



COMPANY: **BIRD CONSTRUCTION INC.**  
LISTING: TORONTO STOCK EXCHANGE  
CITY: MISSISSAUGA  
SYMBOL: **BDT**  
DATE: May 10, 2022  
SUBJECT: BIRD CONSTRUCTION INC. ANNOUNCES 2022 FIRST QUARTER FINANCIAL RESULTS

“After reporting strong full-year 2021 results, the dedicated Bird team delivered a solid first quarter in 2022, growing our year-over-year revenue and Backlog to new records despite early headwinds from pandemic-related personnel and supply chain challenges, as well as weather-related delays,” said Mr. Teri McKibbin, President and CEO of Bird Construction. “Our efforts to build a resilient organization are paying off and the team’s focus on collaboration, cross-selling and diversification continue to drive new awards and create opportunities for growth. The Company’s strong balance sheet, healthy combined total backlog, and growing recurring revenue streams position Bird to deliver strong financial performance and long-term value to our stakeholders by making investments in our business and taking steps to improve our overall margin profile.”

## FINANCIAL HIGHLIGHTS

### *First Quarter 2022 compared to First Quarter 2021*

- Construction revenue of \$475.5 million compared to \$444.6 million, representing a 6.9% increase year-over-year.
- Net income and earnings per share were \$6.4 million and \$0.12, respectively, compared to \$7.1 million and \$0.13 in Q1 2021.
- Adjusted Earnings<sup>1</sup> and Adjusted Earnings Per Share<sup>1</sup> were \$6.5 million and \$0.12, respectively, compared to \$9.1 million and \$0.17 in Q1 2021.
- No recoveries were recorded under the Canada Emergency Wage Subsidy (“CEWS”) program in Q1 2022, compared to \$11.2 million of recoveries recorded in Q1 2021.
- Adjusted EBITDA<sup>1</sup> of \$17.8 million, or 3.8% of revenues, compared to \$21.0 million, or 4.7% of revenues in Q1 2021.

## Financial Results

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

	Three months ended March 31,	
	2022	2021
Construction revenue	\$ 475,521	\$ 444,637
Net income	6,361	7,119
Basic and diluted earnings per share	0.12	0.13
Adjusted Earnings Per Share	0.12	0.17
Adjusted EBITDA <sup>1</sup>	17,835	21,040
Cash flows from operations before changes in non-cash working capital	19,268	20,792

<sup>1</sup> This News Release contains terminology and financial measures that do not have standard meanings under IFRS and 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 News Release.

## OVERVIEW

- The Company recorded year-over-year revenue growth of \$30.9 million for the quarter, including contributions from Dagmar Construction Inc. which was acquired in September 2021. The revenue growth was achieved against a backdrop of pandemic-driven increased employee absenteeism and intermittent supply chain challenges, particularly in the first two months of the quarter.
- The Company exited the first quarter with a strong liquidity position, including over \$73.2 million in accessible cash and \$140.2 million available under its Syndicated Credit Facility.
- The Company once again grew its combined backlog to record levels in the first quarter of 2022, with Backlog increasing \$31.2 million to \$3,033.7 million at March 31, 2022, and Pending Backlog increasing \$92.1 million to \$1,716.8 million at the end of the quarter. The Company secured \$506.7 million of new contract awards and change orders and executed \$475.5 million of construction revenues in the quarter.
- During the first quarter of 2022, the Company announced that it was awarded the following projects and contracts:
  - The Company, in a joint venture, was selected by the City of Barrie as General Contractor for the City's Wastewater Treatment Facility upgrade program, and will assume primary responsibility for construction services for the duration of the project which will be delivered through an IPD model. The construction cost estimate for the project is valued at approximately \$125 million.
- The Board has declared an eligible dividend of \$0.0325 per common share for each of May, June, and July 2022.
- Subsequent to quarter end, the Company announced that it was awarded the following projects and contracts:
  - The Company was awarded two five-year master service agreement ("MSA") contracts for industrial maintenance services, and two industrial facilities turnaround contracts. The total value of the awarded contracts is an estimated \$90 million.
  - The Company was awarded a multi-year mining services contract valued at approximately \$70 million over the term of the contract.
  - The Company was awarded a contract valued at approximately \$62 million for railway track, signal and station works by Metrolinx for the Kitchener GO Corridor Expansion project.
  - The Company was selected as a proponent for the Port Hope Area Initiative ("PHAI") Master Construction Contract ("MCC") by Canadian Nuclear Laboratories. Under the MCC, Bird has the opportunity to bid on work packages covering close to \$1 billion of remediation work over the life of the initiative.

## CONFERENCE CALL AND WEBCAST

Bird will host an investor webcast to discuss the quarterly results on Wednesday, May 11, 2022 at 10:00 a.m. ET, to discuss the Company's results. Analysts and investors may connect to the webcast at <https://services.choruscall.ca/links/bird20220511.html>. They may also dial **1-855-328-1925** for audio only or to enter the question queue; attendees are asked to be on the line 10 minutes prior to the start of the call. The presentation can also be found on our website at <https://www.bird.ca/investors>.

The Company's financial statements and Management's Discussion & Analysis ("MD&A") will be filed and available on the System for Electronic Document Analysis and Retrieval ("SEDAR") at [www.sedar.com](http://www.sedar.com) and on the Company's website at [www.bird.ca](http://www.bird.ca).

## TERMINOLOGY AND NON-GAAP & OTHER FINANCIAL MEASURES

Throughout this News Release, certain terminology and financial measures are used 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 March 31, 2022, prepared as of May 10, 2022. This document is available on Bird’s SEDAR profile, at [www.sedar.com](http://www.sedar.com) and on the Company’s website at [www.bird.ca](http://www.bird.ca).

“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. The Company’s Backlog equates to the Company’s remaining performance obligations as at March 31, 2022 and December 31, 2021.

“Adjusted Earnings” and “Adjusted EBITDA” are non-GAAP financial measures. “Adjusted Earnings Per Share” and “Adjusted EBITDA margin” are non-GAAP financial ratios. “Pending Backlog” is a supplementary financial measure.

Adjusted Earnings and Adjusted EBITDA are reconciled as follows:

### Adjusted Earnings

(in thousands of Canadian dollars, except per share amounts)	Three months ended March 31,	
	2022	2021
Net income	\$ 6,361	\$ 7,119
Add: Acquisition and integration costs	246	2,655
Add: IFRS restructuring costs <sup>(1)</sup>	-	-
Income tax effect of the above costs	(61)	(637)
<b>Adjusted Earnings</b>	<b>\$ 6,546</b>	<b>\$ 9,137</b>
<b>Adjusted Earnings Per Share <sup>(2)</sup></b>	<b>\$ 0.12</b>	<b>\$ 0.17</b>

#### Notes

<sup>(1)</sup> Restructuring costs as defined in accordance with IFRS.

<sup>(2)</sup> Calculated as Adjusted Earnings divided by basic weighted average shares outstanding.

### Adjusted EBITDA

(in thousands of Canadian dollars, except percentage amounts)	Three months ended March 31,	
	2022	2021
Net income	\$ 6,361	\$ 7,119
Add: Income tax expense	1,981	2,245
Add: Depreciation and amortization	8,420	7,960
Add: Finance and other costs	1,773	1,739
Less: Finance income	(266)	(302)
Add: (Gain)/loss on sale of property and equipment	(680)	(403)
Add: IFRS restructuring costs <sup>(1)</sup>	-	-
Add: Other restructuring and severance costs <sup>(2)</sup>	-	27
Add: Acquisition and integration costs	246	2,655
<b>Adjusted EBITDA</b>	<b>\$ 17,835</b>	<b>\$ 21,040</b>
<b>Adjusted EBITDA Margin <sup>(3)</sup></b>	<b>3.8%</b>	<b>4.7%</b>

#### Notes:

<sup>(1)</sup> Restructuring costs as defined in accordance with IFRS.

<sup>(2)</sup> Restructuring and severance costs that did not meet the criteria to be classified under restructuring costs as defined in accordance with IFRS.

<sup>(3)</sup> Calculated as Adjusted EBITDA divided by revenue.

## FORWARD-LOOKING INFORMATION

*This news release contains forward-looking statements and information ("forward-looking statements") within the meaning of applicable Canadian securities laws. The forward-looking statements contained in this news release are based on the expectations, estimates and projections of management of Bird as of the date of this news release unless otherwise stated. The use of any of the words "believe", "expect", "anticipate", "contemplate", "target", "plan", "intend", "continue", "may", "will", "should" and similar expressions are intended to identify forward-looking statements and information. More particularly and without limitation, this news release contains forward-looking statements concerning: anticipated financial performance; anticipated synergies; the plans and strategic priorities of the Company; and with respect to Bird's share of the project value for certain joint venture projects.*

*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 news release 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](http://www.sedar.com) and on the Company's website at [www.bird.ca](http://www.bird.ca).*

*The forward-looking statements contained in this news release 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.*

*The Toronto Stock Exchange does not accept responsibility for the adequacy or accuracy of this release.*

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**ABOUT BIRD CONSTRUCTION**

Bird (TSX: BDT) is a leading Canadian construction company operating from coast-to-coast and servicing all of Canada's major markets. Bird provides a comprehensive range of construction services from new construction for industrial, commercial, and institutional and civil infrastructure markets; to industrial maintenance, repair and operations services, heavy civil construction, and mine support services; as well as vertical infrastructure including, electrical, mechanical, and specialty trades. For over 100 years, Bird has been a people-focused company with an unwavering commitment to safety and a high level of service that provides long-term value for all stakeholders. [www.bird.ca](http://www.bird.ca)