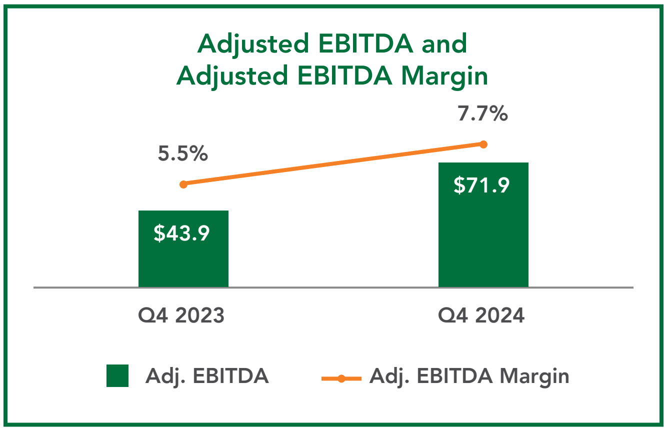




[9] "General and Administrative expenses as a percentage of revenue" does not have a standardized meaning under IFRS and may not be comparable with similar measures presented by other companies. See "Terminology and Non-GAAP & Other Financial Measures."

Adjusted Earnings[10,11] for the fourth quarter of 2024 was $37.3 million, compared to $24.9 million in the fourth 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 $4.8 million higher general and administrative expenses, excluding the after-tax impact of acquisition and integration expenses and amortization of acquisition intangibles which are excluded from Adjusted Earnings. General and administrative expenses included 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 compared to the prior year.

Basic and diluted earnings per share was $0.59 in the fourth quarter of 2024, compared to $0.44 in the fourth quarter of 2023. Adjusted Earnings Per Share[11] was $0.67 and $0.46 in the fourth quarters of 2024 and 2023, respectively. In addition to changes in Net Income and Adjusted Earnings discussed above, the weighted average shares outstanding for the fourth quarter of 2024 was higher by 1,608,192 shares related to the NorCan and Jacob Bros acquisitions in 2024.



Adjusted EBITDA[12] in the fourth quarter of 2024 was $71.9 million compared to $43.9 million earned in the fourth quarter of 2023. The $28.1 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 $2.9 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 7.7% in the fourth quarter of 2024 compared 5.5% 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 0.3%.

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 in securing repeat business from existing clients and winning work with new clients include: a long-standing reputation for successfully delivering high quality projects that fully meet the

[10] Adjusted Earnings is a non-GAAP financial measure. See “Terminology and Non-GAAP & Other Financial Measures.”
[11] The Company's definition of the non-GAAP financial measure Adjusted Earnings was revised in 2024. Prior year amounts for Adjusted Earnings and Adjusted Earnings Per Share have been restated to align with the current year's definition. See "Terminology and Non-GAAP & Other Financial Measures." for additional information.
[12] Adjusted EBITDA is a non-GAAP financial measure. See “Terminology and Non-GAAP & Other Financial Measures.”

needs of the customer; expanding self-perform capabilities which enable the Company to better control schedule and quality; an engaged One Bird team which enables cross-selling opportunities across business groups; and the Company's experience and ability in delivering projects through collaborative frameworks which enables improved outcomes for all parties.

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)		**December 31, 2024**		December 31, 2023
Pending Backlog	**$**	**3,938,700**	$	3,007,400
Backlog	**$**	**3,719,292**	$	3,448,237

Pending Backlog at December 31, 2024 was $3,938.7 million compared to $3,007.4 million at December 31, 2023, an increase of $931.3 million or 31.0%, including approximately $130 million of Pending Backlog added with the acquisition of NorCan in January 2024. The Company's Backlog of $3,719.3 million at December 31, 2024 was $271.1 million higher than the balance at December 31, 2023, with securements and other additions of $3,668.4 million throughout the year, including approximately $360 million added with the acquisition of Jacob Bros. in August 2024.

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 converting 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 almost $900 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)		**Year ended December 31, 2024**		Year ended December 31, 2023
Opening balance	**$**	**3,448.2**	$	2,636.5
Securements, change orders & other adjustments		**3,668.4**		3,610.5
Realized in construction revenues		**(3,397.3)**		(2,798.8)
Closing balance	**$**	**3,719.3**	$	3,448.2

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 fourth quarter of 2024, the Company realized a Gross Profit Percentage of 10.3% compared with 9.2% in fourth quarter of 2023. For full-year 2024, the Company realized a Gross Profit Percentage of 9.7% compared with 8.6% in 2023. The year-over-year changes in Gross Profit Percentage for the quarter and full-year are discussed in the sections above titled "Quarterly Results of Operations" and "Annual 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)		**December 31, 2024**		December 31, 2023
Working capital	**$**	**286,921**	$	234,010
Shareholders' equity	**$**	**430,281**	$	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:

	Year ended December 31, 2024	Year ended December 31, 2023
Person-hours of work	**12,096,340**	10,591,963
Lost time incidents ("LTI")	**0**	0
Lost time incidents frequency ("LTIF")	**0.00**	0.00

2025-2027 STRATEGIC PLAN

Bird's 2025-2027 Strategic Plan, approved in the third quarter and outlined at the Company's October 9, 2024 Investor Day, is focused on:

- Building on the foundation of operational excellence and safe execution, considerable growth and sustained momentum from the Company's 2022-2024 Strategic Plan
- Enhancing Bird's industry-leading talent and capabilities, reinforced by a strong One Bird culture to support future growth
- Expanding into strategic market sectors and targeted large capital investment projects with operational excellence and disciplined capital allocation
- Introducing 2025-2027 financial targets enabled by One Bird growth strategy, reflecting a long runway ahead with continued margin accretion

The plan was developed through an extensive, company-wide facilitated process that involved all of the Company's business teams and multiple levels of leadership. The highly collaborative year-long process included over 60 days of facilitation, extensive research, a team of over 75 contributors, and regular review by Bird's Board of Directors.

The result, was a clear strategic direction rooted in three strategic pillars:

one TEAM
Culture

One Team, which is grounded in culture and focuses on:

A safe, engaged, high-performing One Bird team that are partners of choice in both core and strategic end markets, and on large capital investment projects

one MISSION
Execution

One Mission, focused on execution that showcases our:

Disciplined, collaborative, data-driven operational excellence rooted in diligent project selection, One Bird opportunities, and self-perform capabilities

one GOAL
Performance

One Goal, that drives performance and centers around:

Profitable and accretive growth, financial flexibility, and superior shareholder returns

These pillars are the foundation of Bird's financial targets for 2027 that the Company will achieve by leveraging its strong foundation within core markets to capture new opportunities in strategic end markets and on large capital investment projects. The Company's One Bird team will achieve these targets by remaining focused on operational excellence and a disciplined approach to capital allocation.

The 2025-2027 financial targets introduced in conjunction with the Strategic Plan were:

Revenue	Adj. EBITDA	Dividends
10% +/- 2%	**8.0%**	**33%**
Organic revenue growth CAGR	Adjusted EBITDA Margin for full-year 2027	Dividend payout ratio of net income
(with 2025 receiving an additional 5% growth from the full year of Jacob Bros. revenue, when compared to 2024)	(with margin increases in 2025 and 2026 towards the 2027 target)	

OUTLOOK

Bird has a proven foundation of operational excellence and safe execution, which has resulted in considerable top line growth and margin accretion, surpassing the Company's 2022-2024 Strategic Plan targets. The Company continues to enhance its industry leading talent and extensive self-perform and end-to-end capabilities, both organically and through acquisitions, which are further enhanced by a strong, collaborative One Bird culture. Bird's 2025-2027 Strategic Plan targets, which see the Company's revenue growing to $4.8 billion with an 8.0% Adjusted EBITDA Margin for full-year 2027, will be achieved through further expansion in strategic market sectors and growth of additional scopes of work in targeted large capital investment projects (LCIP's), supported by continuing operational excellence and a disciplined approach to capital allocation which includes a targeted dividend payout ratio of 33% of net income, retaining 67% to be reinvested in the business.

Bird's strong fourth quarter results were largely as anticipated, delivering 18% revenue growth compared to the fourth quarter of 2023 along with continued year-over-year improvements in gross profit and Adjusted EBITDA margins. The Company's full year revenue growth of 21% was further bolstered by an Adjusted EBITDA margin of 6.3%, a 130 basis point increase from 2023. The consistent revenue growth and margin expansion, along with a near-record combined backlog at year-end that continues to reflect higher embedded margins, provide good visibility into expected 2025 revenue growth and sustained margin accretion.

Tariff and non-tariff measures across North America have created some uncertainty regarding potential future impacts on supply chains, possible inflationary impacts on construction materials, and the potential for some clients to limit or delay future spending commitments. Bird believes it is well positioned to manage these risks supported by the Company's strong combined backlog comprised mainly of lower risk and collaborative contract structures, minimal exposure to fixed-price contracts, and our focus on key market sectors with longer-term demand drivers that are less-sensitive to near-term economic uncertainty.

In line with 2025-2027 Strategic Plan targets announced at Bird's Investor Day held in October 2024, the Company expects revenue to grow organically at a compounded annual growth rate of approximately 10% +/-2% through 2027, with 2025 benefiting from additional growth of approximately 5% from the inclusion of a full year of Jacob Bros compared to five months post-acquisition in 2024. Assuming more typical seasonal trends, and considering the first and second quarters of 2024 disproportionately benefited from favourable weather conditions and schedule acceleration on certain projects, Bird expects the majority of revenue growth to be realized in the second half of 2025 reflecting as much as two-thirds of total year over year growth for the year. As noted below, this is further supported by the significant conversions of Pending Backlog to Backlog in the first half of 2025. Timing of permitting continues to create a lag on revenue timing, but to a lesser extent than experienced in the third quarter. Overall, earnings and Adjusted EBITDA growth in 2025 are expected to continue to outpace revenue growth for the year, supported by further margin accretion resulting from higher embedded margins in combined backlog, revenue mix between the Company's Industrial, Buildings and Infrastructure businesses, and gaining additional leverage on the Company's cost structure.

The Company maintained a near-record combined backlog at year-end, consisting of $3.7 billion of contracted Backlog and $3.9 billion of Pending Backlog, which continues to reflect a high proportion of collaborative contracting types that are well-suited to larger and more sophisticated work programs. Bird remains disciplined in project selection, pursuing work that aligns with the Company's strategic goals and expanding self-perform capabilities, and having contract structures that are appropriate for the nature and complexity of the project. Similar to the Company's revenue breakdown disclosed in note 10 to the consolidated financial statements, Bird's combined backlog is primarily comprised of low to medium risk contract types such as CM, IPD, Alliance Agreement, Progressive Design-Build - Target Price, Cost Reimbursable, Stipulated Sum, Unit Price, and Progressive Design-Build. Bird expects significant conversion of Pending Backlog to Backlog throughout the first half of 2025, with a number of larger collaborative projects reaching the construction stage where the remainder of the work program will now be contracted.

Bird's demand environment remains robust, with the Company's strategic focus on key market sectors that are more economically resilient and supported by longer-term drivers such as: defence spending; transportation infrastructure; power infrastructure, including nuclear and hydro generation and refurbishment; cogeneration;

healthcare; long term care; industrial maintenance; and oil and gas. These sectors are expected to continue to require substantial investment from the private and public sectors over the coming years, and are less susceptible to short-term volatility resulting from economic and geopolitical uncertainties.

Bird enters 2025 with healthy balance sheet, supported by strong operating cash flow generation and record liquidity to pursue the Company's near-term organic growth goals and the flexibility to pursue select M&A opportunities that meet Bird's strategic criteria as outlined at the Company's recent Investor Day. The Company's total cash balance at year-end of $177 million exceeded total debt of $153 million, and while components of total cash include cash held for joint operations and restricted cash, these cash components turn over on a regular basis through supplier and subcontractor payments and profit and overhead distributions to joint venture partners. Bird remains committed to its balanced capital allocation approach, targeting a dividend payout ratio of net income of 33% over the Company's 2025-2027 Strategic Plan period, while retaining approximately two-thirds of net income to support organic growth and strategic M&A, as well as capital investments in technology and equipment to support further productivity and growth.

CAPABILITY TO DELIVER RESULTS

Productive capacity relates to the financial and non-financial resources available to the Company to execute its strategy and achieve planned results. From a financial perspective, the Company believes it has sufficient working capital and access to operating lines of credit to execute its near term operational and growth forecast, further outlined in the Financial Condition, Capital Resources and Liquidity section.

The achievement of the Company's goals is not only based on financial stability, but also on the engagement and leadership proficiency of our employees. Bird's 2025-2027 Strategic Plan continues to focus on "Powering our People," building on the Company’s collaborative cultural journey to attract, recruit, and retain top talent to support Bird's growth and profitability through 2027 and beyond. Bird also remains committed to advancing the Company's culture of learning, rooted in operational excellence, that expands organizational capacity and bench strength to respond to strategic growth markets. Bird's employee development programs place a strong emphasis on enhancing leadership skills, which is reinforced this through a large number internal and external training programs. These programs serve as a platform for high-potential individuals to sharpen their leadership abilities and contribute to the success of the Company.

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)		**December 31, 2024**		December 31, 2023
Cash and cash equivalents	**$**	**177,445**	$	177,529
Non-cash working capital		**109,476**		56,481
Working capital	**$**	**286,921**	$	234,010
Non-current loans and borrowings	**$**	**136,776**	$	64,621
Non-current right-of-use liabilities	**$**	**75,763**	$	57,680
Shareholders' equity	**$**	**430,281**	$	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 December 31, 2024, this balance totalled $177.4 million. Accessible cash at December 31, 2024 was $44.6 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 December 31, 2024 decreased primarily due to cash on hand used to fund a portion of the Jacob Bros cash proceeds, 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 $109.5 million at December 31, 2024, compared to $56.5 million at December 31, 2023. The growth in the Company's non-cash working capital of $53.0 million was driven primarily by increases in non-cash working capital relating to operating activities of $77.9 million, partially offset by increases in the current portions of loans and borrowings and right-of-use liabilities totalling $19.8 million, and increased dividends payable of $2.0 million. The growth in the Company's non-cash working capital requirements relating to operating activities is primarily due to the significant growth in the Company's work programs in the current year, as well as a higher proportions of work being self-performed and performed under collaborative and cost reimbursable contract types.

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 overall net working capital position or ability to access contract surety support.

At December 31, 2024, the Company had working capital of $286.9 million compared with $234.0 million at December 31, 2023, an increase of $52.9 million. The primary factors driving increases in working capital include net income exceeding dividends paid by $70.1 million, $9.5 million related to share based compensation and associated derivatives, and $10.8 million related to non-cash deferred taxes. Partially offsetting these increases were reductions to working capital driven primarily by: $13.2 million net investments in leased equipment to support the Company's growing work program; $7.4 million of long term debt payments; and $4.1 million related to investments in and income of equity accounted entities. The Company's acquisitions of Jacob Bros and NorCan in 2024 also decreased working capital by approximately $13.4 million, with the $100.9 million cash proceeds, net of $9.0 million acquired and related working capital, substantially being financed through new long term debt. The Company's current ratio[13] at December 31, 2024 was 1.27 compared to 1.26 at December 31, 2023.

The $107.8 million increase in shareholders' equity since December 31, 2023 was primarily due to the Company's net income of $100.1 million exceeding dividends declared by $68.0 million, plus the issuance of $39.8 million of Bird common shares in connection with the acquisition of Jacob Bros and NorCan during the year.

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 December 31, 2024 consolidated annual financial statements.

During the second quarter of 2024, the Company amended its Syndicated Credit Facility, adding additional capacity under the revolving and term credit facilities and extending the maturity date to December 15, 2027. The expanded $125.0 million term loan facility availability was conditional on the completion of the Jacob Bros acquisition, which was completed on August 1, 2024, and was fully drawn and used to repay prior term loan facilities as well as fund a portion of the Jacob Bros acquisition cash consideration. The Company also increased the non-committed accordion feature, which allows the Company to increase the limit of the revolving credit facility and the non-revolving term debt facility with lender approval, to $100.0 million.

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

In December 2024, the Company further amended its Syndicated Credit Facility to increase the capacity of the revolving facility from $300.0 million to $400.0 million, providing additional liquidity to support the Company's future growth.

The following table summarizes 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)		**December 31, 2024**		December 31, 2023
Committed revolving credit facility	**$**	**400,000**	$	250,000
Letters of credit issued from committed revolving credit facility		**—**		11,816
Drawn from committed revolving credit facility		**22,725**		22,725
Available committed revolving credit facility		**377,275**		215,459
Committed non-revolving term loan facility	**$**	**125,000**	$	47,500
Cumulative repayments of committed non-revolving term loan facility		**(3,125)**		(4,750)
Drawn committed non-revolving term loan facility		**121,875**		42,750
Non-committed Available Accordion	**$**	**100,000**	$	50,000
Letters of credit facilities	**$**	**170,000**	$	150,000
Letters of credit issued from letters of credit facilities		**39,520**		38,853
Available letters of credit facilities		**130,480**		111,147
Collateral pledged to support letters of credit	**$**	**—**	$	90
Guarantees provided by EDC	**$**	**39,520**	$	38,763

Annual Cash Flow Data

The following table provides an overview of cash flows for the year ended ended December 31, 2024 and 2023:

(in thousands of Canadian dollars)	**2024**	2023	$ change
Cash flows from operations before changes in non-cash working capital	$ **228,501**	$ 144,407	$ 84,094
Changes in non-cash working capital and other	**(114,263)**	(68,607)	(45,656)
Cash flows from (used in) operating activities	**114,238**	75,800	38,438
Investments net of capital distributions from equity accounted entities	**(1,090)**	666	(1,756)
Proceeds on sale of investment in equity accounted entities	**—**	2,408	(2,408)
Additions to property, equipment and intangible assets	**(33,777)**	(30,956)	(2,821)
Proceeds on sale of property and equipment	**3,680**	4,278	(598)
Acquisitions, net of cash acquired	**(100,915)**	(5,827)	(95,088)
Other long-term assets	**804**	1,925	(1,121)
Cash flows from (used in) investing activities	**(131,298)**	(27,506)	(103,792)
Dividends paid on shares	**(30,003)**	(22,564)	(7,439)
Net proceeds (repayment) of draws for working capital purposes	**—**	—	—
Proceeds from loans and borrowings	**137,351**	5,103	132,248
Repayment of loans and borrowings	**(58,469)**	(7,268)	(51,201)
Repayment of right-of-use liabilities	**(32,052)**	(20,627)	(11,425)
Cash flows from (used in) financing activities	**16,827**	(45,356)	62,183
Increase (decrease) in cash and cash equivalents	$ **(233)**	$ 2,938	$ (3,171)

Operating Activities

For the year ended December 31, 2024, cash flows from operating activities generated cash of $114.2 million, representing $38.4 million or 50.7% more than the $75.8 million cash generated in the comparable period in 2023.

Cash flows from operations before changes in non-cash working capital of $228.5 million was $84.1 million higher than the $144.4 million cash generated in 2023, representing a 58.2% increase compared to the prior year. The increase is primarily due to $28.6 million higher net income and $55.5 million higher addbacks of non-cash items, including $26.8 million of higher depreciation and amortization, $12.4 million higher deferred compensation costs, $11.6 million higher non-cash income tax expense and $7.9 million higher finance and other costs. Partially offsetting these higher addbacks were $1.2 million higher gains on sale of property and equipment, and $2.7 million higher finance and other income.

Cash used to fund changes in non-cash working capital and other for the year ended December 31, 2024 increased $45.7 million compared to 2023 driven mainly by higher net cash outflows from changes in accounts payable and contract liabilities ($100.5 million), higher income tax payments ($18.8 million), higher net interest paid ($4.5 million), higher net outflows related to inventory and prepaid assets ($0.8 million), and higher net outflows related to deferred compensation including the amendment and partial settlement of the TRS derivative ($8.7 million). Partially offsetting these amounts were higher net inflows from accounts receivable and contract assets ($81.6 million), and lower outflows related to provisions ($5.8 million). The Company's non-cash working capital position fluctuates significantly from period to period, during the normal course of business, primarily due to timing differences between billings and collection of receivables, settlement of payables due to subcontractors and suppliers, and the timing of income taxes payable.

Investing Activities

For the year ended December 31, 2024, the Company used $131.3 million of cash in investing activities compared to $27.5 million used in 2023. The $103.8 million higher use of cash was primarily driven by the $95.1 million higher net cash proceeds for the acquisitions of Jacob Bros and NorCan in 2024 compared to the acquisition of Trinity in 2023, $1.8 million higher investments net of planned contributions related to equity accounted entities, $2.4

million lower proceeds on sale of equity accounted entities, $3.4 million higher capital expenditures on property, equipment and intangibles net of proceeds, and $1.1 million lower net inflows related to other assets.

Financing Activities

For the year ended December 31, 2024, the Company generated $16.8 million of cash related to financing activities, compared to the $45.4 million used in 2023. In the current year, the Company received proceeds of $134.4 million from new term loans to finance the acquisitions of Jacob Bros and NorCan and repay existing term loans, and received proceeds from equipment financing of $2.9 million. These financing inflows were used to repay $55.3 million of term loans, including $48.1 million repaid on the issuance of the $125.0 million term loan, make $35.2 million of scheduled repayments of equipment loans and ROU liabilities, and make $30.0 million of dividend payments. In 2023, the Company received $5.1 million proceeds on equipment loans, made dividend payments of $22.6 million, and made scheduled repayments of loans and borrowings and ROU liabilities of $27.9 million.

Quarterly Cash Flow Data

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

(in thousands of Canadian dollars)	Three months ended December 31, 2024	2023	$ change
Cash flows from operations before changes in non-cash working capital	$ **77,503**	$ 47,553	$ 29,950
Changes in non-cash working capital and other	**60,270**	57,220	3,050
Cash flows from (used in) operating activities	**137,773**	104,773	33,000
Investments net of capital distributions from equity accounted entities	**299**	181	118
Additions to property, equipment and intangible assets	**(11,968)**	(9,442)	(2,526)
Proceeds on sale of property and equipment	**1,124**	2,123	(999)
Acquisitions, net of cash acquired	**101**	—	101
Other long-term assets	**52**	178	(126)
Cash flows from (used in) investing activities	**(10,392)**	(6,960)	(3,432)
Dividends paid on shares	**(9,049)**	(5,775)	(3,274)
Net proceeds (repayment) of draws for working capital purposes	**(45,000)**	(15,000)	(30,000)
Proceeds from loans and borrowings	**1,675**	2,620	(945)
Repayment of loans and borrowings	**(4,342)**	(1,447)	(2,895)
Repayment of right-of-use liabilities	**(10,559)**	(4,727)	(5,832)
Cash flows from (used in) financing activities	**(67,275)**	(24,329)	(42,946)
Increase (decrease) in cash and cash equivalents	$ **60,106**	$ 73,484	$ (13,378)

Operating Activities

During the fourth quarter of 2024, cash flows from operating activities generated cash of $137.8 million, an improvement of $33.0 million compared to $104.8 million cash generated in the fourth quarter of 2023.

Cash flows from operations before changes in non-cash working capital of $77.5 million was $30.0 million higher than the $47.6 million cash generated in 2023, representing a 63.0% increase year-over-year. The improvement resulted from higher net income of $8.6 million in the current quarter and $21.3 million higher net addbacks for non-cash items on an aggregate basis, primarily consisting of higher deferred compensation costs of $2.5 million, higher non-cash income tax expense of $4.2 million, higher depreciation and amortization of $12.4 million, higher net finance and other costs of $2.0 million, and lower gains on sale of property and equipment of $1.4 million. Partially offsetting these higher addbacks was $0.8 million higher deduction for non-cash finance and other income.

Cash generated by changes in non-cash working capital and other for the quarter improved $3.1 million compared to the fourth quarter of 2023, driven by timing differences and the seasonality of the Company's growing work program. The primary changes included higher net inflows related to changes in accounts receivable and contract assets ($44.8 million), lower net outflows related to inventory and prepaid assets ($2.0 million) and lower net outflows related to provisions ($0.6 million), partially offset by higher net outflows related to deferred compensation and the related TRS derivative ($19.4 million), higher net outflows related to changes in accounts payable and contract liabilities ($21.4 million), higher income tax payments ($3.1 million), and higher net interest payments ($0.5 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 fourth quarter of 2024, the Company used $10.4 million of cash for investing activities compared to $7.0 million used in 2023. The increased use of cash was primarily driven by $2.5 million higher capital expenditures on property, equipment and intangibles, and $1.0 million lower proceeds on sale of property and equipment.

Financing Activities

During the fourth quarter of 2024, the Company used $67.3 million of cash related to financing activities, consisting of $45.0 million of net repayments on the revolving credit facility used to fund working capital requirements, $14.9 million of scheduled repayments of loans and borrowings and ROU liabilities, and $9.0 million of dividend payments, partially offset by $1.7 million of new equipment loan proceeds. In the same period of 2023, the Company made $15.0 million of net repayments on the revolving credit facility used to fund working capital requirements, made scheduled repayments of loans and borrowings and ROU liabilities of $6.2 million, and made dividend payments of $5.8 million, partially offset by $2.6 million million new equipment loan proceeds.

CONTRACTUAL OBLIGATIONS

At December 31, 2024, the Company has future contractual cash flow obligations of $1,023.7 million. Interest payments on the committed revolving credit facility and committed non-revolving term loan facility are not included in the table below since they are subject to variability based upon outstanding balances at various points throughout the period and variable interest rates.

(in thousands of Canadian dollars)	Not later than 1 year	2 – 3 years	4 – 5 years	Later than 5 years	Contractual cash flows	Carrying amount
Trade payables	$ 686,694	$ 28,709	$ 718	$ —	$ 716,121	$ 716,121
Dividends payable	3,877	—	—	—	$ 3,877	3,877
ROU liabilities	41,628	47,907	16,453	17,616	$ 123,604	108,198
Committed revolving credit facility	—	22,725	—	—	$ 22,725	22,725
Committed non-revolving term loan	12,500	109,375	—	—	$ 121,875	121,875
Equipment financing	4,236	4,544	386	—	$ 9,166	8,557
Acquisition holdback	6,173	2,347	—	—	$ 8,520	8,520
Lease commitments	5,145	—	—	—	$ 5,145	n/a
Other purchase commitments	5,245	5,697	1,725	—	$ 12,667	n/a
	$ 765,498	$ 221,304	$ 19,282	$ 17,616	$ 1,023,700	$ 989,873

FINANCIAL INSTRUMENTS

Financial instruments consist of recorded amounts of derivative contracts, accounts receivable and other like amounts that will result in future cash receipts, as well as accounts payable, dividends payable, loans and borrowings, and any other amounts that will result in future cash outlays. The fair value of the Company’s loans and borrowings approximate their carrying values on a discounted cash flow basis as the majority of these obligations bear interest at market rates. The fair values of the remaining financial instruments approximate their carrying value due to their relatively short periods to maturity.

The Company uses certain derivative financial instruments which are measured at fair value through profit and loss ("FVTPL"). These may include interest rate swaps to manage its interest rate risk, forward contracts to manage its foreign exchange risk on foreign currency payments and TRS derivative contracts for the purpose of managing its exposure to changes in the fair value of its share-based compensation programs due to changes in the Company's share price. The Company does not designate any of its current derivative contracts as hedges. The Company does not hold or use any derivative instruments for trading or speculative purposes. The Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework and reviews corporate policies on an ongoing basis.

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 31 to the December 31, 2024 consolidated annual financial statements for further details.

Credit Risk

The Company is primarily exposed to credit risk through accounts receivable. Before entering into any construction contract and during the course of the construction project, the Company satisfies itself that the customer has adequate resources to fulfil its contractual payment obligations as construction work is completed. If a customer is unable or unwilling to pay an amount owing, the Company generally has a right to register a lien against the project that will normally provide some security that the amount owed would be realized.

The Company is primarily exposed to credit risk through accounts receivable. At December 31, 2024, accounts receivable outstanding for greater than 90 days and considered past due by the Company's management represent 10.2% (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.

A significant customer is one that represents 10% or more of contract revenue earned during the year. For the years ended December 31, 2024 and 2023, no customer accounted for 10% or more of the contract revenue. Although large projects may occasionally result in individual customers being significant, credit risk is mitigated through regular progress billings and other contract security.

Liquidity Risk

Liquidity risk relates to the risk that the Company will not be able to meet its financial obligations as they become due. The Company manages this risk through management of its capital structure, monitoring and reviewing actual and forecasted cash flows and the effect on bank covenants, and maintaining unused credit facilities where possible to ensure there are available cash resources to meet the Company's liquidity needs. In managing liquidity risk, the Company has access to committed short and long-term debt facilities as well as equity markets, the availability of which is dependent on market conditions. See the section titled "Financial Condition, Capital Resources and Liquidity" for further information on the Company's financial condition, capital resources and liquidity.

Market Risk

Market risk is the risk that changes in market prices, such as interest rates, equity prices and corporate bond yields, will affect the Company's income or the value of its holdings in liquid securities. Interest rate risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market interest rates.

The Company is exposed to interest rate risk to the extent that its credit facilities are based on variable rates of interest. At December 31, 2024, a one percent change in the interest rate applied to the Company's variable rate loans and borrowings and TRS derivative would change annual income before income taxes by approximately $1.9 million (2023 – $1.0 million).

The Company has certain share-based compensation plans where the values are based on the common share price of the Company. At December 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 $6.1 million (2023 – $3.3 million).

The Company has fixed a portion of the settlement costs of these plans by entering into a TRS derivative contract maturing in 2025. At December 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 $5.6 million (2023 – $3.0 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

Currency risk is the risk that fluctuations in currency exchange rates will affect the Company’s net income. The Company uses foreign currency to settle payments to vendors and subcontractors in the foreign currency. Foreign currency risk is managed by the Company through the use of foreign currency derivatives. The Company uses foreign currency to settle payments to certain vendors and subcontractors. At December 31, 2024, a 10% movement in the Canadian and U.S. dollar exchange rate would have changed income before income taxes by approximately $0.3 million (2023 – $0.1 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	2024	2023
January 1 to March 31	$ 0.1183	$ 0.1008
April 1 to June 30	$ 0.1401	$ 0.1074
July 1 to September 30	$ 0.1401	$ 0.1074
October 1 to December 31	$ 0.1867	$ 0.1074

As of March 12, 2025, the Board of Directors has declared eligible dividends with a record date subsequent to December 31, 2024, for the following months:

Eligible dividends declared	Record date	Payment date	Dividend per share
January dividend	January 31, 2025	February 20, 2025	$ 0.0700
February dividend	February 28, 2025	March 20, 2025	$ 0.0700
March dividend	March 31, 2025	April 18, 2025	$ 0.0700
April dividend	April 30, 2025	May 16, 2025	$ 0.0700

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 55,382,831 common shares outstanding at March 12, 2025 (December 31, 2024 - 55,382,831). 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 $83.8 million at December 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 33 to the December 31, 2024 consolidated annual financial statements.

RELATED PARTY TRANSACTIONS

The Company's related parties, as defined by IFRS, are its joint arrangements and key management personnel. A description of any material transactions with these related parties is included in Note 34 to the December 31, 2024 consolidated annual financial statements.

SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars, except per share amounts)	2023				**2024**			
	Q1	Q2	Q3	Q4	Q1	Q2	**Q3**	**Q4**
Revenue	$ 536,459	$ 686,415	$ 783,843	$ 792,068	$ 688,200	$ 873,541	$ 898,939	**$ 936,666**
Net income	5,149	13,714	28,795	23,881	9,984	21,399	36,211	**32,505**
Earnings per share	0.10	0.26	0.54	0.44	0.19	0.40	0.66	**0.59**
Adjusted Earnings(1)(2)	6,071	16,521	29,823	24,869	11,268	23,421	39,304	**37,258**
Adjusted Earnings Per Share(2)	0.11	0.31	0.55	0.46	0.21	0.43	0.72	**0.67**
Adjusted EBITDA(1)	16,082	29,457	49,342	43,868	24,184	46,562	70,105	**71,942**

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

(2) The Company's definition of the non-GAAP financial measure Adjusted Earnings was revised in 2024. Prior year amounts for Adjusted Earnings and Adjusted Earnings Per Share have been restated to align with the current year's definition. See "Terminology and Non-GAAP & Other Financial Measures." for additional information.

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.

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 the first and fourth quarters 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 annual financial statements for the year ended December 31, 2024.

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 December 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.

On May 30, 2024, the IASB issued amendments to IFRS 9 and IFRS 7 Classification and Measurement of Financial Instruments. These amendments clarify the date of recognition and derecognition of some financial assets and liabilities, with a new exception for some financial liabilities settled through an electronic cash transfer system; add new disclosures for certain instruments with contractual terms that can change cash flows (such as some instruments with features linked to the achievement of environment, social and governance (ESG) targets); and update the disclosures for equity instruments designated at fair value through other comprehensive income (FVOCI). These amendments apply to annual reporting periods beginning on or after January 1, 2026. Earlier application is permitted. The Company is currently assessing the impact and efforts related to the amendments to IFRS 9 and IFRS 7.

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.

Assets and liabilities acquired in a business combination

The Company assesses whether an acquisition transaction should be accounted for as an asset acquisition or a business combination under IFRS 3 Business Combinations. The purchase price related to a business combination is allocated to the underlying acquired assets and liabilities based on estimates of their fair value at the time of acquisition. The determination of fair value requires the Company to make assumptions, estimates and judgements regarding future cash flows, valuation techniques, economic risk, weighted average cost of capital and future events. The measurement of purchase consideration and allocation process are therefore inherently subjective and impact the amounts assigned to identifiable assets and liabilities. As a result, the purchase price allocation impacts the Company's reported assets and liabilities (including the amounts allocated to intangible assets and goodwill), and future earnings due to the associated depreciation and amortization expense along with the required impairment testing.

Revenue and gross profit recognition

Construction revenue, construction costs, contract liabilities, and contract assets are based on estimates and judgements used in determining contract revenue and the determination of estimated costs to complete in order to calculate the stage of completion for a particular construction project, depending upon the nature of the construction contract, as more fully described in the revenue recognition policy. To determine the estimated costs to complete construction contracts, assumptions and estimates are required to evaluate matters related to schedule, material and labour costs, labour productivity, changes in contract scope and subcontractor costs. Due to the nature of construction activities, estimates can change significantly from one accounting period to the next.

The value of many construction contracts increases over the duration of the construction period. Change orders may be issued by customers to modify the original contract scope of work or conditions. In addition, there may be disputes or claims regarding additional amounts owing as a result of changes in contract scope, delays, additional work or changed conditions. Construction work related to a change order or claim may proceed, and costs may be incurred, in advance of final determination of the value of the change order. Change orders and claims may not be settled until the construction project is complete or subsequent to completion, and the nature of the relationship with the other party to the claim and the history of success of these claims may impact the associated revenue or cost recovery. Claims against customers for variable consideration due to factors described above are assessed under the Company's revenue policy, which requires significant judgement. The amount of variable consideration that is constrained is the difference between the total claim value and the best estimate of recovery. This constrained value is reviewed each reporting period.

Provisions

Legal, warranty and other provisions involve the use of estimates. Estimates and assumptions are required to determine when to record, and how to measure, a provision in the financial statements. The outcomes may differ significantly from the estimates used in preparing the financial statements resulting in adjustments to previously reported financial results.

Impairment of non-financial assets

Management evaluates property and equipment, intangible assets with definite lives, and right-of-use ("ROU") assets at the end of each reporting period to determine if there are events or circumstances which indicate that the carrying value may not be recoverable. Goodwill and intangible assets with indefinite lives are tested for impairment annually, or more frequently if events or changes in circumstances indicate that the asset may be impaired. Impairment testing is performed by comparing the recoverable amount of the cash-generating unit ("CGU") or groups of CGUs to its carrying amount. There is a significant amount of uncertainty with respect to the estimate of the recoverable amount given the necessity of making economic projections which employ the following key assumptions: future cash flows, growth opportunities, including economic risk assumptions, and estimates of achieving key operating metrics and drivers, and the discount rate. Refer to note 17 to the December 31, 2024 annual consolidated annual financial statements for further details regarding the assumptions and estimates regarding the Company's goodwill impairment assessment.

Measurement of pension obligations

The Company's obligations and expenses related to defined benefit ("DB") pension plans are determined using actuarial valuations and are dependent on a number of significant assumptions. The DB obligations and benefit cost levels will change as a result of future changes in actuarial methods and assumptions, membership data, plan provisions, legislative rules, and future experience gains or losses. Actual experience that differs from assumptions may result in gains or losses that will be disclosed in future accounting valuations. Refer to note 23 to the December 31, 2024 annual consolidated annual financial statements for further details regarding the Company's DB pension plans.

Share-based payments

Compensation expense accrued for performance share units ("PSU") is dependent upon the final number of PSU awards that will eventually vest, adjusted for a performance multiplier, that is estimated by management and approved by the Board of Directors. Large fluctuations in compensation expense may occur due to changes in the underlying share price or revised management estimates of relevant performance factors.

Leases

The Company applies judgement in reviewing each of its contractual arrangements to determine whether the arrangement contains a lease within the scope of IFRS 16 Leases. Leases that are recognized are subject to further management judgement and estimation in various areas specific to the arrangement, including the term of the lease. In determining the lease term to be recognized, management considers all facts and circumstances that create an economic incentive to exercise an extension option, or not to exercise a termination option.

Where a lease does not specify an interest rate, lease liabilities are estimated using a discount rate equal to the Company-specific incremental borrowing rate. This rate represents the rate that the Company would incur to obtain the funds necessary to purchase an asset of a similar value, with similar payment terms and security in a similar economic environment.

Income taxes

Tax regulations and legislation are subject to change and there are differing interpretations requiring management judgement. Deferred tax assets are recognized when it is considered probable that deductible temporary differences will be recovered in future periods, which requires management judgement. Deferred tax liabilities are recognized when it is considered probable that temporary differences will be payable to tax authorities in future periods, which requires management judgement. Income tax filings are subject to audits and re-assessments and changes in facts, circumstances and interpretations of tax laws may result in a material increase or decrease in the Company's provision for income taxes.

Joint arrangements

A joint arrangement is an arrangement in which the Company has joint control, established by contractual agreements requiring unanimous consent for decisions about activities that significantly affect the arrangement's returns. Joint arrangements are classified as either a joint operation or a joint venture. A joint operation is an arrangement where the joint controlling parties have direct rights to the assets and direct obligations for the liabilities of the arrangement in the normal course of business. Interests in a joint operation are accounted for by recognizing the Company's share of assets, liabilities, revenues and expenses. A joint venture is an arrangement where the joint controlling parties have rights to the net assets of the arrangement. Interests in a joint venture are recognized as an investment and accounted for using the equity method. The determination as to whether a joint arrangement is a joint venture or a joint operation requires significant judgement based on the structure of the arrangement, the legal form of any separate vehicle, the contractual terms of the arrangement and other facts and circumstances. The joint arrangements in which Bird participates are typically formed to undertake a specific construction project, are jointly controlled by the parties, and are dissolved upon completion of the project.

CONTROLS AND PROCEDURES

As permitted by NI 52-109, *Certification of Disclosures in Issuers' Annual and Interim Filings*, Bird may limit its design of Disclosure Controls and Procedures or Internal Controls over Financial Reporting to exclude controls, policies and procedures of a business that was acquired not more than 365 days before the end of the financial period.

The controls and procedures set out below do not include controls, policies and procedures for Jacob Bros, acquired on August 1, 2024.

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.

In accordance with NI 52-109, an evaluation of the design and operational effectiveness of the 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 of December 31, 2024. Based on their evaluations, the CEO and CFO have concluded that the disclosure controls and procedures were designed and operating effectively as at December 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.

Under the supervision and with the participation of management, including the CEO and CFO, with oversight by the Board of Directors and Audit Committee, the design and operational effectiveness of the Company's internal controls over financial reporting were evaluated using the control framework issued by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control – Integrated Framework (2013). In accordance with NI 52-109, the CEO and CFO have concluded that the internal controls over financial reporting were designed and operating effectively, as at December 31, 2024.

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

RISKS RELATING TO THE BUSINESS

The following are the significant risk factors relating to the business. Readers are also encouraged to review the "Forward-Looking Information" section of this MD&A.

Estimating Costs and Schedules/Assessing Contract Risks

The price for most contracts performed by Bird is based, in part, on cost and schedule estimates that are subject to a number of assumptions, including assumptions related to the cost of input materials which may be impacted by a number of inflationary pressures, including but not limited to: product availability, currency volatility, trade restrictions and tariffs. Erroneous assumptions could result in an incorrect assessment of risks associated with a contract or estimates of project costs and schedules that are in error, potentially resulting in lower than anticipated profit or significant loss. All significant cost and schedule estimates are reviewed by senior management prior to tender submission and contractual terms are negotiated to help mitigate these risks.

Ability to Hire and Retain Qualified and Capable Personnel

The success of Bird is highly influenced by the efforts of key management, technical, project and business development personnel. The loss of the services of any of Bird's key management personnel could negatively impact Bird. The future success of Bird also depends heavily on its ability to attract, retain and develop high-performing personnel in all areas of its operations.

Most firms throughout the construction industry face this challenge and, accordingly, competition for professional staff is intense. If Bird ceases to be seen by current and prospective employees as an attractive place to work, it could experience difficulty in hiring and retaining an adequate level of qualified staff. This could have an adverse effect on current operations of Bird and would limit its prospects and impair its future success.

Availability and Performance of Subcontractors

Successful completion of a contract by Bird depends, in large part, on the satisfactory performance and availability of any subcontractors who are engaged to complete the various components of the work.

Subcontractor defaults tend to increase during downturns in overall market conditions. If subcontractors fail to satisfactorily perform their portion of the work, Bird may be required to engage alternate subcontractors or incur other costs to complete the work and may incur additional costs in relation to the default of the subcontractor. This can result in reduced profits or, in some cases, significant losses on the contract and possible damage to Bird's reputation.

In addition, the ability of Bird to bid for and successfully complete projects is, in part, dependent on the availability of qualified subcontractors and trades people. It is Bird's policy to require some form of performance security from most subcontractors and Bird achieves this through the use of surety bonds, subcontractor default insurance or other forms of security from the subcontractor to mitigate Bird's exposure to the risks associated with the subcontractor's performance and completion. A significant shortage of qualified subcontractors and trades people or the bankruptcy of a subcontractor could have a material impact on Bird's financial condition and results of operations.

Design Risks

While many contracts entered into by Bird are for construction or construction services only, certain contracts are undertaken on a design-build basis, under which Bird is responsible for both design and construction of the project. While Bird subcontracts all of the design scope in such design-build contracts to reputable designers, there is generally not a full transfer of design-related risks. These risks include design development and potential resulting scope extensions not anticipated at the outset of the project, delays in the design process that may adversely affect the overall project schedule, and design errors and omissions.

To manage these risks, Bird manages and oversees the design process, coordinates the design deliverables with the construction process and, for significant design-build projects, purchases errors and omissions insurance.

Quality Assurance and Quality Control

Bird enters into contracts which specify the scope and specifications of the project to be designed and/or constructed, including quality standards. If all, or portions of the work fail to meet these standards, Bird could be exposed to additional costs for the correction of non-compliant work.

Economy and Cyclicality

Activity within the construction industry is generally tied to the state of the economy. Thus, in periods of strong economic growth, capital spending will generally increase and there will be more and higher quality opportunities available within the construction industry. Investment decisions by our clients are based on long-term views of the economic viability of their current and future projects, sometimes based upon the clients' view of the long-term prices of commodities which are influenced by many factors. If our clients' outlook for their current and future projects is not favourable, this may lead them to delay, reduce or cancel capital project spending and may make them more sensitive to construction costs. Volatility of construction costs resulting from other macroeconomic factors, including tariffs or international trade restrictions and rapid changes in foreign exchange rates, may exacerbate the issue. A prolonged downturn or period of uncertainty in the economy could impact Bird's ability to generate new business or maintain a backlog of contracts with acceptable margins to sustain Bird through such periods.

Bird attempts to insulate itself in various ways from the effects of negative economic conditions through diversification of the sources of the Company's earnings; however, there is no assurance that these methods will be effective in insulating Bird from a downturn in the economy. Furthermore, as a result of increased demand in certain regions or industry sectors, the Company has, in the past, earned favourable margins on particular projects. There is also no assurance that above-average margins that may have been generated on historical contracts can be generated in the future.

Competitive Factors

Bird competes with many international, national, regional and local construction firms. Competitors may benefit from advantages in a particular market that Bird does not have, may have greater access to resources, or may have more experience or a better relationship with a particular client. On any given contract bid or negotiation, Bird assesses the level of real or perceived competitive advantage that its competitors have. Depending on this assessment, Bird will decide whether or not to pursue a contract, or may take other action to counteract such advantage when pursuing the work, such as adjusting the level of profit can be incorporated into its contract price and which personnel should be assigned to the contract. The accuracy of this assessment and the ability of Bird to respond to competitive factors affect Bird's success in securing new contracts and its profitability on contracts that it does secure.

Maintaining Safe Work Sites

Despite the Company's efforts to minimize the risk of safety incidents, they can occur from time to time and, if and when they do, the impact on Bird can be significant. Bird's success as a construction company is highly dependent on its ability to keep its construction work sites and offices safe and any failure to do so can have serious impact on the personal safety of its employees and others. In addition, it can expose Bird to contract termination, fines, regulatory sanctions or even criminal prosecution.

Bird's safety record and worksite safety practices also have a direct bearing on its ability to secure work, particularly in the industrial sector. Certain clients will not engage particular contractors to perform work if their safety practices do not conform to predetermined standards or if the general contractor has an unacceptably high incidence of safety infractions or incidents.

Bird adheres to very rigorous health and safety systems and programs which are continually reinforced and monitored on its work sites and offices. Management is not aware of any pending health and safety legislation or prior incidents which would be likely to have a material impact on any of Bird's operations, capital expenditure requirements, or competitive position. Nevertheless, there can be no guarantee with respect to the impact of future legislation or incidents.

Ability to Secure Work

Bird generally secures new contracts either through a competitive bid process or through negotiation. With the Company's focus on collaborative contracting, many awards in both the public and private sectors are qualifications based, although price may still be an important factor in clients' procurement decisions. Qualifications may include factors such as the level of services offered, safety record, construction schedule, design (if applicable), project personnel, the composition of a consortium, joint venture and subcontractor team, prior experience with the prospective client and/or the type of project, and financial strength including the ability to provide bonds and other contract security.

In order to be afforded an opportunity to bid for large projects, a strong balance sheet measured in terms of an adequate level of working capital, liquidity and equity is typically required.

A decline in demand for Bird's services from the private sector could have an adverse impact on the Company if that business could not be replaced within the public sector. A portion of Bird's construction activity relates to government-funded institutional projects. Any reduction in demand for Bird's services by the public sector, whether as a result of funding constraints, changing political priorities or delays in projects caused by elections or other factors, could have an adverse impact on the Company if that business could not be replaced within the private sector.

Adjustments and Cancellations of Backlog

The future performance of the Company depends significantly on the contribution from projects in its Backlog. There can be no assurance that the revenues or profits included in Backlog at any point in time will be realized. Contract suspensions, reductions and cancellations, which are beyond the control of Bird, do occur from time-to-time in the construction industry. Customers may have the right to suspend, cancel or reduce the scope of their contracts with Bird and, though Bird generally has a contractual right to be reimbursed for certain costs, it typically has no contractual rights to the total revenue or profit that was expected to be derived from such projects. These reductions could have a material adverse impact on future revenues and profitability.

Joint Arrangement Risk

Bird sometimes forms joint arrangements to pursue and execute projects. A joint arrangement structure can be beneficial by permitting competitive advantages, pooling of resources required to complete a project and risk sharing between the joint arrangement partners. The joint arrangements in which Bird participates are typically formed to undertake a specific project, are jointly controlled by the partners and are dissolved upon completion of the project.

The agreements which govern these joint arrangements typically require that the partners supply their proportionate share of operating funds, staff and other inputs and that they share profits and losses in accordance with specified percentages. Bird selects its joint arrangement partners based on a variety of criteria, including relevant expertise, cultural alignment and past working relationships, and an analysis of the prospective partners' financial and construction capabilities.

Each joint arrangement party is typically liable for the obligations of the joint arrangement on a joint and several basis. In the event any of Bird's joint arrangement partners fail to perform their obligations due to financial or other reasons, Bird may be required to provide additional resources to the project and assume responsibilities for the obligations of its joint arrangement partner(s) including responsibility for financial losses.

Acquisition and Integration Risk

The Company has made acquisitions and may continue to pursue acquisition opportunities to advance its strategic plan. The successful integration of an acquired business typically requires the management of the pre-transaction business strategy, including the retention and addition of customers, realization of identified cost, revenue and strategic synergies, retention of key staff and the development of a common corporate culture. Failure to adequately address differences in technology, culture, customers, projects, or other issues could negatively affect financial performance. There is no assurance that the Company will be able to successfully integrate an acquired business in order to maximize or realize the benefits associated with an acquisition.

Accuracy of Cost to Complete Estimates

As Bird performs each construction contract, costs are continuously monitored against the original cost estimates. On at least a quarterly basis, a detailed estimate of the costs to complete a contract is compiled by the Company. These estimates are an integral part of Bird's process for determining construction revenues and profits, and depend on cost data collected over the duration of the project as well as estimates and judgements of Bird's field and office personnel. Bird has adopted numerous internal control activities aimed at mitigating exposure to this risk, however to the extent that the costs to complete estimates are based on inaccurate or incomplete information, or on imperfect judgements or incorrect assumptions, including those regarding potential trade restrictions and tariffs, the accuracy of reported construction revenues and profits could be impacted.

Completion and Performance Guarantees

Under some contracts, failure to meet a project deadline or other schedule milestone may, in addition to any delay-related expenses incurred by Bird, expose Bird to liquidated damages or other financial penalties that may include cost impacts to the client resulting from any delay. The Company mitigates its exposure to these risks by managing and monitoring schedule and completion progress on its projects, as well as by transferring part of the risks to its subcontractors and suppliers.

Under design-build contracts, the work, or portions thereof, may be required to meet certain performance specifications and/or other contractually specified needs of the customer. A failure to meet these requirements could expose Bird to liability for design flaws and/or additional construction costs that may result from such failures. The Company mitigates its exposure to these risks by subcontracting design services work and by subscribing for or otherwise obtaining professional liability insurance.

If Bird fails to meet completion schedules or performance or design obligations, the total costs of the project could exceed original estimates and could result in reduced profitability or a loss to Bird for that project. In extreme cases, such situations could have a material negative impact on the operating results and financial position of Bird.

Information Systems and Cyber-security Risk

The Company relies on information technology to manage, process, store and transmit electronic information. Complete, accurate, available and secure information is vital to the Company's operations and any compromise in such information could result in improper decision making, inaccurate or delayed operational and/or financial reporting, delayed resolution to problems, breach of privacy and/or unintended disclosure of confidential information. Failure in the completeness, accuracy, availability or security of the Company's information systems, the risk of system interruption or failure during system upgrades or implementation, or a breach of data security could adversely affect the Company's operations and financial results. In addition, cyber-security incidents relating to the Company's information technology systems may disrupt operations and impact operating results.

Cyber-security incidents may occur from a range of techniques, from phishing or hacking attacks to sophisticated malware, hardware or network attacks. While the Company has implemented systems, policies, procedures, practices, hardware and backups designed to prevent and limit the effect of cyber-security attacks, there can be no assurance that these measures will be sufficient to prevent, detect or address the attacks in a timely matter, or at all. A successful cyber-attack may allow unauthorized interception, destruction, use or dissemination of the Company's confidential information, which could have a material adverse effect on the business.

The Company maintains a dedicated team of technology and cybersecurity professionals who manage a comprehensive program to help protect the organization against breaches and other incidents with appropriate security and operational controls in place, including the monitoring of threats. The Company also has a continual training and compliance program that all employees must adhere to. The Company's risk management activities also include ensuring sufficient information security insurance coverage is in place, and the regular engagement of third-party expertise to assess our information security systems.

Climate Change Risks and Opportunities

Transition to a Lower Carbon Economy

The transition to a lower-carbon economy could potentially be disruptive to traditional business models and investment strategies. Private and/or public-sector clients of the Company may choose to change their construction project priorities due to changes in project funding or public perception of the sustainability of the projects. Changing market demands are actively monitored by the Company, partially mitigating this risk as lower demand in some sectors may be offset with opportunities in others, by forming strategic partnerships and by pursuing sustainable innovations.

Government action to address climate change may include economic instruments such as carbon and energy consumption taxes as well as restrictions on economic sectors, such as cap-and-trade or more stringent regulation of greenhouse gas emissions and biodiversity protections that could also impact the Company's current or potential clients operating in industries that extract, distribute and transport fossil fuels, or clients in other carbon intensive industries.

The transition to a lower-carbon economy also presents opportunities as changing market demands are aligned to the Company's diversified service offerings and operations in varied market sectors. Strategic acquisitions including Stuart Olson, Dagmar, Trinity, NorCan and Jacob Bros have enhanced the Company's ability to secure and execute projects of increased scale and complexity. The Company is positioned to capture growth in key sectors including infrastructure, utilities, deep energy retrofits, nuclear and renewable energy, particularly for projects related to expanding electrification and decarbonization.

Financial

The Company's cost of business, including insurance premiums, may increase due to the introduction of or changes to climate change measures. The Company may also incur additional expenses related to complying with environmental regulations and policies in regions where it does business. These costs could include requirements to purchase new equipment to reduce emissions to comply with new regulatory standards or to mitigate the financial impact of different forms of carbon pricing. The Company could also incur costs related to engaging with governments, regulators and industry organizations in order to proactively monitor regulatory trends, and costs to implement appropriate compliance processes. Although the Company actively monitors applicable climate change laws and regulations and compliance with them, and is proactive in promoting and supporting climate change mitigation actions, inadvertent compliance shortfalls could result in penalties and reputational damage that may impair the Company's future prospects.

Market and Reputational

Investors and other stakeholders in Canada and worldwide are becoming more attuned to climate change action and sustainability matters, including the efforts made by issuers to reduce their carbon footprint and demonstrate due diligence within their value chain. The Company's reputation may be harmed if it is not perceived by its stakeholders to be sincere in its sustainability commitment and its long-term results could be impacted as a result. In addition, the Company's approach to climate change issues may influence stakeholders' and clients' perceptions of the Company in relation to its peers and impact their investment and procurement decisions.

Weather Related

The probability and unpredictability of extreme weather events such as hurricanes, tornadoes, wildfires, floods, droughts and other associated incidents, such as earthquakes, may continue to increase due to climate change, and there may continue to be longer-term shifts in climate patterns. As many of the Company's construction activities are performed outdoors, extreme weather events can be disruptive to operations and cause the Company to incur additional costs such as late completion penalties imposed by the contract, the incremental costs arising from loss of productivity, compressed schedules, overtime work utilized to offset the time lost due to adverse weather, or additional costs to modify methods to perform work under unanticipated weather conditions. Although the Company mitigates some of these risks through contractual terms and insurance, extended periods of poor weather may have an adverse effect on profitability.

Conversely, the impact of extreme weather events on the built environment, and infrastructure in particular, creates increased demand for the construction of climate-resilient infrastructure and the post-construction hardening of existing infrastructure. The Company's expanding capabilities to bid on and execute these types of projects creates profitable growth opportunities for the Company.

Litigation/Potential Litigation

In the normal course of the construction business, disputes sometimes arise between parties to construction contracts. While Bird attempts to resolve any disagreements or disputes before they escalate to litigation, in some situations this is not possible. At any given time, Bird may be involved in a number of disputes that could lead to litigation and there may be a number of disputes in various stages of litigation.

The Company makes provisions in its financial statements for any potential settlements relating to such matters and management does not believe that any existing litigation or pending litigation will ultimately result in a final judgment against Bird that would have a materially adverse impact on the operations of Bird. Litigation is, however, inherently uncertain and, accordingly, adverse outcomes not currently provided for in any current litigation or pending litigation are possible. These potentially adverse outcomes could include financial loss, damage to Bird's reputation or a reduction in prospects for future contract awards.

Ethics and Reputational Risk

One of the Company's competitive advantages rests in its relationships with its customers and its long-standing reputation as a contractor that delivers high-quality projects and services on time, and in a safe and environmentally-friendly manner. Damage to the Company's reputation can result from the occurrence of a variety of actual or perceived events. Negative publicity can arise from a number of factors including, without limitation, the quality of service provided, business ethics and integrity, health and safety record and compliance with laws or regulations.

As part of its business dealings with governmental bodies, Bird must comply with public procurement laws and regulations aimed at ensuring that public sector bodies award contracts in a transparent, competitive, efficient, ethical and non-discriminatory manner. Although the Company has adopted control measures and implemented policies and procedures to mitigate the risk of non-compliance, these control measures, policies and procedures may not always be sufficient to protect the Company from the consequences of acts prohibited by public procurement and other laws and regulations committed by its directors, officers, employees and agents. If the Company fails to comply with these laws and regulations it could be subject to administrative or civil liabilities and to mandatory or discretionary exclusion or suspension, on a permanent or temporary basis, from contracting with governmental bodies in addition to other penalties and sanctions that could be incurred by the Company.

Negative opinion concerning any of these factors could potentially have an adverse effect on current operations and could limit the Company's prospects and impair its future success. The Company depends on its reputation as a construction company that abides by the highest ethical standards and has therefore implemented various policies and procedures to help mitigate this risk, including the adoption of: a comprehensive employee code of conduct; an anti-bribery and corruption policy; and a whistleblower policy. All employees are required to sign an acknowledgement of these policies, and to review and abide by them. In addition, the Company provides training to its employees regarding these policies, which include principles relating to harassment, fairness, conflicts of interest and other ethical business practices.

Global Pandemics

Global pandemics, such as the most recent COVID-19 pandemic, can result in widespread illnesses and deaths, can impact the health of the Company's workforce and can prevent the Company from being able to carry on its operations whether due to direct impacts, or indirect impacts through its customers and suppliers. These impacts can severely limit the Company's ability to operate and to generate revenues or cash flows, while its ability to eliminate or reduce costs during such times may be limited. Accordingly, with any threat of a pandemic or similar public health emergency, the Company could suffer significant financial losses and a deterioration in its creditworthiness and therefore have a material adverse effect on the Company.

Potential for Non-Payment

Before signing any construction contract, Bird conducts due diligence to satisfy itself that the potential client has adequate resources to make payments under the terms of the contract. Throughout the contract, Bird also attempts to ensure that payments are collected from clients before Bird's payments to subcontractors and suppliers for that contract fall due. However, because of the nature of Bird's contracts and occasionally because of delays in receiving customer payments, Bird may be required to utilize its working capital to temporarily fund construction costs where payment from its clients is delayed.

If a customer defaults in meeting its payment obligations to Bird on a project, Bird would generally have the right to register a lien against the project. If the customer was unable or unwilling to pay the amount owing to Bird, a lien against the property will normally provide some security that Bird may collect the amounts owing to it through the enforcement of its lien. However, in these situations, Bird's ability to collect the outstanding payments is never assured. Payment default by a client could result in a financial loss to Bird that could have a material effect on Bird's operating results and financial position.

Access to Capital

The Company requires working capital to support its ongoing and future work program. Bird relies on its cash position and the availability of credit and capital markets to meet these working capital demands. As the Company's businesses grow, the Company is continually seeking to enhance its access to funding in order to finance the higher working capital requirements associated with this growth. Further, instability or disruption of capital markets, or a weakening of the Company's cash position could restrict its access to, or increase the cost of obtaining, financing. Additionally, if the terms of the credit facility are not met, lenders may terminate the Company's right to use its credit facility, or may demand repayment in whole or in part of the Company's outstanding indebtedness, which could have a material adverse effect on the Company's financial position.

One or more third parties drawing on letters of credit or guarantees could have a material adverse effect on Bird's cash position and operations.

Some of Bird's clients also depend on the availability of credit to finance their projects. If clients cannot arrange financing, projects may be delayed or cancelled, which could have a material adverse effect on the Company's growth and financial position. Diminution of a client's access to credit may also affect the Company's ability to collect payments, negotiate change orders, and settle claims with clients which could have a material adverse effect on the Company's financial position.

Access to Surety Support and Other Contract Security

On many of its construction contracts, Bird is required to provide surety bonds. Bird's ability to obtain surety bonds depends primarily upon its capitalization, working capital, past performance, capability and continuity of management, as well as its current level of activity and market conditions. As the value of Bird's backlog increases, Bird may be required to maintain higher levels of equity and working capital than it currently maintains in order to secure surety bonds.

The level of equity and working capital required to maintain ongoing surety support is subject to negotiation and other factors that cannot be determined precisely. Furthermore, the overall capacity of the surety market and claims experience of sureties will have an influence on the pricing and availability of bonds. There can be no assurance that Bird will have access to surety support on favourable or commercially reasonable terms, or at all, for contracts it would like to pursue. Bird's agreements with its surety company are on industry standard terms.

Work Stoppages, Strikes and Lockouts

Bird is signatory to a number of collective bargaining agreements. Future negotiation of these collective bargaining agreements could increase Bird's operating expenses and reduce profits as a result of increased wages and benefits. Failure to come to an agreement in these collective bargaining negotiations or those of its subcontractors and suppliers or government agencies could result in strikes, work stoppages, lockouts or other work action, and increased costs resulting from delays on construction projects. A strike or other work stoppage may be disruptive to Bird's operations and could adversely affect portions of its business, financial position, results of operations and cash flows.

Compliance with Environmental Laws

Bird is subject to numerous federal, provincial and municipal environmental laws, and judicial, legislative and regulatory developments relating to environmental protection occur on an ongoing basis. Bird's projects can involve the handling of hazardous and environmentally sensitive materials, which, if improperly handled or disposed of, could subject Bird to civil and criminal penalties. While Bird strives to keep informed of and to comply with all applicable environmental laws, circumstances may arise and incidents may occur that are beyond Bird's control that could adversely affect Bird. Management is not aware of any pending environmental legislation or incidents that would be likely to have a materially adverse impact on any of Bird's operations, capital expenditure requirements or competitive position, although there can be no assurance that no future legislation will be enacted or incidents will occur which may have a material impact on Bird's operations.

Insurance Risk

In the normal course of business, Bird maintains insurance in order to satisfy the requirements of its construction contracts at a minimum, and to insure project and business risks as part of its corporate risk management policies, including risks relating to its assets. Bird places enterprise and project coverages consistent with a construction contractor of its size, complexity and breadth of operations. As a matter of business and risk assessment, Bird assesses its insurance programs routinely to ensure sufficiency of limits, breadth of coverage, and competitive pricing, all against the backdrop of a tightening insurance marketplace and restricting coverage and limits. Although Bird believes it maintains appropriate insurance coverage with sufficient limits, there can be no assurance that the Company's project-specific and corporate insurance arrangements will be sufficient to cover claims incurred. In addition, there can be no assurance that the Company's insurers and independent third-party insurers will interpret insurance policies and evaluate and adjust claims in the Company's favour in the first instance in all cases.

Internal and Disclosure Controls

Bird has designed and implemented a system of internal controls and a variety of policies and procedures to provide reasonable assurance that material misstatements in the financial reporting and public disclosures are prevented and detected on a timely basis, and that other business risks are mitigated. In accordance with the guidelines adopted in Canada, the Company assesses the effectiveness of its internal and disclosure controls using a top-down, risk-based approach in which both qualitative and quantitative measures are considered. An internal control system, no matter how well it is planned, implemented and operated, can provide only reasonable, and not absolute, assurance to management and the Board of Directors regarding achievement of intended results. In addition, Bird's current system of internal and disclosure controls places reliance on key personnel across the Company to perform a variety of control functions including key reviews, analysis, reconciliations and monitoring. The failure of individuals to perform such functions or properly implement the controls as designed could adversely impact results.

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 December 31, 2024, and December 31, 2023; refer to Note 10 of the December 31, 2024 consolidated annual 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; amortization of acquisition-related intangible assets, other than software; and the income tax effect of each of these adjustments. These costs are either a component of Costs of construction or 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.

  In 2024, the Company changed the composition of Adjusted Earnings to exclude the amortization of acquisition-related intangible assets, other than software. Examples of acquisition-related intangibles include customer relationships, brand names and backlog. The change to the composition was made due to Management's assessment that the amortization of these intangibles was not reflective of ongoing operations, and as a result of the increased number and size of recent acquisitions, the amortization amounts had become significant enough to impact the usefulness of the non-GAAP measure as being reflective of ongoing operations. Prior period amounts for Adjusted Earnings have been adjusted to align with the revised composition.

ADJUSTED EARNINGS *(in thousands of Canadian dollars, except per share amounts)*	Three months ended December 31,		Year ended December 31, 2023	
	2024	2023	**2024**	2023
Net income	**$ 32,505**	$ 23,881	**$ 100,099**	$ 71,539
Add: Acquisition and integration costs	**861**	561	**5,332**	2,132
Add: Impairment of assets	**—**	—	**—**	1,430
Add: Acquisition intangible amortization	**5,531**	774	**9,532**	4,042
Income tax effect of the above items	**(1,639)**	(347)	**(3,712)**	(1,859)
Adjusted Earnings	**$ 37,258**	$ 24,869	**$ 111,251**	$ 77,284
Adjusted Earnings Per Share [1]	**$ 0.67**	$ 0.46	**$ 2.04**	$ 1.44

[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 December 31,		Year ended December 31, 2023	
	2024	2023	**2024**	2023
Net income	**$ 32,505**	$ 23,881	**$ 100,099**	$ 71,539
Add: Income tax expense	**11,562**	7,385	**33,314**	21,692
Add: Depreciation and amortization	**22,755**	10,404	**62,902**	36,137
Add: Finance and other costs	**6,240**	4,247	**21,097**	13,158
Less: Finance and other income	**(1,965)**	(1,206)	**(7,949)**	(5,216)
Add: Loss (gain) on sale of property and equipment	**(16)**	(1,404)	**(2,002)**	(2,123)
Add: Acquisition and integration costs	**861**	561	**5,332**	2,132
Add: Impairment of assets	**—**	—	**—**	1,430
Adjusted EBITDA	**$ 71,942**	$ 43,868	**$ 212,793**	$ 138,749
Adjusted EBITDA Margin [1]	**7.7 %**	5.5 %	**6.3 %**	5.0 %

[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.
- **"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", "poised" 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 2025; expectations for Adjusted EBITDA Margins in 2025 and beyond, including the Company's ability to further leverage its cost structure; 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 2025 and beyond, and margin improvements; the Company's ability to capitalize on opportunities, and grow profitably; the Company's ability to successfully expand into target markets, their long-term demand, and their profitability; the Company's ability to successfully expand scopes of work in targeted LCIP's; the Company's ability to manage the impacts of tariff and non-tariff measures; future opportunities related to the acquisition of Jacob Bros; expectations regarding the Jacob Bros acquisition impact to Bird's business, anticipated financial performance of Jacob Bros and its impact to the Company's operations and financial performance, including the anticipated accretive value to Bird, the sufficiency of working capital and liquidity to support growth, contract security needs, 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 those listed under the section "Risks Relating to the Business" in this MD&A.

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.