



**bird**

We bring life to vision  
*Creating great things with you*

## Q3 2023 Earnings Presentation

November 8, 2023

Bird Construction Inc. (TSX:BDT)

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”, “consensus”, “future”, “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 2023 and 2024; expectations with respect to anticipated revenue growth, growth in earnings per share and adjusted EBITDA in 2023 and margin improvements; the Company’s ability to grow profitably; 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 anticipated synergies; and changes in legislation, including but not limited to tax laws and environmental regulations.

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, 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, 2022, each of which may be accessed on Bird’s SEDAR+ profile at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company’s website at [www.bird.ca](http://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 September 30, 2023, prepared as of November 7, 2023. This document is available on Bird’s SEDAR+ profile, at at [www.sedarplus.ca](http://www.sedarplus.ca) and on the Company’s website at [www.bird.ca](http://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 pre-construction activities and estimated future work orders to be performed as part of multi-year MSA, maintenance, task order, and similar contractual arrangements”.
- “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.

## 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 September 30, 2023, Adjusted Net Debt of \$30,464 is calculated as: Loans and borrowings (non-current) \$64,261 plus Current portion of loans and borrowings \$22,492 minus Accessible cash \$56,289.
- “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

# Positioned For Growth on Strong Business Foundation



**A healthy and safe**  
work environment  
is non-negotiable



**Significant revenue**  
growth



**~75%** of combined backlog  
and pending backlog has a  
collaborative delivery model



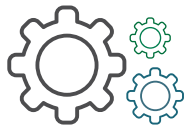
**Organic and**  
**acquisitive growth,**  
delivering diverse  
services and self-  
perform scopes



**Strong operational**  
cash flows



**Considerable margin**  
accretion



**Approximately 90%** of  
projects are low to  
medium-risk projects



**Team of over 5000+**  
& experienced  
management team



**Balanced capital**  
**allocation strategy** with  
well covered dividend and  
flexibility to pursue growth



**Well-capitalized**  
balance sheet



## Bird Construction | TSX: BDT

Bird (TSX:BDT) is a diversified Canadian construction and maintenance services company with a century-long legacy of delivering innovative solutions with a client-service focus and a collaborative, safety-first approach. With comprehensive services and self-perform capabilities that encompass end-to-end, full-project lifecycles, Bird is a contractor of choice for a diverse range of clients in the industrial, infrastructure, and institutional markets. Our passion for excellence extends from our work to our relationships, where we prioritize respect, humility, and honesty as we nurture a culture where greatness grows.



# Revenue Growth, Record Combined Backlog, Developing and Attracting **bird** Talent

A foundation for continued revenue growth and margin accretion in 2024



Significant third-quarter revenue and earnings growth.



Future performance visibility supported by the Company's risk-balanced, highly collaborative Backlog and Pending Backlog, with accretive embedded margins.



Strong liquidity position with positive operating cashflows for the quarter, while funding working capital required to support growth.

## Q3 2023 Highlights

**\$783.8M**

Q3 2023 Revenue

**17.3%**

Year-over-year growth

**\$28.8M**

Net Income

**\$0.54**

EPS

**\$49.3M**

Adjusted EBITDA<sup>(2)</sup>

**6.3%**

Adjusted EBITDA Margin<sup>(1)</sup>

**\$29.0M**

Adjusted Earnings<sup>(2)</sup>

**\$0.54**

Adj. EPS<sup>(1)</sup>

**\$2.8B**

Backlog<sup>(1)</sup>

**\$3.3B**

Pending Backlog<sup>(1)</sup>

**~\$0.6B**

Securements

**\$18M**

Increase in operating cash flow<sup>3</sup>

(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.

(3) Operating cash flow - Refer to the consolidated statement of cash flows – "Cash flows from operations before changes in non-cash working capital".

# What Sets Us Apart



**Q3 2023 Revenue  
+17.3% Y/Y**

## Disciplined and strategic revenue growth

- Strong organic revenue growth within a wide range of sectors.
- Diverse revenue streams in high-demand, higher-margin sectors, with a balanced public/private client mix.

**Positioned for continued revenue growth through 2024**

**Q3 2023 TTM Adj. EBITDA 4.7%**

## Continued momentum on margin growth

- Minimal exposure to high-risk lump sum turn-key projects and interest rate sensitive sectors.
- Increased specialized, self-perform capabilities, focus on higher-margin potential sectors and collaborative contracts.

**EBITDA Margin is expected to further improve through 2024**

**+20% YTD Growth in Combined Backlog**

## Significant recurring revenue contracts

- 2023 second quarter-end Backlog \$2.8B, Pending Backlog \$3.3B.
- Risk-balanced contracts across sectors and geographies.
- ~\$1.1B recurring revenue contracts at end of third quarter 2023.

**Strong future revenue visibility with over 75% of combined backlog in a collaborative model**

**Q3 2023 Working Capital +7% from Dec. 31, 2022**

## Strong balance sheet & financial flexibility

- Well-positioned for capital allocation priorities.
- Very positive return and capital efficiency metrics: Current Ratio, ROE, ROIC, ROCE<sup>(1)</sup>

**Positioned for growth and positive FCF generation**

**Track Record for Strong Integration and Retention**

## Track record of accretive M&A

- Successful integrations, growing volume of cross-selling.
- 2023 – Trinity Communications, key growth market.
- 2021 – Dagmar, delivered strong post-acquisition growth.
- 2020 – Transformational Stuart Olson Acquisition.

**Accretive, tuck-ins in key sectors; remain open to large opportunities and will be opportunistic**

**Growing Presence in Canada's Nuclear Sector**

## Elevated sustainability profile

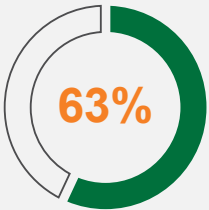
- Delivering energy transition projects and sustainable new build and retrofit services.
- Implemented ESG strategy, positioning for future reporting.
- 2022 ESG Overview released May 9, 2023.

**Significant portfolio of sustainability projects**

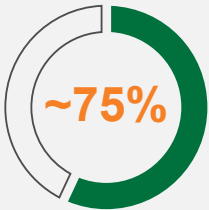
(1) Financial metrics: Return on Equity (ROE), Return on Invested Capital (ROIC), Return on Capital Employed (ROCE).

# Risk Balance, Highly Collaborative, Diverse Backlog Mix

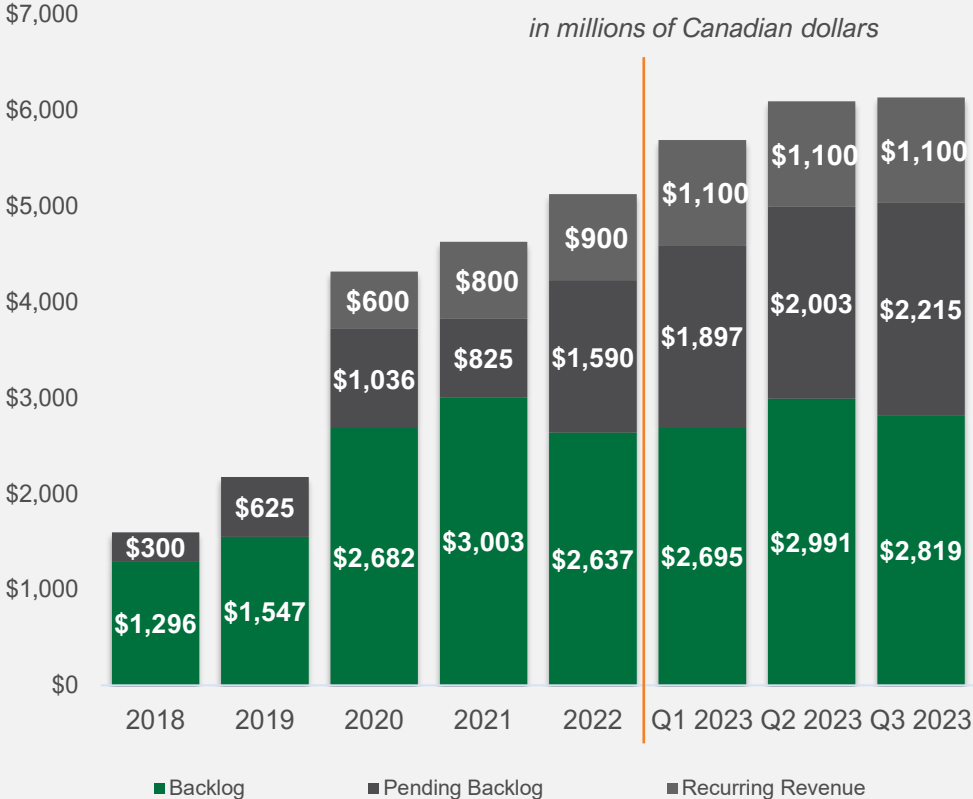
Future performance visibility supported by the robust combined backlog, characterized by accretive embedded margins and significant multi-year recurring revenue MSAs



Backlog expected to convert into Revenue over the next 12 months



Collaborative delivery models in Backlog and Pending Backlog



## Growing Portfolio of Recurring Revenue Contracts in Pending Backlog

MSA and other multi-year recurring contracts representing a recurring revenue stream over the next one to seven years

~\$1.1 Billion

Combined MSA and other multi-year recurring contracts



Tier one MRO contractor



Average contract term



Growing nuclear recurring revenue portfolio



Growing recurring revenue supporting visibility and outlook



Mining related MSAs



## Executing Well on Strategic Pillars



### TEAM

- World class safety program
- Highly engaged, high-performance team with industry leading people programs that promote a culture of hungry, humble, and smart
- Strategic internal and external partnerships and collaborative contracting methods



### PERFORM

- Culture of operational excellence
- Innovative client solutions
- Common and scalable technology platform that builds efficiencies
- Robust financial and risk management
- Consistent profitability and balanced backlog



### DIVERSIFY

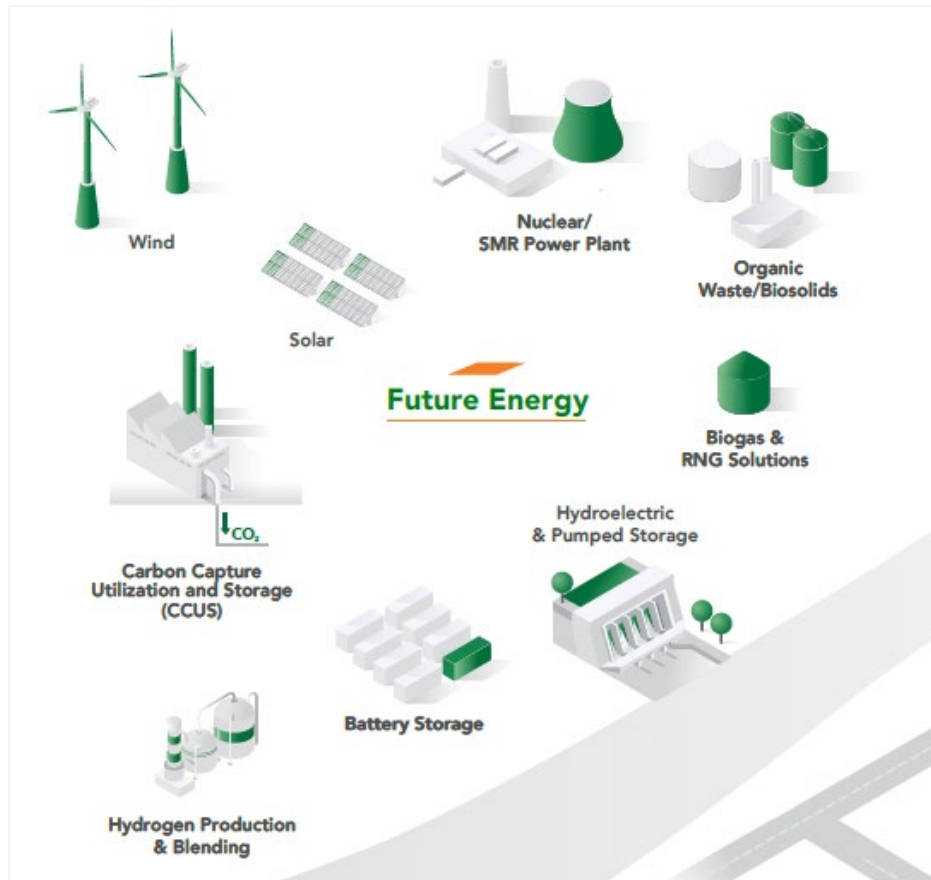
- Diverse service offerings, market reach and geography with new and current clients
- Leverage integrated services nationally
- Increase self-perform capabilities
- Promote positive relationships with Indigenous partners and communities
- Strong brand with balanced ESG strategy

Positioned for growth with a significant pipeline of projects with accretive embedded EBITDA margins and a robust bidding environment for disciplined pursuit of new work.

- ✓ **October – Industrial:** Contracts for early site works awarded at LNG Export Facility in Western Canada - >\$150M
- ✓ **September – Industrial:** Added industrial recurring revenue master service agreements in Ontario and Alberta - \$100M over 3 years
- ✓ **September – Institutional:** Bird to lead construction of two state-of-the-art post-secondary projects (UVIC & VCC) - \$280M
- ✓ **August – Mining:** Additional work packages at Mont Wright for ArcelorMittal and at BHP's Jansen Potash Project - \$110M
- ✓ **July – Institutional:** Post-Secondary and healthcare projects with a Combined Value of over \$350M
- ✓ **July – Industrial:** Energy and Mining Sector Contracts with a Combined Value of over \$180M

# Energy Transition Partner

Delivering critical energy solutions and innovative services nationally



The evolving energy landscape demands significant investment in electrical infrastructure to achieve decarbonization goals. Bird has been a key long-term partner for many clients, constructing and maintaining the energy systems that power the country.

- Bird’s electrical capabilities and diverse self-perform scopes position the Company to deliver this critical infrastructure.
- Bird’s building construction and services are ideally positioned for net zero building construction and retrofits.

## Spotlight: Bird’s Growing Presence in Canada’s Nuclear Sector

- **Site Buildings & Infrastructure:**
  - One of the largest nuclear research facilities ever built in Canada - the Advanced Nuclear Materials Research Centre – [here](#).
  - Other projects include warehouses, tools storage, training facilities and water treatment.
- **Plant Process & Auxiliary Systems:**
  - Projects include SCADA upgrades, piping and systems work, security upgrade projects and gas-insulated switchgear (GIS) infrastructure. Video sample [here](#).
- **Decommissioning & Demolition:**
  - Environmental remediation multi-year contracts for CNL Port Hope Area Initiative. Learn more [here](#) and [here](#).
- Positioned for additional opportunities as one of CNL’s Strategic Delivery partners, [here](#).
- Future opportunities in waste storage and decontamination facilities, SMR infrastructure, new large nuclear plants, and other site facilities and infrastructure requirements.

# Q3 2023 Financial Highlights



	Three Months Ended September 30, 2023	Y/Y Change	Nine Months Ended September 30, 2023	Y/Y Change
\$ Millions (except per share amounts)				
Revenue	<b>\$783.8</b>	<b>17.3%</b>	<b>\$2,006.7</b>	<b>16.6%</b>
Gross Profit	<b>\$73.0</b> 9.3% of Revenue <sup>(1)</sup>	<b>24.5%</b>	<b>\$167.3</b> 8.3% of Revenue <sup>(1)</sup>	<b>16.5%</b>
General and Administrative	<b>\$34.5</b> 4.4% of Revenue <sup>(1)</sup>	<b>(2.9%)</b>	<b>\$102.3</b> 5.1% of Revenue <sup>(1)</sup>	<b>4.5%</b>
Adjusted EBITDA <sup>(2)</sup>	<b>\$49.3</b> 6.3% of Revenue <sup>(1)</sup>	<b>58.1%</b>	<b>\$94.9</b> 4.7% of Revenue <sup>(1)</sup>	<b>34.5%</b>
Net Income	<b>\$28.8</b> \$0.54 EPS	<b>99.1%</b>	<b>\$47.7</b> \$0.89 EPS	<b>36.4%</b>
Adjusted Earnings <sup>(2)</sup>	<b>\$29.0</b> \$0.54 Adj. EPS <sup>(1)</sup>	<b>87.0%</b>	<b>\$49.9</b> \$0.93 Adj. EPS <sup>(1)</sup>	<b>63.5%</b>

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(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.

# Sustained, Strong Financial Position

Q3 2023

**21.1%**

Long-term Loans & Borrowings to Equity<sup>(1)</sup>

**1.22**

Current Ratio<sup>(1)</sup>

**0.24x**

Adjusted Net Debt/  
TTM Adjusted EBITDA<sup>(1)</sup>

## Syndicated Credit Facility



**\$220M**

Committed Revolving Credit Facility



**\$47.5M**

Committed Non-revolving Term Debt Facility



UP TO  
**\$50M**

Non-committed Accordion Feature



Syndicated Credit Facility  
**Maturity** December 15, 2025

*in millions of Canadian dollars*

September 30, 2023	
Accessible cash	<b>\$ 56</b>
Held in joint operations accounts	<b>\$ 26</b>
Restricted cash	<b>\$ 22</b>
Cash and cash equivalents	<b>\$ 104</b>
Loans and borrowings (current and long-term)	<b>\$ 87</b>
Adjusted Net Debt <sup>(2)</sup>	<b>\$ 30</b>
Working Capital	<b>\$ 197</b>
Shareholders' equity	<b>\$ 304</b>

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

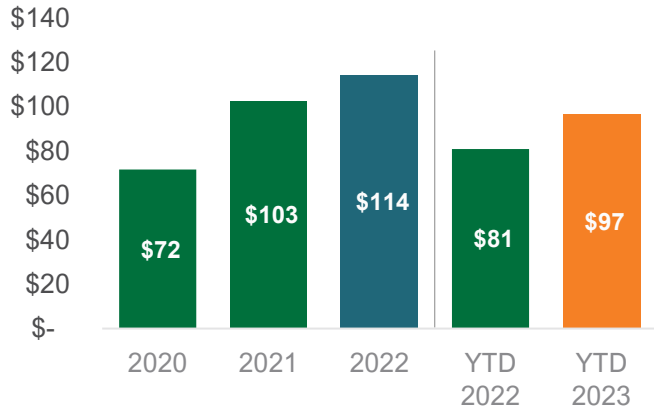
<sup>(2)</sup> Adjusted Net Debt is a non-GAAP financial measure. Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures.

# Capital Allocation Highlights

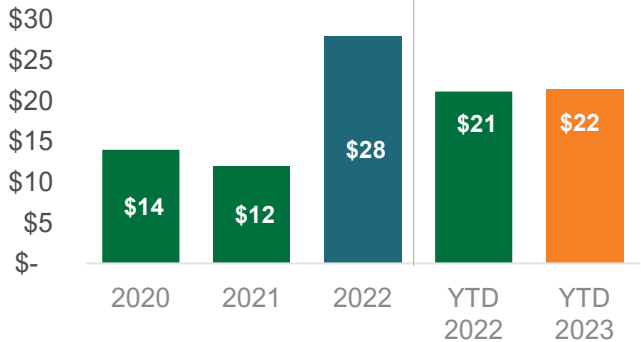
Balancing profitable growth, significant financial strength, investments in the business and M&A

## Cash Generation

### Operating Cashflow<sup>(1)</sup>



### Capex<sup>(2)</sup>



## Dividends

- Well-covered dividend important part of total shareholder return strategy
- Increased monthly dividend in March 2023.

**\$0.0358**  
per month, per share

## M&A

Positioned to execute on the right M&A opportunities.

- Three strategic acquisitions in past 3 years.
- Track record as a strong integrator and for retention of skilled teams.
- Continue to seek out accretive opportunities, that add capabilities and generate cash flows.

(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”.

# Growth and Margin Trends Support Positive Full Year 2023 and 2024 Outlook



## 2023

- Expect solid Q4 results, consistent with prior expectations; full-year results are expected to reflect the strength of the first nine months.
- Diverse mix of self-perform scopes and collaborative style projects in growing combined backlog with stronger embedded margins.
- Earnings per share and Adjusted EBITDA growth are expected to outpace revenue growth for the full year.

## 2024

- Risk-balanced and diversified combined backlog with higher embedded margins provides good visibility into 2024 revenue growth and further margin improvement.
- Driven by the combination of higher embedded margins in combined backlog and achieving additional leverage on the Company's cost structure, Adjusted EBITDA and earnings per share growth are expected to outpace revenue growth in 2024.
- Flexibility maintained through a healthy balance sheet, strong operational cash flows, and significant credit capacity.
- Tuck-in M&A strategy to seek out high-growth potential businesses with strong margin and cash flow profiles.





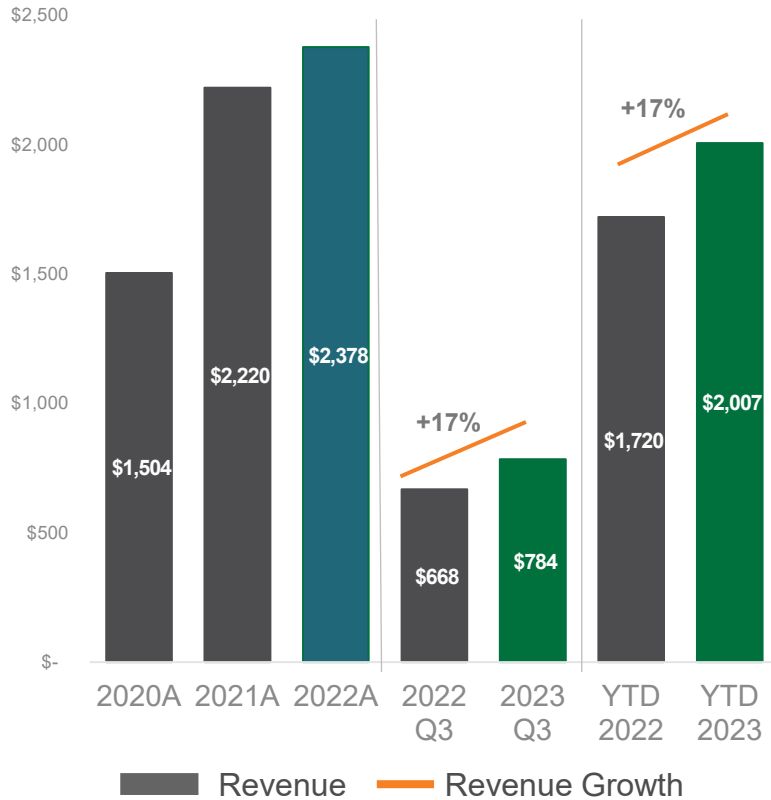
# Appendix



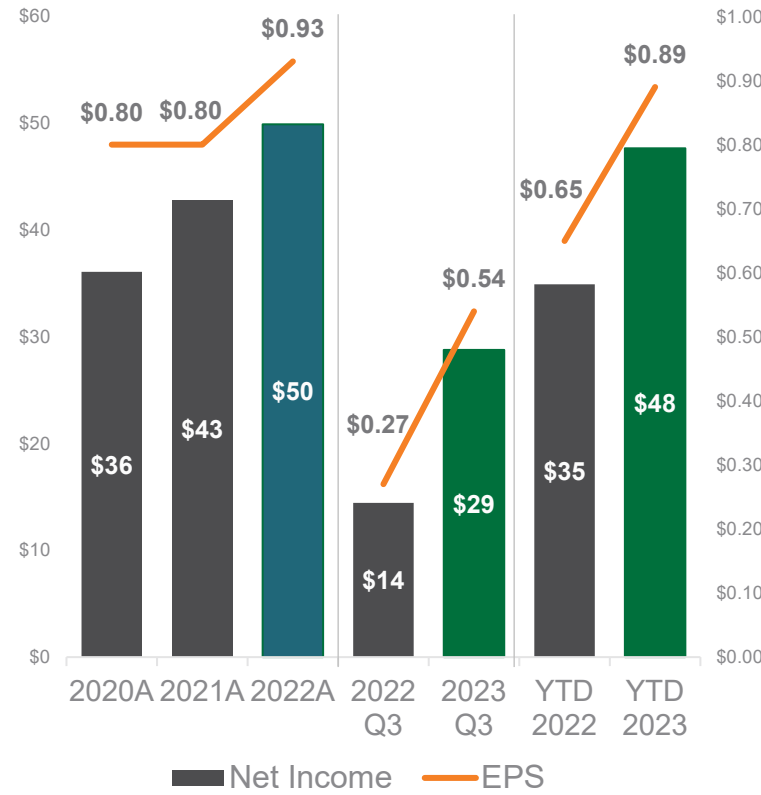
# Revenue, Net Income, and Adjusted Earnings



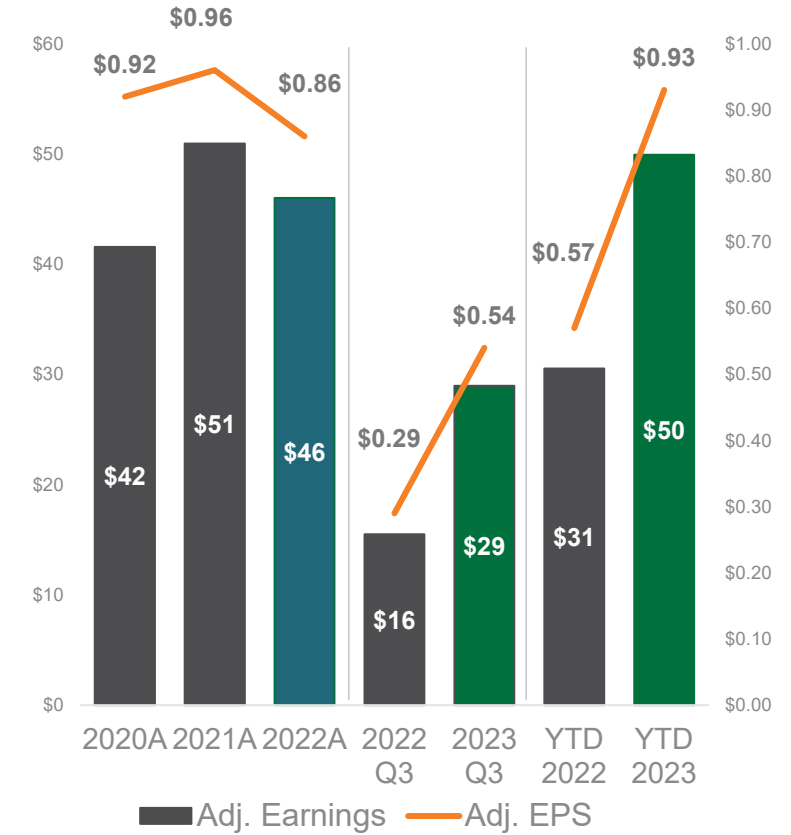
## REVENUE



## NET INCOME



## ADJUSTED EARNINGS<sup>(1)</sup>



(1) Adjusted Earnings is a non-GAAP financial measure and Adjusted EPS is a non-GAAP financial ratio. Refer to the Disclaimer slides for more information on Terminology and Non-GAAP & Other Financial Measures.





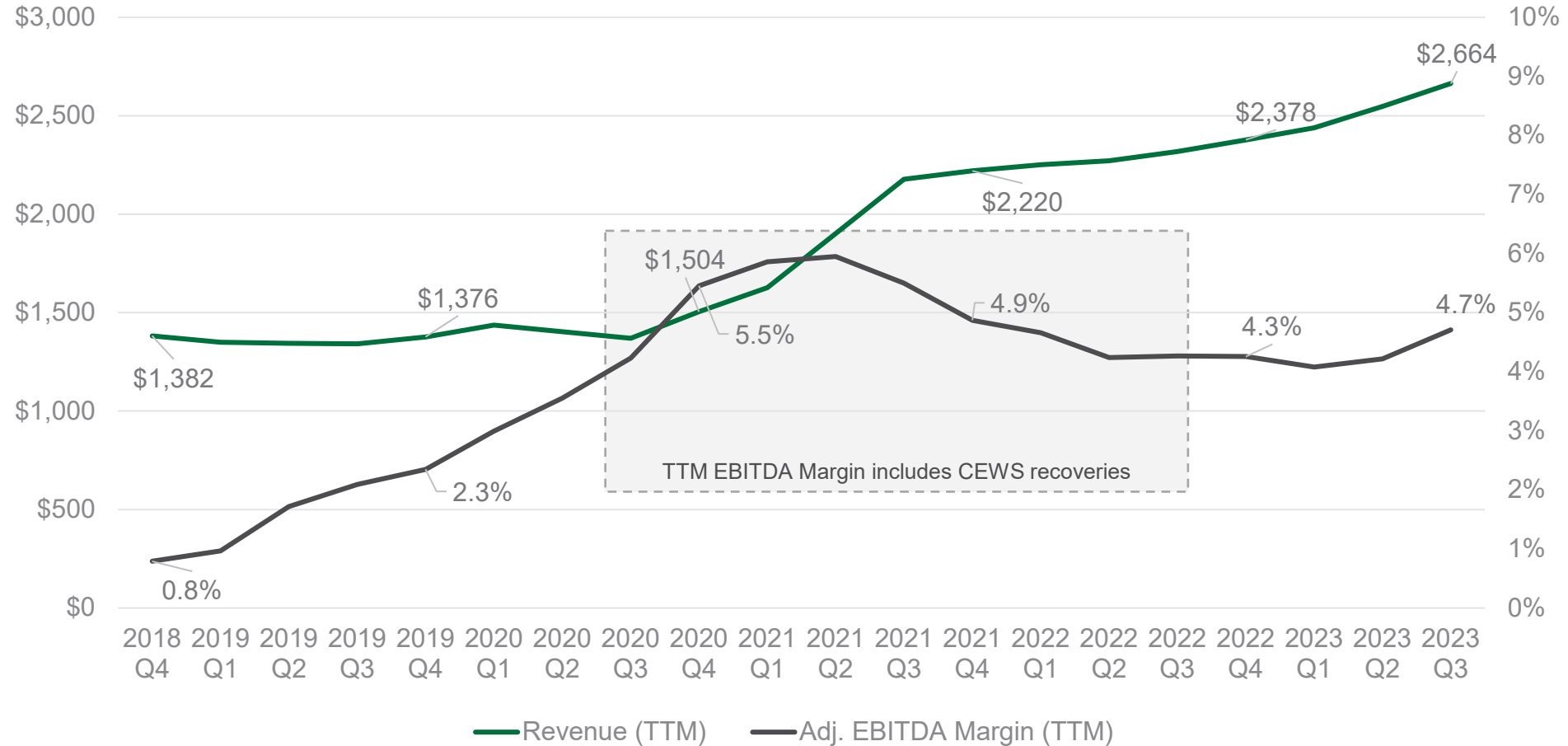
# Risk Balanced Business Model Generating Growth and Profitability



Growing revenue and healthy EBITDA margin

## 5-Year Revenue and Adjusted EBITDA Margin<sup>(1)</sup>

in millions of Canadian dollars



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



## Q3 2023 Results Presentation

Bird Construction Inc. (TSX:BDT)