



Bird Construction Inc. (TSX:BDT)

Q2 2022 Earnings

August 10, 2022





Disclaimer



This presentation contains forward-looking statements and information (“forward-looking statements”) within the meaning of applicable Canadian securities laws. The forward-looking statements contained in this presentation are based on the expectations, estimates and projections of management of Bird Construction Inc. (“Bird” or “The Company”) as of the date of this presentation unless otherwise stated. The use of any of the words “believe”, “expect”, “anticipate”, “contemplate”, “target”, “plan”, “outlook”, “potential”, “estimated”, “intend”, “continue”, “may”, “will”, “should” and similar expressions are intended to identify forward-looking statements. More particularly and without limitation, this presentation contains forward-looking statements concerning: anticipated financial performance; the outlook for 2022; anticipated synergies and potential of the integrated business; the plans and strategic priorities of the Company; sufficiency of working capital; and with respect to Bird’s ability to convert Pending Backlog to Backlog.

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 the Company operates in general such as: operational risks, industry and inherent project delivery risks; ability to hire and retain qualified and capable personnel; global pandemics; delays or changes in plans with respect to growth projects or capital expenditures; costs and expenses; health, safety and environmental risks; commodity price, interest rate and exchange rate fluctuations; compliance with environmental laws risks; competition, ethics and reputational risks; ability to access sufficient capital from internal and external sources; repayment of credit facility; collection of recognized revenue; performance bonds and contract security; potential for non-payment and credit risk and ongoing financing availability; regional concentration; regulations; dependence on the public sector; client concentration; labour matters; loss of key management; subcontractor performance; unanticipated shutdowns, work stoppages, strikes and lockouts; maintaining safe worksites; cyber security risks; litigation risk; corporate guarantees and letters of credit; volatility of market trading; failure of clients to obtain required permits and licenses; payment of dividends; economy and cyclicity; Public Private Partnerships project risk; design risks; completion and performance guarantees/design-build risks; ability to secure work; estimating costs and schedules/assessing contract risks; quality assurance and quality control; accuracy of cost to complete estimates; insurance risk; adjustments and cancellations of backlog; joint venture risk; internal and disclosure controls; Public Private Partnerships equity investments; failure to realize the anticipated benefits of the Transactions; and changes in legislation, including but not limited to tax laws and environmental regulations.

The forward-looking statements in this presentation should not be interpreted as providing a full assessment or reflection of the unprecedented impacts of the COVID-19 pandemic (“COVID-19”) and the resulting indirect global and regional economic impacts.

Readers are cautioned that the foregoing list of factors is not exhaustive. Additional information on other factors that could affect the operations or financial results of the parties, and the combined company, including any risk factors related to COVID-19, are included in reports on file with applicable securities regulatory authorities, including but not limited to; Bird’s Annual Information Form and Management’s Discussion and Analysis for the year ended December 31, 2021, each of which may be accessed on Bird’s SEDAR profile, at www.sedar.com and on the Company’s website at www.bird.ca.

The forward-looking statements contained in this presentation 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, unless so required by applicable securities laws.

TERMINOLOGY AND NON-GAAP & OTHER FINANCIAL MEASURES

Throughout this presentation, management uses certain terminology and financial measures that do not have standard meanings under 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 on these financial measures can be found in the “Terminology and Non-GAAP & Other Financial Measures” section in Bird’s most recently filed Management’s Discussion & Analysis for the period ended June 30, 2022, prepared as of August 9, 2022. This document is available on Bird’s SEDAR profile, at www.sedar.com and on the Company’s website at www.bird.ca.

- “Backlog” is a term representing 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. The Company’s Backlog equates to the Company’s remaining performance obligations as disclosed in the Company’s most recent notes to the financial statements filed on SEDAR. Additions to remaining performance obligations are also referred to by the Company as “Securements”.
- “Pending Backlog” is a supplementary financial measure representing 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 amounts for agency relationship construction management projects, pre-construction activities and estimated future work orders to be performed as part of MSAs.
- “Gross Profit Percentage” is a supplementary financial measure representing the percentage derived by dividing gross profit by construction revenue.
- “Adjusted Earnings” is a non-GAAP financial measure defined as IFRS net income excluding asset impairments, acquisition, integration and restructuring (as defined in accordance with IFRS) costs and the income tax effect of these costs.
- “Adjusted Earnings Per Share” is a non-GAAP financial ratio calculated by dividing Adjusted Earnings by the basic weighted average number of shares.
- “Adjusted EBITDA” is a non-GAAP financial measure representing earnings before taxes, interest, depreciation and amortization, finance and other costs, finance 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.
- “Adjusted EBITDA Margin” or “Adjusted EBITDA Percentage” is a non-GAAP financial ratio representing the percentage derived by dividing Adjusted EBITDA by construction revenue.



Disclaimer



TERMINOLOGY AND NON-GAAP & OTHER FINANCIAL MEASURES (continued)

- “Current Ratio” is a supplementary financial measure representing the percentage derived by dividing total current assets by total current liabilities.
- “General and Administrative expenses as a percentage of revenue” is a supplementary financial measure representing the percentage derived by dividing general and administrative expenses by construction revenue.
- “Adjusted Net Debt” is a non-GAAP financial measure defined as current and long-term loans and borrowings as disclosed in the Company's statement of financial position, less accessible cash, as disclosed in the Company's notes to the financial statements. Management uses this as a measure of financial leverage and is part of its assessment of the Company's capital structure. At June 30, 2022, Adjusted Net Debt of \$91,839 is calculated as: Loans and borrowings (non-current) \$67,707 plus Current portion of loans and borrowings \$27,098 minus Accessible cash \$2,966.
- “Adjusted Net Debt to TTM Adjusted EBITDA” is a non-GAAP financial ratio calculated by dividing Adjusted Net Debt by the Company's trailing twelve month Adjusted EBITDA. Management uses this as a measure of financial leverage and is part of its assessment of the Company's capital structure.
- “LT Loans & Borrowings to Equity” is a supplementary financial measure calculated as non-current loans and borrowings divided by total shareholders' equity, as disclosed in the Company's consolidated statement of financial position
- “2-Year Total Shareholder Return” is the share price appreciation or depreciation over the two-year period plus the dollar value from the dividends received over this timeframe.



\$2.3B

TTM REVENUE

\$96M

TTM ADJUSTED
EBITDA⁽¹⁾

\$42M

TTM ADJUSTED
EARNINGS⁽¹⁾

\$43M

TTM NET
INCOME

\$377M

MARKET
CAPITALIZATION⁽³⁾

\$2.9B

BACKLOG⁽²⁾

12%

2-YEAR TOTAL
SHAREHOLDER
RETURN ^(2,3)

2-YEAR SHARE PRICE HISTORY

\$10.58

52-WEEK HIGH⁽³⁾

\$6.88

52-WEEK LOW⁽³⁾



⁽¹⁾ Adjusted Earnings and Adjusted EBITDA are non-GAAP financial measures. Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures.

⁽²⁾ Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures.

⁽³⁾ At August 5, 2022

Financial Highlights



Healthy Revenue Growth

Record Q2 2022 Revenues
Continued realization of cross-selling synergies



Strong Combined Backlog

Strong Backlog⁽¹⁾ of \$2.9B
and **Pending Backlog⁽¹⁾ of \$1.8B**



Strong Balance Sheet

Strong Balance Sheet and significant **financial flexibility and liquidity** supporting the company's strategic objectives

Q2 2022 HIGHLIGHTS

\$576.7M REVENUE

\$14.1M NET INCOME

\$21.5M ADJUSTED EBITDA⁽²⁾

\$8.5M ADJUSTED EARNINGS⁽²⁾

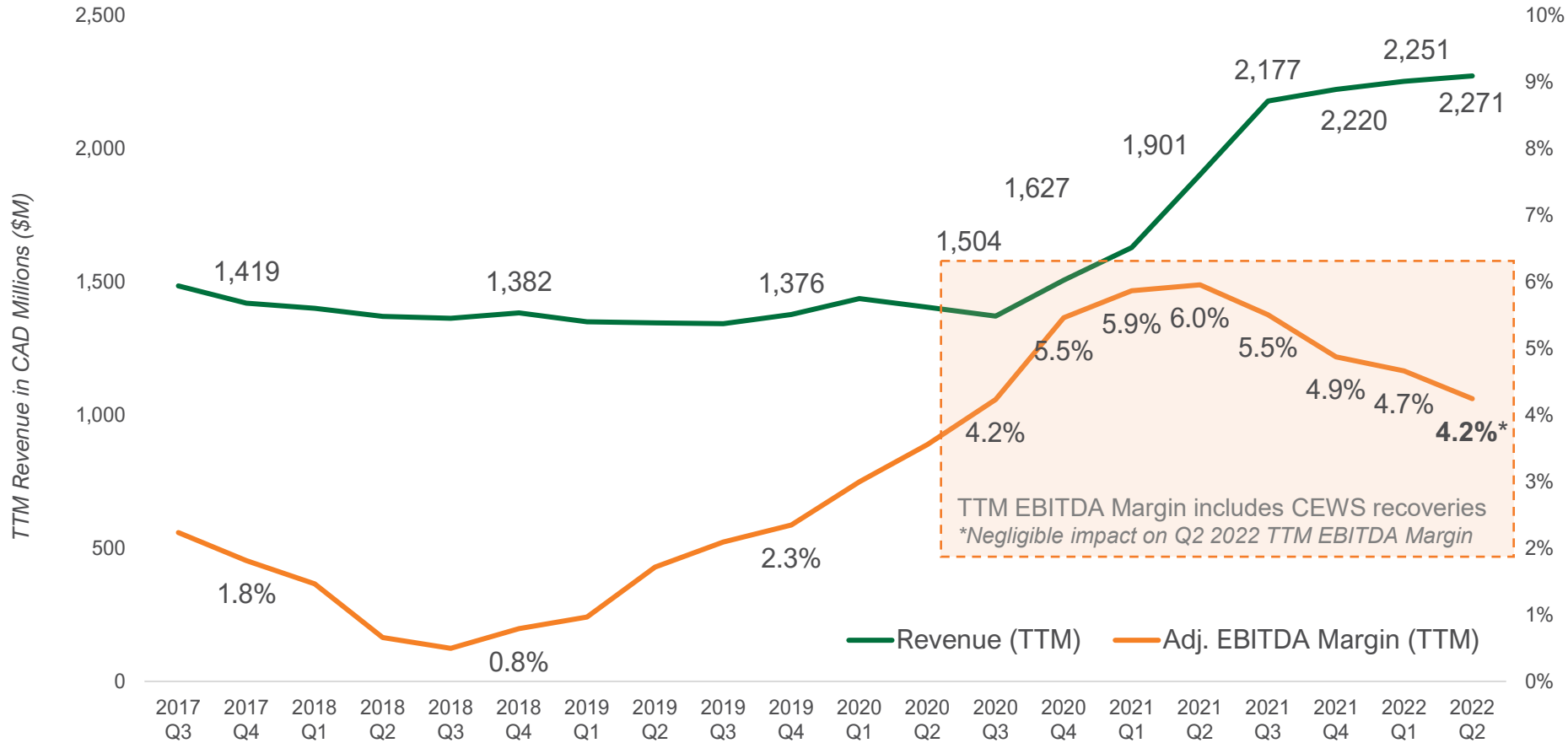
\$84.9M CASH AND CASH EQUIVALENTS

\$420.7M SECUREMENTS & CHANGE ORDERS

⁽¹⁾ Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures

⁽²⁾ Adjusted Earnings and Adjusted EBITDA are non-GAAP financial measures. Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures

5-Year Revenue and Adjusted EBITDA Margin



\$43M

Q2 2022 TTM
NET INCOME

4.2%

Q2 2022 TTM
ADJUSTED
EBITDA MARGIN⁽¹⁾

3.7%

Q2 2022 ADJUSTED
EBITDA MARGIN⁽¹⁾

(1) Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures.

Significant Pipeline of Projects



Executing on Strategic Pillars



TEAM



PERFORM



DIVERSIFY

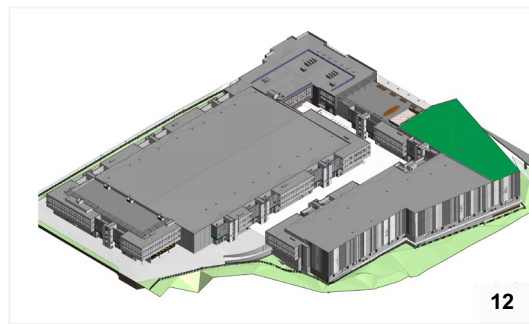
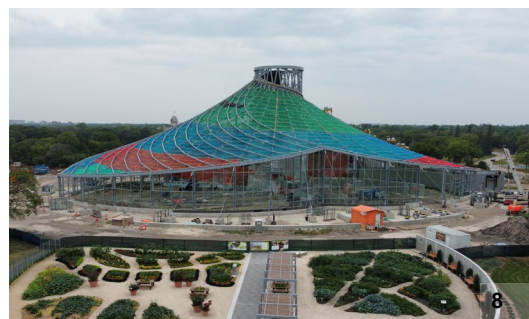
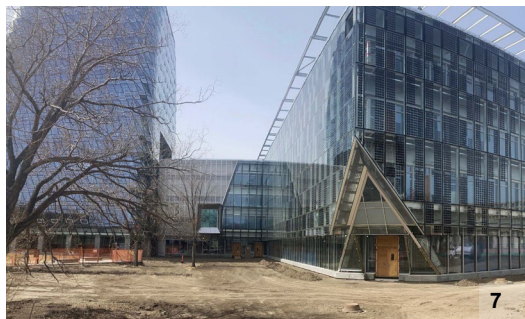


Recent Marquee Project Awards

- **\$125M** Net-zero plant protein processing facility in Alberta, delivered through a progressive design-build contract
- **\$62M** Dagmar, a wholly owned subsidiary of Bird, awarded contract railway track, signal, and station works for Metrolinx
- **Up to \$1B** Bid opportunities to deliver environmental remediation services for Canadian Nuclear Laboratories (PHAI)
- **\$70M** Three-year contract for mining services for a client in Northeastern Ontario
- **\$90M** Two five-year MSA contracts for industrial maintenance services, and two industrial facilities turnaround contracts
- **\$125M** Barrie wastewater treatment facility upgrade program to be delivered through a joint venture, IPD contract



Projects underway across Canada



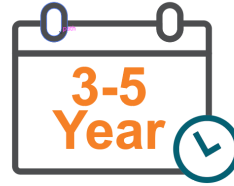
1. Eric Hamber Secondary School, BC 2. York University Markham Centre Campus, ON 3. Stage 2 Confederation Line, ON 4. Nanaimo Correctional Centre, BC 5. Five Alberta Schools, AB 6. Major Oil and Gas Site, BC 7. University of Calgary MacKimmie Block, AB 8. The Leaf at Canada's Diversity Gardens, MB 9. Lloydminster Wastewater Treatment Facility, AB 10. Okanagan Indian Band Water System Upgrade, BC 11. Thunder Bay Correctional and Kenora Jail Rapid Builds, ON 12. Lake City Studios, BC 13. Kip II Residential Tower, ON 14. The Burke Residential Tower, ON

Significant Portfolio of Master Service Agreements



~\$800 Million

Combined MSA Contracts Value



Average Contract Term



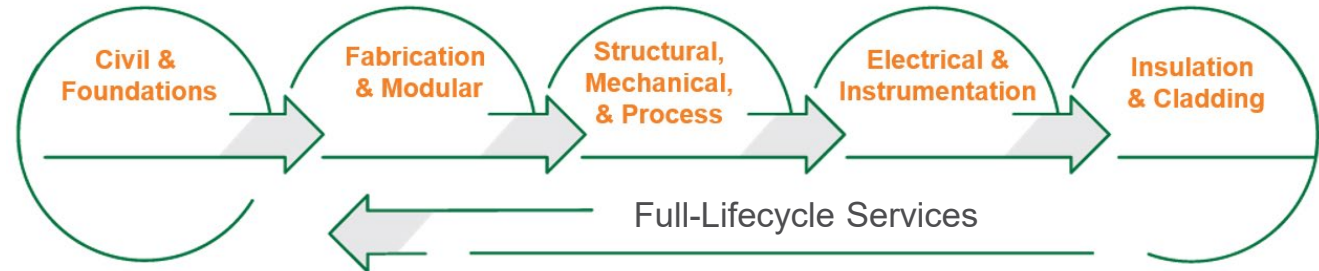
Strong Recurring Revenue Visibility



2,000+
Electrical Personnel¹



Leveraging Expertise Geographically



Complete Lifecycle and Self-perform Services

Our ability to self-perform critical-path trade scopes positions Bird to provide operational excellence. By executing a higher percentage of self-perform services, we are better positioned to exceed client expectations throughout the project lifecycle by way of risk reduction, cost savings, a shortened procurement cycle, and more.

(1) The company through its affiliated subsidiaries has an average of over 2000 electricians, linemen, technologists and technicians and access to other personnel through a variety of labour platforms.

Expanding our Power Experience



RENEWABLE POWER

- Wind
- Solar
- Hydro
- Pumped Storage



LOW CARBON ENERGY

- Hydrogen (Green and Blue)
- Nuclear/Small Modular Reactors
- Biomass conversion
- Anaerobic digestion
- Renewable Natural Gas



CARBON INNOVATION

- Carbon capture
- Carbon utilization
- Carbon storage



ENERGY EFFICIENCY

- District heating and cooling
- Cogeneration
- Water reuse
- Biomass and waste to energy
- Real estate energy efficiency

Delivering Critical Energy Solutions

Renewable and low carbon energy solutions contribute to global efforts to meet climate targets, support the energy transition, and achieve sustainable change. Bird has been supporting the construction execution on some of our country's largest infrastructure projects, from hydroelectric infrastructure, nuclear, and renewable power, to organic waste processing and waste-energy recovery projects for over half a century. Leveraging our civil, structural, and mechanical experience in developing and executing complex major projects, combined with extensive self-perform substation and high voltage services, are among the ways in which Bird is contributing to delivering cleaner energy solutions.

2021 Sustainability Highlights

92%

Independent Board Members⁽³⁾

66%

Board Committee Chairs are women

25%

Women on the Board⁽³⁾

8%

Indigenous representation on Board⁽³⁾



DIVERSITY AT BIRD

36% European origins

35% North American origins

25.5% African, Asian, Caribbean, or Latin, Central and South American origins

3.3% Indigenous Canadian origins

Full-time salaried employees in 2021 who chose to disclose their ethnic origins

Environmental, Social, Governance



5,000+ Total Employees⁽⁴⁾



>10,130,000 Total Internal Work Hours



Canadian suppliers engaged



>\$87M

Total spend with Indigenous subcontractors and suppliers



>\$223K

Total scholarship spend⁽²⁾

55+

Indigenous-owned businesses supported



136%

Increase in total messages received via social media compared to 2020

118,008

Total Audience

4,470,455

Impressions

145,883

Engagements

65,117

Post Link Clicks

6,451
Tool Box Talks

1 LTI
Lost Time Incident

0.02 LTIF
Lost Time Incident Frequency



10,250
COVID-19 Inspections

Bird hosted its inaugural Virtual Investor Day



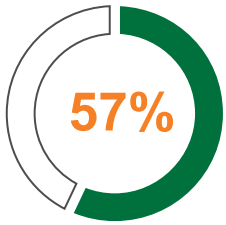
(1) At December 31, 2021

(2) Includes endowment to Bird Construction/Paul and Geri Charette Endowment Fund

(3) Board composition as of May 2022

(4) Salaried and hourly throughout the year

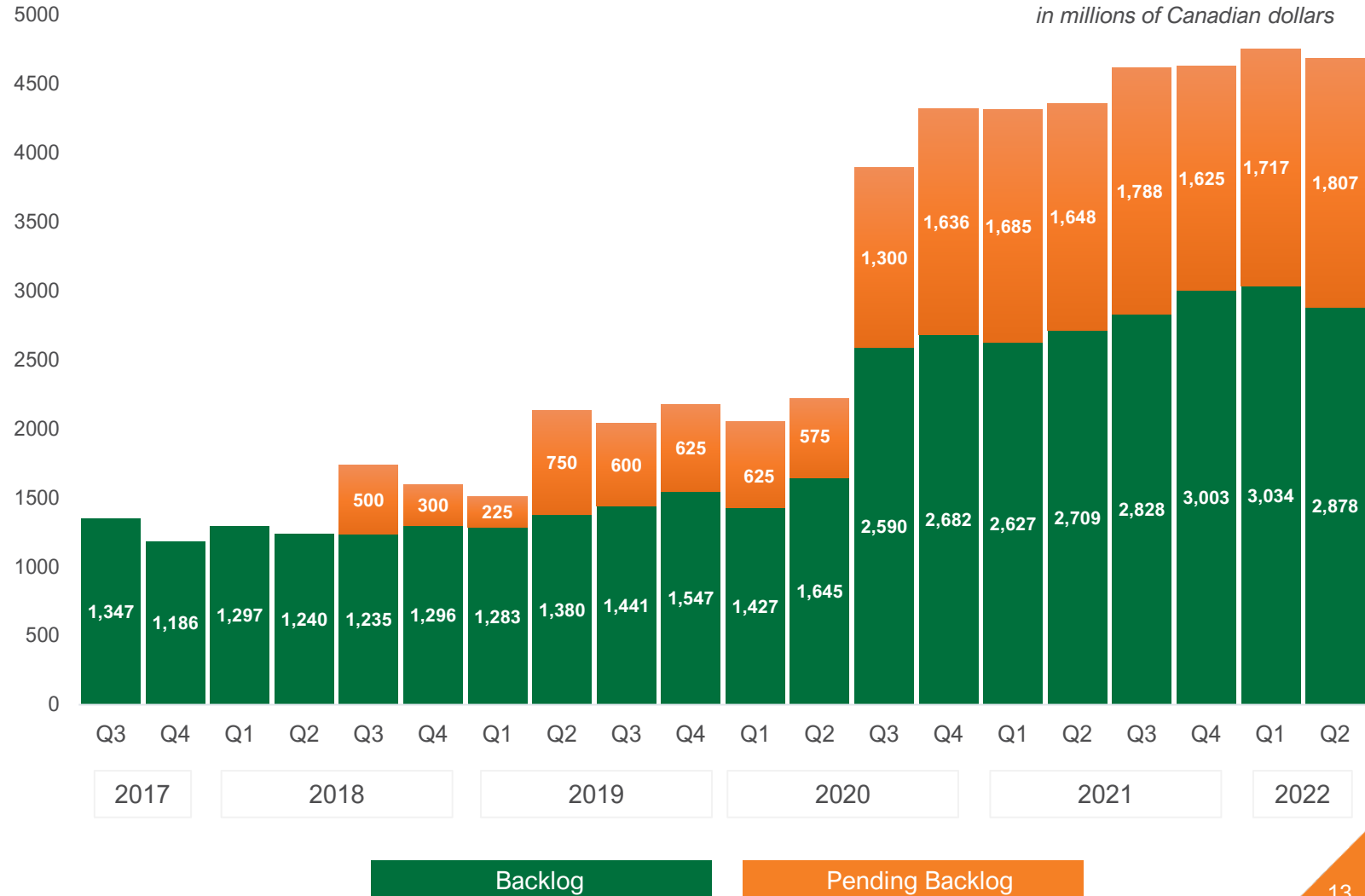
Backlog & Pending Backlog



Backlog expected to convert into Revenue over the next 12 months

June 30, 2022

- Strong quarter-end Backlog⁽¹⁾ of \$2.9B
- Strong quarter-end Pending Backlog⁽¹⁾ of \$1.8B
- Backlog and Pending Backlog reflects the Company’s expanding capabilities and scale, the acquisition of Dagmar and an improvement in market conditions
- Pending Backlog includes \$800M in MSA contracts representing a recurring revenue stream over the next five years



(1) Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures.

Financial Highlights

| | Q2 2022 | YEAR-OVER-YEAR CHANGE | YTD 2022 | YEAR-OVER-YEAR CHANGE |
|----------------------------------|---|--------------------------|--|--------------------------|
| | No recoveries were recorded under CEWS in Q2 2022 vs. \$8.9 million of recoveries recorded in Q2 2021 | | No recoveries were recorded under CEWS in YTD 2022 vs. \$20.1 million of recoveries recorded in YTD 2021 | |
| Revenue | \$576.7M | 3.7% | \$1,052.2M | 5.1% |
| Gross Profit | \$43.4M 7.5% OF REVENUE ⁽¹⁾ | (11.4%) | \$85.1M 8.1% OF REVENUE ⁽¹⁾ | (4.4%) |
| General and Administrative | \$31.0M 5.4% OF REVENUE ⁽¹⁾ | 1.6% | \$62.3M 5.9% OF REVENUE ⁽¹⁾ | 3.9% |
| Net Income | \$14.1M \$0.26 EPS | 3.5% | \$20.5M \$0.38 EPS | (1.4%) |
| Adjusted EBITDA ⁽²⁾ | \$21.5M 3.7% OF REVENUE ⁽¹⁾ | (28.6%) | \$39.3M 3.7% OF REVENUE ⁽¹⁾ | (23.1%) |
| Adjusted Earnings ⁽²⁾ | \$8.5M \$0.16 ADJUSTED EPS ⁽¹⁾ | (43.2%) | \$15.0M \$0.28 ADJUSTED EPS ⁽¹⁾ | (37.6%) |

(1) Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures.

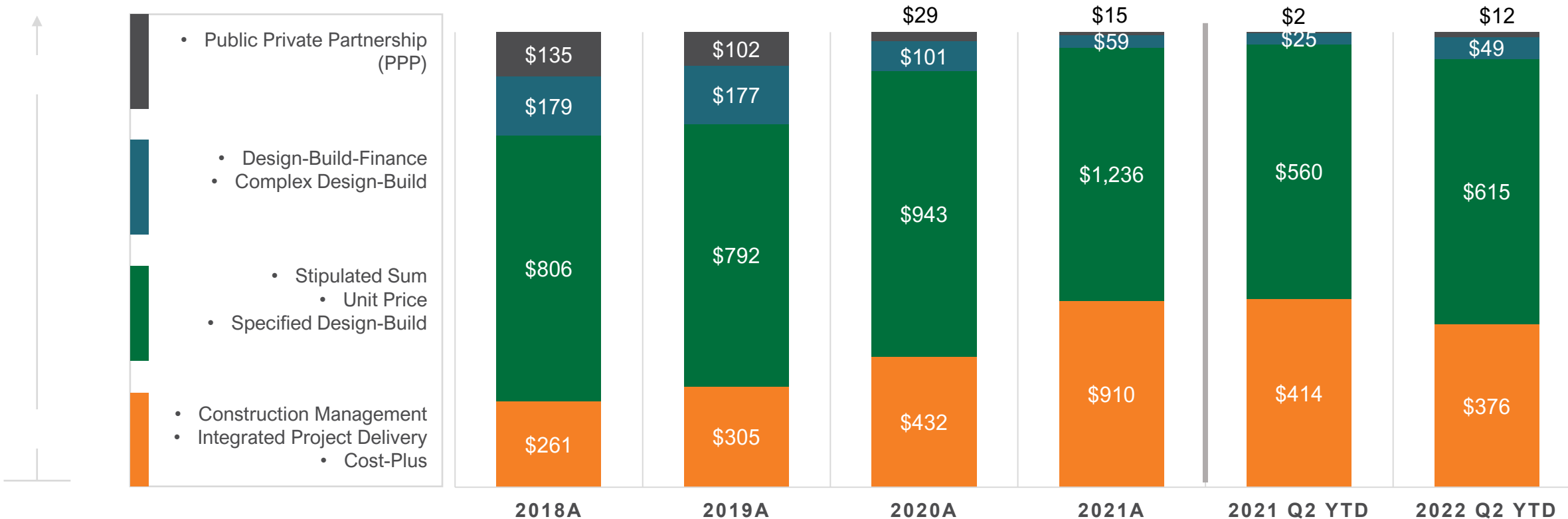
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Targeting Sustainable Profitable Growth

Diversifying Risk - Revenue by Contract Type

in millions of Canadian dollars



- Increased diversification across services, end-markets and geographies; well-balanced portfolio of low-to-medium risk projects
- **Over 95% of 2021 revenue is considered low-to-medium risk** and supports the company balanced revenue mix target
- Focus on maintaining balanced profile
- Driving a higher share of collaborative contracting methods with our clients to balance the risk transfer between parties

Strong Financial Position

Q2 2022

26.7%

LONG-TERM LOANS & BORROWINGS TO EQUITY⁽¹⁾

1.23

CURRENT RATIO⁽¹⁾

0.95x

ADJUSTED NET DEBT/ TTM ADJUSTED EBITDA⁽¹⁾

Syndicated Credit Facility



up to **\$185M**

Committed Revolving Credit Facility



\$50M

Committed Non-revolving Term Debt Facility



up to **\$50M**

Non-committed Accordion Feature



Syndicated Credit Facility **Maturity** Sept 1, 2024



in millions of Canadian dollars

June 30, 2022

| | |
|--|--------------|
| Accessible cash | \$ 3 |
| Restricted cash | \$ 63 |
| Held in joint operations accounts | <u>\$ 19</u> |
| Cash and cash equivalents | \$ 85 |
| Loans and borrowings (current and long-term) | \$ 95 |
| Adjusted Net Debt ⁽²⁾ | \$ 92 |
| Shareholders' equity | \$ 254 |

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(2) Adjusted Net Debt is a non-GAAP financial measure. Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures.

Balanced Capital Allocation Priorities



Dividends



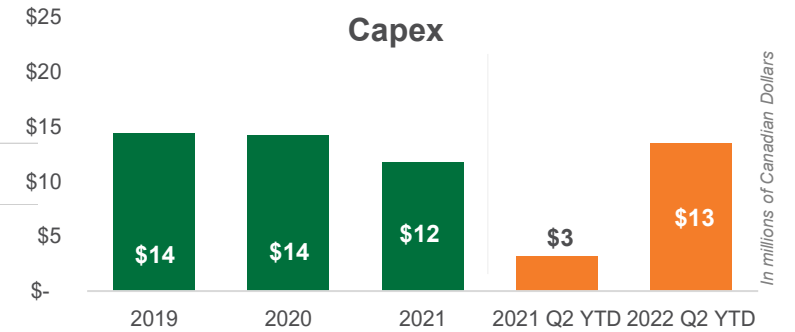
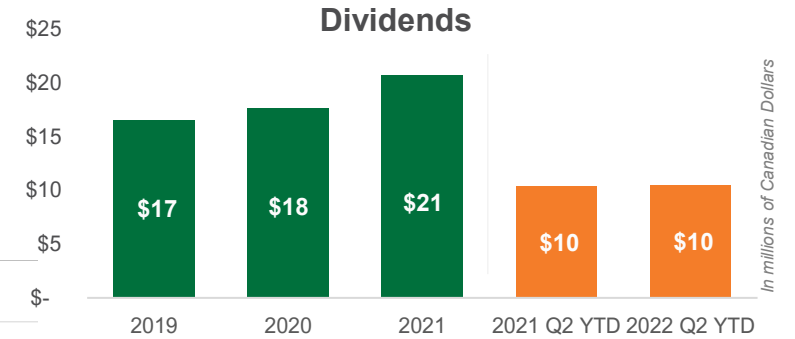
Capex⁽²⁾



Merger and Acquisition Opportunities



Long Term Debt Repayment



- Repaid \$10M of LTD during 2021
- Accessible cash of \$3M at Q2'22

⁽¹⁾ Operating cash flow - Refer to the consolidated statement of cash flows – “Cash flows from operations before changes in non-cash working capital”
⁽²⁾ Capital expenditures (“Capex”) – Refer to the consolidated statement of cash flows – “Additions to property and equipment and intangible assets”

Looking Ahead

Why invest in bird
bird

Strategic Priorities



TEAM



PERFORM



DIVERSIFY

Balanced ESG Strategy



BUILD GREEN



WORK GREEN



LIVE GREEN



STRONG
GOVERNANCE

Favourable Outlook

Solid balance sheet and pipeline of opportunities

Focus On Margins

Strong financial position with improving margin profile

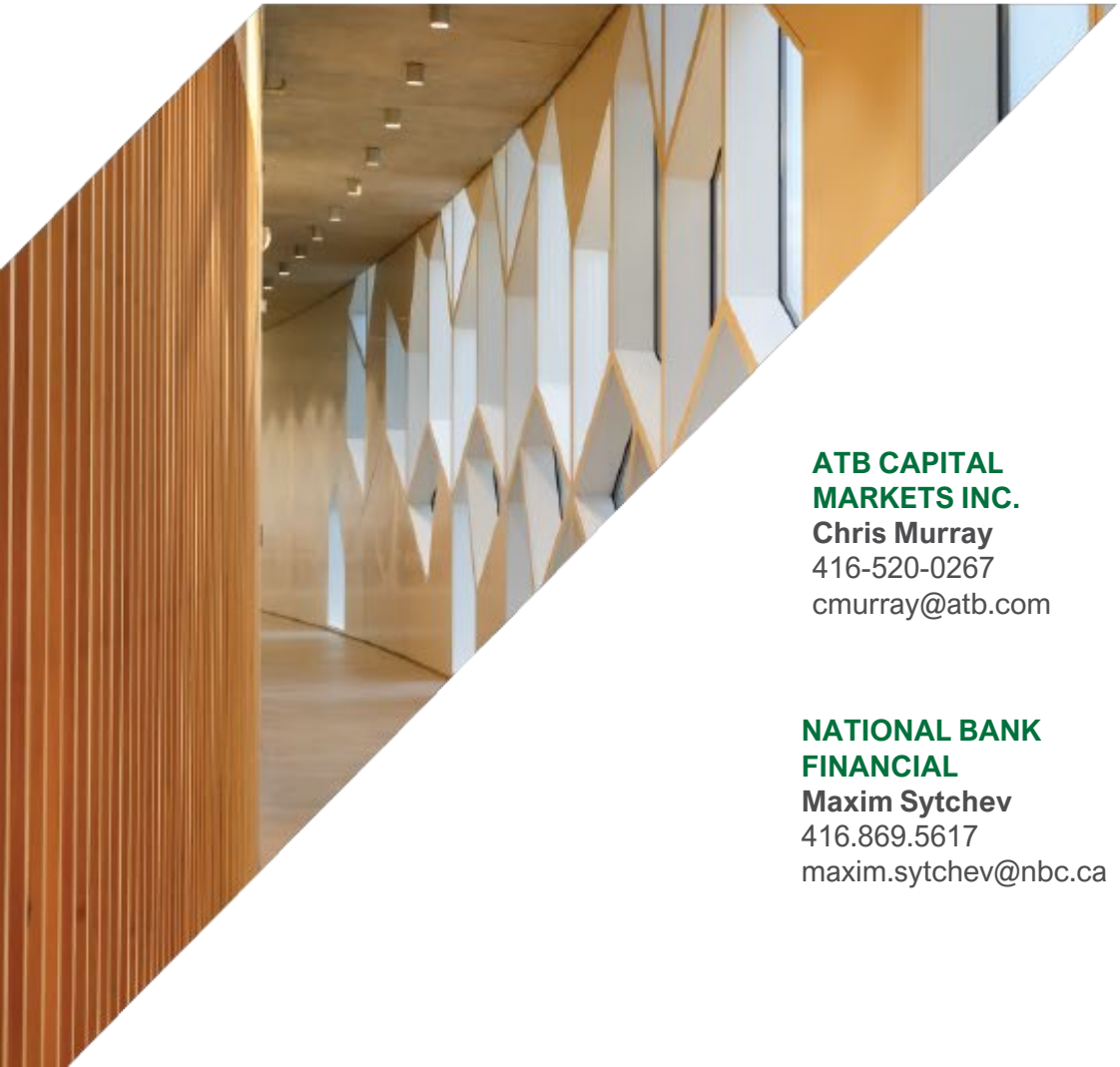
Balanced Strategy

Balanced capital allocation maintaining a balanced risk profile in the work program

Increasing Diversification

Balanced backlog and diversified service offerings across Canada

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