2023

BIRD CONSTRUCTION INC.

Management's Discussion & Analysis

for the years ended December 31, 2023 and 2022

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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, 2023, should be read in conjunction with the December 31, 2023 consolidated annual financial statements. This MD&A has been prepared as of March 5, 2024. Unless otherwise specified, all amounts are expressed in Canadian dollars. The information presented in this MD&A is presented in accordance with IFRS Accounting Standards ("IFRS"), unless otherwise noted.

This discussion contains forward-looking statements and information, which are subject to a variety of factors that could cause actual results to differ materially from those contemplated by this information. See "Forward-Looking Information". Some of the factors that could cause results or events to differ from current expectations include, but are not limited to, the factors described in the "Risks Relating to the Business" section of this MD&A. 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.

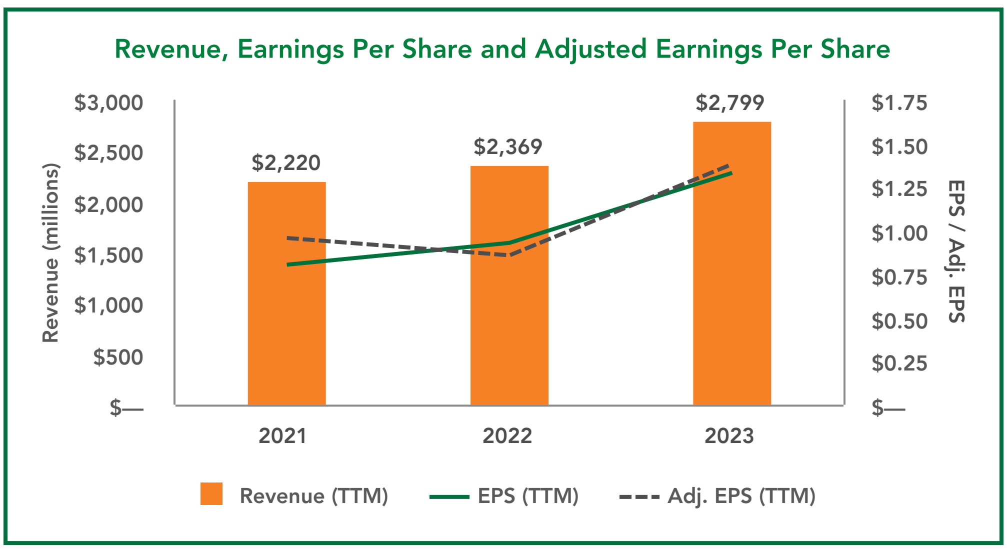
EXECUTIVE SUMMARY

(in thousands of Canadian dollars, except per share amounts)						
Income Statement Data		**2023**		2022		2021
Revenue	**$**	**2,798,785**	$	2,369,332	$	2,220,026
Net income		**71,539**		49,863		42,783
Basic and diluted earnings per share ("EPS")		**1.33**		0.93		0.80
Adjusted Earnings [(1)]		**74,230**		46,024		50,954
Adjusted Earnings Per Share [(1)]		**1.38**		0.86		0.96
Adjusted EBITDA [(1)]		**138,749**		101,185		108,136
Adjusted EBITDA Margin [(1)]		**5.0 %**		4.3 %		4.9 %
Cash Flow Data						
Net (decrease) increase in cash and cash equivalents	**$**	**2,938**	$	(15,691)	$	(21,725)
Cash flows from operations before changes in non-cash working capital		**144,407**		114,370		102,623
Capital expenditures[(2)]		**(30,956)**		(27,766)		(11,756)
Cash dividends paid		**(22,564)**		(20,941)		(20,749)
Cash dividends declared per share		**0.42**		0.39		0.39
Balance Sheet Data		**December 31, 2023**		December 31, 2022		December 31, 2021
Total assets	**$**	**1,424,364**	$	1,226,734	$	1,137,148
Working capital		**234,010**		184,632		151,810
Loans and borrowings		**72,926**		75,091		78,681
ROU Liabilities		**78,430**		73,259		79,358
Shareholders' equity		**322,494**		272,988		243,488
Key Performance Indicators						
Pending Backlog [(1)]	**$**	**3,007,400**	$	2,489,900	$	1,624,700
Backlog [(3)]		**3,448,237**		2,636,543		3,002,509

[(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."



Nature of
the Business

Overview

Bird is a Canadian construction and maintenance company providing a comprehensive and a diversified portfolio of services and solutions to industrial, infrastructure and buildings markets including: new construction and retrofits; industrial maintenance, repair and operations ("MRO") services, shutdowns and turnarounds; civil infrastructure construction; mine support services; utility contracting; fabrication; steel modular construction; and specialty trades.

The Company has been in operation for over 100 years, and draws upon the extensive experience of over 5,000 employees to deliver exceptional operational performance and collaborative execution across all project sizes and delivery models.

Our Locations

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

HOW WE DO BUSINESS

Over the past six years, Bird has strategically diversified its revenue sources while shifting to a risk-balanced mix of work through disciplined project selection. This period has also seen Bird establish itself as a leading collaborative contractor in Canada. Throughout this transition, 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, Cost-Plus, Stipulated Sum, Unit Price, Standard Specification Design-Build, Progressive Design-Build, Complex Design-Build, Alternative Finance Projects, and Public Private Partnerships ("PPP").

Of the delivery models and contract types, CM, IPD, Alliance, Cost-Plus, Stipulated Sum, Unit Price, Standard Specification Design-Build 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, 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 significantly enhanced with the acquisition of Stuart Olson Inc. ("Stuart Olson") in September 2020 and further enhanced with the acquisition of the assets of NorCan Electric Inc. 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, COMMERCIAL SYSTEMS AND UTILITIES

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.

The Company's acquisition of Dagmar Construction Inc. ("Dagmar") in September 2021, provided a platform to expand Bird's national civil capabilities, including enhancing self-perform capacity across key civil infrastructure sub-sectors including rail, bridge, road, and underground utility installation. Dagmar's capabilities and service offerings, integrated with Bird's existing civil business, improve Bird's competitive position nationally and provide greater access to the attractive Ontario market and enables the Company to capitalize on a higher portion of self-perform work in larger, complex projects.

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. On January 31, 2023 Bird announced the acquisition of 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.

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.

2023 HIGHLIGHTS

With the completion of the second year of Bird's 2022-2024 strategic plan, the Company has made great progress in safely advancing our strategic priorities. Building on a solid 2022, Bird's 2023 fiscal year delivered significant organic revenue growth, continued accretion of Adjusted EBITDA margins, and strong operational cash flow. The Company also expanded its infrastructure presence in Canada as evidenced by the recently announced Alliance Development Agreement to work collaboratively with Metrolinx to deliver the East Harbour Transit Hub. Bird continued to pursue accretive tuck-in acquisitions with high growth potential, notably with the acquisitions of Trinity in February 2023 and NorCan announced subsequent to year-end, and continued to experience robust performance from earlier acquisitions. The Company's highly valued team grew in 2023 to meet the needs of Bird's expanding work programs, with Bird being successful in attracting, retaining and developing talent throughout the year.

FULL-YEAR 2023 COMPARED TO FULL-YEAR 2022

- Construction revenue of $2,798.8 million was earned in 2023, compared to $2,369.3 million in 2022, representing a 18.1% increase year-over-year.
- Net income and earnings per share for the year were $71.5 million and $1.33, compared to $49.9 million and $0.93 in 2022, representing increases of 43%.
- Adjusted Earnings[1] and Adjusted Earnings Per Share were $74.2 million and $1.38 in 2023, compared to $46.0 million and $0.86 in the prior year, representing increases of 61%.
- Adjusted EBITDA[1] for 2023 was $138.7 million, or 5.0% of revenues, compared to $101.2 million, or 4.3% of revenues in 2022, representing an increase of 37.1%.

FOURTH QUARTER 2023 COMPARED TO FOURTH QUARTER 2022

- Construction revenue of $792.1 million earned in the quarter compared to $649.0 million earned in the prior year quarter, representing a 22.1% increase year-over-year.
- Net income and earnings per share were $23.9 million and $0.44 in Q4 2023, compared to $14.9 million and $0.28 in Q4 2022, representing increases of 60%.
- Adjusted Earnings[1] and Adjusted Earnings Per Share were $24.3 million and $0.45 in Q4 2023, compared to $15.5 million and $0.29 in Q4 2022, representing increases of 57%.
- Adjusted EBITDA[1] of $43.9 million, or 5.5% of revenues, compared to $30.6 million, or 4.7% of revenues in Q4 2022, representing an increase of 43.2%.

- Bird continued to deliver significant revenue growth in the fourth quarter of 2023 driven predominantly by organic growth, with additional contributions from Trinity, acquired on February 1, 2023.

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

- The Company's margin profiles in the fourth quarter of 2023 continued to improve compared to the prior year, with Gross Profit Percentage increasing to 9.2% compared to 8.9%, and Adjusted EBITDA Margin increasing to 5.5% from 4.7%.
- Bird added over $1.4 billion in securements to its Backlog in the fourth quarter ($3.6 billion year-to-date), resulting in a record Backlog of over $3.4 billion at year-end. Pending Backlog of awarded but not yet contracted work remains at a healthy $3.0 billion at year-end, and continues to include almost $1.1 billion of MSA and other recurring revenue to be earned over the next seven years.
- During the quarter, the Company renewed and amended its Syndicated Credit Facility, extending the maturity to December 15, 2026, expanding the size of the revolving facility to $250 million, and adding the availability for an additional term loan facility which was subsequently used to complete the acquisition of assets of NorCan Electric Inc. in January 2024.
- In December, based on the strength of Bird's outlook for significant further improvements in earnings and cash flow in 2024 compared to 2023, the Company approved a 30.2% increase in its annualized dividend to $0.56 per share. The increased monthly dividend of $0.0467 per share will commence with the March 2024 dividend, to be paid in April 2024.
- Bird generated $104.8 million in operating cash flow for the fourth quarter while continuing to fund a modest investment in non-cash working capital required to support significant growth in the Company's work program. The Company's liquidity position remains strong, with $177.5 million of cash and cash equivalents at year-end, and an additional $215.5 million available under the Company's Syndicated Credit Facility.
- During the fourth quarter of 2023, the Company announced that it was awarded the following projects and contracts:
    - Bird, as part of a 50/50 general partnership, entered into an agreement for early works at a new LNG project in Western Canada. Bird's portion of the limited notice to proceed contracts exceeds $150 million.
    - Bird announced that it had been awarded a construction management contract for the Seneca Polytechnic Health & Wellness Centre Project, as well as a new multi-year task order under the previously announced Port Hope Area Initiative Master Construction Contract by Canadian Nuclear Laboratories. The combined value of the awards exceeds $130 million.
    - Bird announced that it had been awarded five new contracts in multiple sectors including energy, power generation, manufacturing and multi-storey modular. The combined value of the contracts exceeded $530 million.
- Subsequent to the year end, the Company announced in January 2024 that it had acquired the assets of NorCan Electric Inc. ("NorCan") for total consideration of $11 million. NorCan is a leading electrical and instrumentation contractor providing maintenance turnaround and sustaining capital services in the Regional Municipality of Wood Buffalo in Alberta. During their 25 years of service in the region, they have developed deep, long-term relationships based on their strong service delivery and safety program. Since 2018, NorCan has operated through an Indigenous partnership, the NorCan/Infinity Limited Partnership, with Infinity Métis Corporation.
- Subsequent to the quarter end, the Company announced that it was awarded the following projects and contracts:
    - Bird, as part of a 50/50 joint venture, entered into an Alliance Development Agreement to work collaboratively with Metrolinx to deliver the East Harbour Transit Hub, one of the first major projects in Canada to be procured using an 'alliance' model.
- The Board has declared eligible dividends of $0.0467 per common share for each of March 2024 and April 2024, representing the 30% higher monthly dividend announced in December 2023.

ANNUAL RESULTS OF OPERATIONS

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

		2023		2022	% change
Construction revenue	$	**2,798,785**	$	2,369,332	18.1 %
Costs of construction		**2,558,249**		2,167,570	18.0 %
Gross profit		**240,536**		201,762	19.2 %
Income (loss) from equity accounted investments		**3,418**		(2,714)	225.9 %
General and administrative expenses		**(142,781)**		(132,386)	7.9 %
Income from operations		**101,173**		66,662	51.8 %
Finance and other income		**5,216**		10,341	(49.6)%
Finance and other costs		**(13,158)**		(9,818)	34.0 %
Income before income taxes		**93,231**		67,185	38.8 %
Income tax expense		**21,692**		17,322	25.2 %
Net income for the period	$	**71,539**	$	49,863	43.5 %
Total comprehensive income for the period	$	**71,569**	$	50,441	41.9 %
Basic and diluted earnings per share	$	**1.33**	$	0.93	43.0 %
Adjusted Earnings[1]	$	**74,230**	$	46,024	61.3 %
Adjusted Earnings Per Share	$	**1.38**	$	0.86	60.5 %
Adjusted EBITDA[1]	$	**138,749**	$	101,185	37.1 %
Adjusted EBITDA Margin		**5.0%**		4.3%	0.7 %

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

For the year ended December 31, 2023, the Company recorded construction revenue of $2,798.8 million, a $429.5 million increase compared to $2,369.3 million of construction revenue recorded in 2022. The revenue growth for the year was primarily organic, driven by significant increases in industrial construction and institutional building construction, with additional growth generated from the Company's maintenance, repair and operations ("MRO") services supported by the Company's extensive portfolio of recurring revenue contracts. As anticipated, new industrial work in 2023 was more than sufficient to replace revenues from a large industrial work program which successfully concluded during 2022. Trinity, acquired in February 2023, also modestly contributed to revenue growth for the year.

The Company's gross profit of $240.5 million for 2023, representing an 8.6% Gross Profit Percentage[2], compares to $201.8 million gross profit (8.5% Gross Profit Percentage) recorded in 2022. The Company's highly collaborative work program, growing Backlog with enhanced margin profiles, and expanded self-perform capabilities continue to drive strong gross profits on significant revenue growth, largely offsetting the favourable Gross Profit Percentage impact of a large, mostly self-performed, industrial work program that benefited the early part of 2022.

Income from equity accounted investments for 2023 totalled $3.4 million, compared with losses of $2.7 million in 2022. The higher income in 2023 was primarily due to $4.9 million higher earnings related to Stack Modular and $1.1 million higher income related to a multi-school project in Alberta.

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

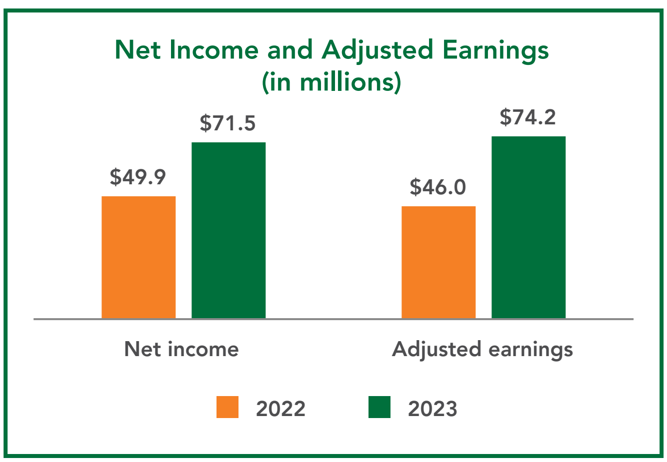
General and administrative expenses were $142.8 million (5.1% of revenue[3]) for the year ended December 31, 2023, compared to $132.4 million (5.6% of revenue) in 2022. The primary drivers for the $10.4 million year-over-year increase were: $1.1 million higher acquisition and integration costs and asset impairments driven primarily from the rationalization of the Company's leased office space during the second quarter; $5.0 million higher compensation costs, including accrued compensation costs and share-based payment costs net of the positive impact of related derivatives due to a 77% increase in the market value of the Company's common shares; $3.8 million higher aggregate growth-related increases to travel, business development, recruitment and pursuit costs as activity levels increased compared to 2022; and $1.6 million aggregate increases across other categories, including general and administrative expenses of Trinity. Partially offsetting these increases were $0.8 million lower amortization and depreciation.

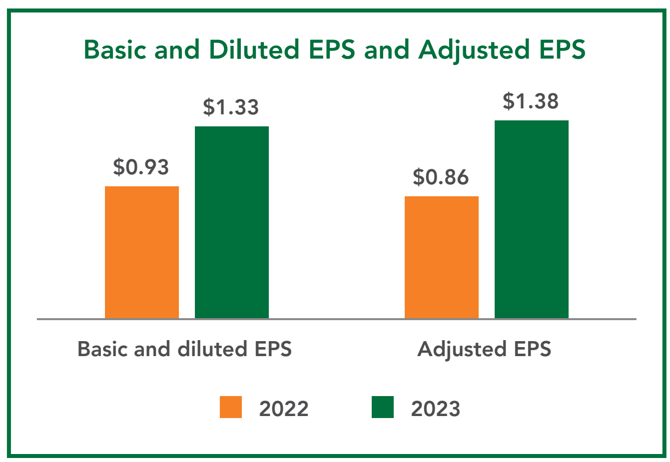
Finance and other income of $5.2 million in 2023 was $5.1 million lower than 2022 primarily due to a $7.6 million gain and $1.7 million of interest income recorded in the the second quarter of 2022 related to a settlement of historical construction billings and related interest charges with a customer, partially offset by a $0.9 million fair value loss on warrants received as part of the settlement. Partially offsetting this impact was $3.0 million higher interest earned in the current year on the Company's cash balances due primarily to increases in deposit interest rates. The additional interest earned on cash balances in 2023 offset the majority of higher interest expense incurred on loans and borrowings reported in finance and other costs, discussed below.

Finance and other costs of $13.2 million in 2023 was $3.3 million higher than in the same period of 2022 primarily due to increases to the Canadian prime rate and benchmark interest rate applied to the Company's variable rate debt, partly offset by the Company carrying a modestly lower average debt balance outstanding on variable rate credit facilities in the current year.

For the year ended December 31, 2023, income tax expense of $21.7 million increased compared to the $17.3 million expense recorded in 2022 driven by higher taxable income in the current year, which more than offset the impact of a lower effective tax rate.

Total comprehensive income was $71.6 million for 2023, compared to $50.4 million in 2022. The increase was primarily due to the Company's $21.7 million higher net income, discussed above, partially offset by lower gains on the Company's pension plans.



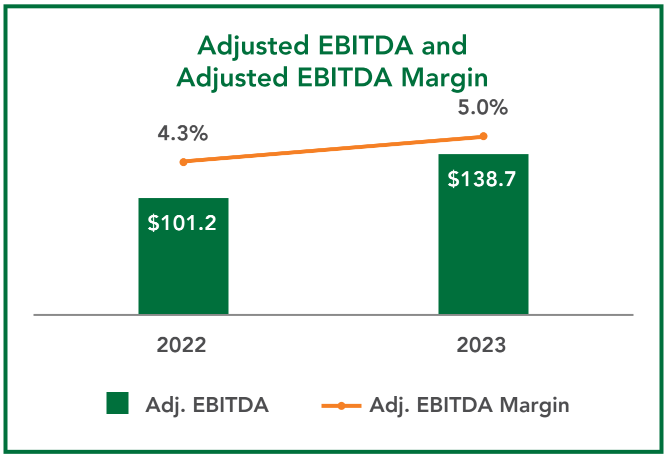


Adjusted Earnings[4] for the year ended December 31, 2023 was $74.2 million, compared with Adjusted Earnings of $46.0 million in 2022. Adjusted Earnings reflects significant increases in year-to-date revenues and gross profit, increases in income from equity accounted investments, described above, as well as $0.6 million higher finance and other income, excluding the after-tax impact of a one-time gain which is excluded from Adjusted Earnings, related to the settlement of historical construction billings in 2022. These increases were partially offset by $9.2 million higher general and administrative expenses, excluding the after-tax impact of acquisition and integration expenses and asset impairments which are excluded from Adjusted Earnings, $3.3 million higher finance and other costs driven by increasing interest rates, and $4.4 million higher income taxes.

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

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

Basic and diluted earnings per share was $1.33 for 2023, compared to $0.93 in 2022. Adjusted Earnings Per Share was $1.38 and $0.86 for 2023 and 2022, respectively. In addition to the impacts of changes in Net Income and Adjusted Earnings discussed above, the basic weighted average shares outstanding for 2023 was higher by 72,607 due to common shares issued in connection with the Trinity acquisition in February 2023.



Adjusted EBITDA[5] for the year ended December 31, 2023 was $138.7 million compared to $101.2 million recorded in 2022. The $37.6 million year-over year increase was consistent with the increases in gross profit and income from equity accounted investments discussed above, partially offset by growth-related increases in general and administrative expenses, including compensation costs, and the inclusion of expenses of Trinity which was acquired during the first quarter of 2023. Adjusted EBITDA margin for 2023 was 5.0%, compared to 4.3% in 2022, with 2023 margins being lower for the first quarter of the year, then higher than 2022 amounts in the remainder of the year. Adjusted EBITDA and Adjusted EBITDA Margin in the prior year benefited from a large, mostly self-performed, industrial work program that concluded in 2022.

[5] 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, 2023	2022	% change
Construction revenue	$ **792,068**	$ 648,967	22.1 %
Costs of construction	**718,856**	590,889	21.7 %
Gross profit	**73,212**	58,078	26.1 %
Income (loss) from equity accounted investments	**1,601**	(1,124)	242.4 %
General and administrative expenses	**(40,506)**	(34,534)	17.3 %
Income from operations	**34,307**	22,420	53.0 %
Finance and other income	**1,206**	904	33.4 %
Finance and other costs	**(4,247)**	(2,933)	44.8 %
Income before income taxes	**31,266**	20,391	53.3 %
Income tax expense	**7,385**	5,459	35.3 %
Net income for the period	$ **23,881**	$ 14,932	59.9 %
Total comprehensive income for the period	$ **23,900**	$ 15,257	56.6 %
Basic and diluted earnings per share	$ **0.44**	$ 0.28	57.1 %
Adjusted Earnings(1)	$ **24,295**	$ 15,485	56.9 %
Adjusted Earnings Per Share	$ **0.45**	$ 0.29	55.2 %
Adjusted EBITDA(1)	$ **43,868**	$ 30,639	43.2 %
Adjusted EBITDA Margin	**5.5%**	4.7%	0.8 %

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

The Company recorded construction revenue of $792.1 million in the fourth quarter of 2023, representing a $143.1 million, or 22.1%, increase over amounts reported in the fourth quarter of 2022. Similar to prior quarters, industrial construction and institutional building construction continued to drive organic growth, which exceeded 21% for the quarter, with additional contributions from Trinity which was acquired in February 2023. Revenue for the fourth quarter was bolstered by strong execution and favourable weather conditions, which allowed additional progress to be achieved on multiple projects across the Company's work programs.

Gross profit of $73.2 million for the fourth quarter of 2023, representing a Gross Profit Percentage of 9.2%, was $15.1 million higher than the $58.1 million gross profit (8.9% Gross Profit Percentage) recorded a year ago. The increase in gross profit margins continues to be driven by improved margin profiles on newer work resulting from disciplined project selection and cost control, growing self-perform capabilities and cross-selling opportunities across the Company, as well as a higher proportion of industrial construction executed in the quarter compared to the prior year.

Income from equity accounted investments in the fourth quarter of 2023 was $1.6 million, compared to losses of $1.1 million recorded in same period of 2022. The improvement was primarily driven by higher income from Stack Modular, higher income from a multi-school project in Alberta, and the impact of a project in Western Canada that was classified as held for sale during the first quarter of 2023 and subsequently sold in the second quarter of 2023.

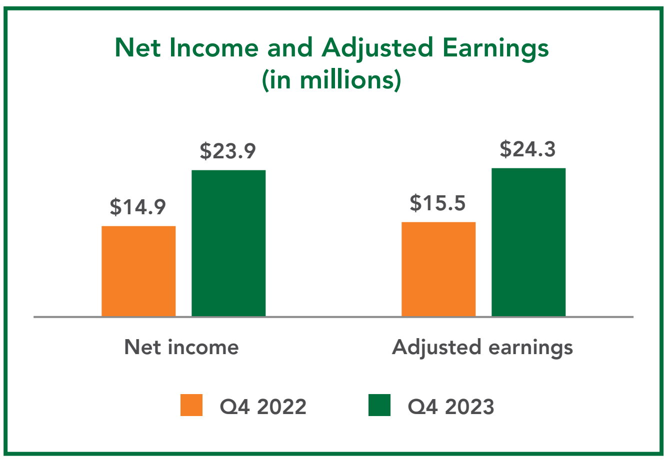
In the fourth quarter of 2023, general and administrative expenses were $40.5 million (5.1% of revenue) versus $34.5 million (5.3% of revenue) in the corresponding period a year ago. The primary drivers of the $6.0 million increase were: $3.2 million higher compensation costs in the current year quarter, including the impact of increased accrued compensation costs, share-based payment costs and related derivatives; $1.8 million higher growth-related increases to travel, business development, recruitment and pursuit costs driven by activity levels increasing compared to 2022; and $1.2 million aggregate increases across other categories, including general and administrative expenses of Trinity. Partially offsetting these increases were $0.2 million lower acquisition and integration costs. Compensation costs in the quarter were higher compared to the prior year due in part to significantly higher volume of work and profitability in the current period, as well as a $4.11 (40%) increase in the market price of the Company's common shares during the quarter.

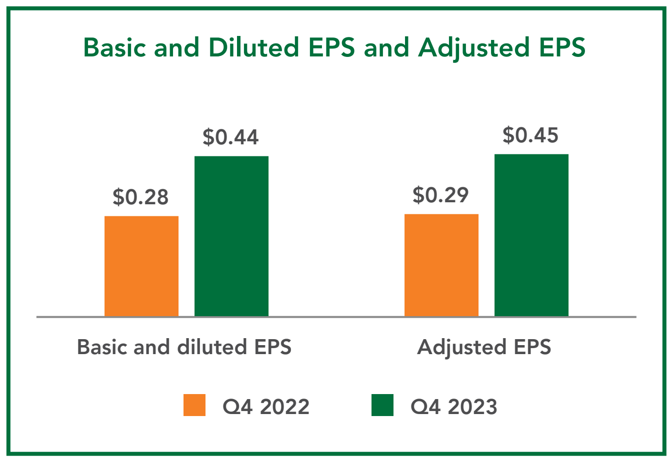
Finance and other income for the fourth quarter of 2023 was $0.3 million higher than in the prior year period, primarily due to higher interest earned on the Company's cash balances due to increases in deposit interest rates.

Finance and other costs of $4.2 million in the fourth quarter of 2023 was $1.3 million higher than the same period of 2022, primarily due to a higher average debt balances outstanding during the the quarter, including the impact of short term borrowings to fund working capital, as well as higher Canadian prime rate and benchmark interest rates in the current year.

In the fourth quarter of 2023, income tax expense was $7.4 million, compared to $5.5 million recorded in the fourth quarter of 2022. Higher income tax expense for the fourth quarter of 2023 was driven by higher net income before tax in the current year, partially offset by a lower effective tax rate.

In the fourth quarter of 2023, total comprehensive income was $23.9 million, compared to $15.3 million in the fourth quarter of 2022. The increase is primarily due to the increase in net income of $8.9 million described above, partially offset by lower actuarial gains on pension plans.

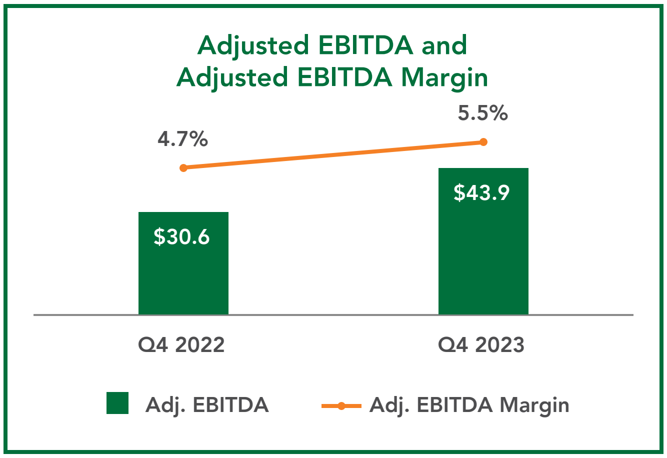




Adjusted Earnings[6] for the fourth quarter of 2023 was $24.3 million, compared with Adjusted Earnings in the fourth quarter of 2022 of $15.5 million, an increase of $8.8 million. Adjusted Earnings reflects higher gross profit for the current quarter, increases in income from equity accounted investments and higher finance and other income, partially offset by higher finance and other costs and higher income taxes, as described above, and $5.8 million higher general and administrative expenses, excluding the after-tax impact of acquisition and integration expenses which are excluded from Adjusted Earnings.

Basic and diluted earnings per share was $0.44 in the fourth quarter of 2023, compared to $0.28 in the fourth quarter of 2022. Adjusted Earnings Per Share was $0.45 and $0.29 in the fourth quarter of 2023 and 2022, respectively. In addition to changes in Net Income and Adjusted Earnings discussed above, the weighted average shares outstanding for the fourth quarter of 2023 was higher by 79,346 shares related to the Trinity acquisition on February 1, 2023.

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



Adjusted EBITDA[7] in the fourth quarter of 2023 was $43.9 million compared to $30.6 million earned in the fourth quarter of 2022. The $13.2 million year-over-year increase was consistent with higher gross profit and the increase in income from equity accounted investments discussed above, partially offset by growth-related increases in general and administrative expenses, including compensation costs, and the inclusion of expenses of Trinity which was acquired in February 2023. The Company's Adjusted EBITDA Margin improved to 5.5% in the fourth quarter of 2023 compared 4.7% in the same period in 2022, reflecting improvements in Gross Profit Percentage, discussed above, as well as gaining leverage on general and administrative costs as the Company's revenue grew significantly compared to the prior year.

KEY PERFORMANCE INDICATORS

Securements, Pending Backlog and Backlog

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

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

(in thousands of Canadian dollars)		**December 31, 2023**		December 31, 2022
Pending Backlog	$	**3,007,400**	$	2,489,900
Backlog	$	**3,448,237**	$	2,636,543

Pending Backlog at December 31, 2023 was $3,007.4 million compared to $2,489.9 million at December 31, 2022, an increase of $517.5 million or 20.8%. The Company's Backlog of $3,448.2 million at December 31, 2023 exceeded the balance at December 31, 2022 by 30.8%, with new contracts secured exceeding executed work by $811.7 million.

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

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

Pending Backlog includes almost $1,100 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 seven 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, 2023**		Year ended December 31, 2022
Opening balance	**$**	**2,636.5**	$	3,002.5
Securements, change orders & other adjustments		**3,610.5**		2,003.4
Realized in construction revenues		**(2,798.8)**		(2,369.3)
Closing balance	**$**	**3,448.2**	$	2,636.5

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, management's ability to control costs, achieve productivity objectives associated with the contract and resolve commercial issues if they arise.

For 2023, the Company realized a Gross Profit Percentage of 8.6% compared with 8.5% in 2022. During the fourth quarter of 2023, the Company realized a Gross Profit Percentage of 9.2% compared with 8.9% in fourth quarter of 2022. The year-over-year changes in Gross Profit Percentage for the quarter and year-to-date are discussed in the sections above titled "Annual Results of Operations" and "Quarterly Results of Operations".

Financial Condition

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

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

(in thousands of Canadian dollars)		**December 31, 2023**		December 31, 2022
Working capital	**$**	**234,010**	$	184,632
Shareholders' equity	**$**	**322,494**	$	272,988

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.

Bird's approach to developing a healthy safety culture begins with senior leadership demonstrating our health, safety and environment ("HS&E") values and executing an integrated long-term strategic focus on risk reduction. This strategic focus extends to project risk mitigation beginning with pre-project safety planning and strong safety execution practices ranging from thorough onboarding routines and identification and control of hazards through to regular HS&E program oversight and evaluation. We employ experienced project leadership as well as trained and supported front line supervision. All the foregoing is underpinned by the Company's workforce and trade partners being highly engaged in day-to-day safety expectations.

Ensuring that all employees leave the workplace every day just as healthy and safe as when they arrived is a shared commitment and, by working collaboratively with employees and trade partners to achieve this, the Company minimizes risk and creates the appropriate conditions for the safe execution of construction activity, on-time, on budget, and to the client's satisfaction. The Company believes this shared commitment is critical to its overall success and is proud to be a leader and founding member of the Canadian Construction Safety Council which aims to raise safety standards and performance across the industry with like-minded general contractors.

The Bird HS&E strategy is foundational to achieving the foregoing. At Bird we are focused on three strategic HS&E pillars – engagement, culture, and effective safeguards. Each of these pillars aims and anchors the Company's efforts towards establishing sustainable HS&E systems and results, a leadership team that cares, an engaged workforce, and robust controls that prevent loss.

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

	Year ended December 31, 2023	Year ended December 31, 2022
Person-hours of work	**10,591,963**	10,002,845
Lost time incidents ("LTI")	**0**	1
Lost time incidents frequency ("LTIF")	**0.00**	0.02

OUTLOOK

Throughout 2023, Bird continued to advance its strategic priorities, strengthening full-year Adjusted EBITDA margins to 5.0% and achieving organic revenue growth exceeding 17%. The Company grew its combined backlog to record levels in higher demand and higher margin sectors while maintaining its risk-balanced, disciplined approach to project selection. The Company's portfolio of complex and highly collaborative projects from coast to coast to coast, growing contribution from recurring revenue contracts, coupled with disciplined cost management all provide good visibility to continued growth and EBITDA margin accretion in 2024 and beyond.

Bird's fourth quarter results delivered substantial organic revenue growth and continued Gross Profit and Adjusted EBITDA margin accretion, and provide good momentum for the Company as we enter into our 2024 fiscal year. Top line organic growth is expected to continue through 2024, with seasonal patterns favouring the second half of the year as usual, and the Company anticipates significant improvements to earnings and cashflow. With the Company's continuing strategic focus on Adjusted EBITDA margin accretion, Bird also expects Adjusted EBITDA and earnings per share growth to outpace organic revenue growth in 2024. Reflecting the confidence in its 2024 outlook, the Company announced a 30% annualized dividend increase in December 2023, raising the monthly dividend to $0.0467 per share commencing with the March 2024 dividend to be paid in April.

Heading into 2024, the Company has a Backlog of contracted work exceeding $3.4 billion, an all-time high for Bird, which continues to reflect higher embedded margins resulting from Company's disciplined sector focus and project selection approach, and focus on collaboration and cross-selling. Over $1.4 billion of new securements were added to Backlog in the fourth quarter of 2023, diversified across regions and sectors, and include awards in energy and power, manufacturing, mining, modular construction, institutional buildings and transportation. Bird also has over $3.0 billion of expected future work in Pending Backlog, including a robust portfolio of recurring revenue contracts approximating $1.1 billion, which are expected to convert to Backlog over the next one to seven years. The combination of Backlog and Pending Backlog, along with a significant volume of attractive opportunities actively being pursued, provide Bird with significant visibility into future revenues and profitability, underpinning the Company's expectations for 2024 and beyond.

Bird continues to pursue new work selectively, ensuring strategic alignment between capabilities, project type and delivery model. Bird's strong focus on early contractor involvement and collaborative opportunities drives a larger share of negotiated work and improves project delivery and outcomes for all parties. Sustained demand in Bird's core markets - industrial, infrastructure and buildings - continues to drive a robust bid pipeline in the short to medium term. Bird's focus on sectors such as energy transition and electrification, nuclear, major multi-year industrial projects, and infrastructure modernization position the Company well to meet the longer-term demand outlook.

While delivering sustained margin accretion and revenue growth, Bird remains focused on maintaining a healthy balance sheet, which is underpinned by strong operating cash flow generation and a low level of long-term debt, to support strategic growth initiatives. Bird's balanced capital allocation approach aims for profitable long-term growth and shareholder value creation through the return of capital to shareholders through sustainable distributions of dividends, while allowing the Company to retain in excess of two-thirds of net income to support continued organic growth and strategic M&A, such as the recent acquisition of NorCan Electric in January 2024, and smart capital investments to support further productivity and growth.

"*Success is a team effort. Our inclusive workplace enables our combined expertise, humility and creativity to unlock our greater potential.*

\- **We Are Stronger Together**"

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. Our 2022-2024 strategic plan prioritizes the development of a highly engaged, high-performing team through innovative people programs. Annually, we identify and support the growth of our top-performing employees through opportunities for career advancement and training. Our performance management system places a strong emphasis on enhancing leadership skills, and we reinforce this through various internal and external training programs, including the Bird Site Management program, Finance for Non-Finance Managers, Frontline Leadership, and the Taking Flight management training program. 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, 2023**		December 31, 2022
Cash and cash equivalents	**$**	**177,529**	$	174,607
Non-cash working capital		**56,481**		10,025
Working capital	**$**	**234,010**	$	184,632
Non-current loans and borrowings	**$**	**64,621**	$	68,007
Non-current right-of-use liabilities	**$**	**57,680**	$	55,469
Shareholders' equity	**$**	**322,494**	$	272,988

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, 2023, this balance totalled $177.5 million. Accessible cash at December 31, 2023 was $79.9 million ($96.0 million at December 31, 2022) with the remaining cash and cash equivalents balance held in trust or in joint operations' accounts. Accessible cash at December 31, 2023 decreased due to investments in working capital to support the seasonal growth of the Company's work programs, investments in property, plant and equipment and intangible software, the acquisition of Trinity, and net repayment of borrowings and ROU liabilities, 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 $56.5 million at December 31, 2023, compared to $10.0 million at December 31, 2022. The investment in non-cash working capital utilized $46.5 million of cash year-to-date in 2023. The overall use of cash is consistent with the Company's significant growth throughout 2023 and seasonal expectations, including shifts in project mix and the stage of completion on certain major projects.

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

At December 31, 2023, the Company had working capital of $234.0 million compared with $184.6 million at December 31, 2022, an increase of $49.4 million. The primary driver of the increase was net income of $71.5 million exceeding dividends paid of $22.6 million by $49.0 million. Other reductions were driven by: $3.4 million net repayments of non-current loans and borrowings; $9.9 million net investments in property, plant, equipment and intangibles; $5.8 million repayments of non-current ROU liabilities in excess of related asset depreciation; and the Company's acquisition of Trinity net of acquired working capital of $1.8 million. These reductions were offset by increases driven by: $14.3 million of non-current share based compensation expenses; and $7.1 million of non-cash deferred taxes recorded in the year. The Company's current ratio[8] at December 31, 2023 was 1.26 compared to 1.24 at December 31, 2022.

The $49.5 million increase in shareholders' equity since December 31, 2022 was primarily due to the Company's net income of $71.5 million exceeding dividends declared by $48.8 million, plus the issuance of $0.7 million of Bird common shares in connection with the acquisition of Trinity during the first quarter.

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

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, 2023 consolidated financial statements.

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

(in thousands of Canadian dollars)		**December 31, 2023**		December 31, 2022
Committed revolving credit facility	**$**	**250,000**	$	220,000
Letters of credit issued from committed revolving credit facility		**11,816**		25,312
Drawn from committed revolving credit facility		**22,725**		22,725
Available committed revolving credit facility		**215,459**		171,963
Committed non-revolving term loan facility	**$**	**47,500**	$	47,500
Cumulative repayments of committed non-revolving term loan facility		**(4,750)**		—
Drawn committed non-revolving term loan facility		**42,750**		47,500
Non-committed Available Accordion	**$**	**50,000**	$	50,000
Letters of credit facilities	**$**	**150,000**	$	150,000
Letters of credit issued from letters of credit facilities		**38,853**		51,627
Available letters of credit facilities		**111,147**		98,373
Collateral pledged to support letters of credit	**$**	**90**	$	90
Guarantees provided by EDC	**$**	**38,763**	$	51,537

Annual Cash Flow Data

The following table provides an overview of cash flows for the years ended December 31, 2023 and 2022:

(in thousands of Canadian dollars)	2023	2022	$ change
Cash flows from operations before changes in non-cash working capital	$ **144,407**	$ 114,370	$ 30,037
Changes in non-cash working capital and other	**(68,607)**	(70,971)	2,364
Cash flows from (used in) operating activities	**75,800**	43,399	32,401
Investments net of capital distributions from equity accounted entities	**666**	922	(256)
Proceeds on sale of investment in equity accounted entities	**2,408**	1,501	907
Additions to property, equipment and intangible assets	**(30,956)**	(27,766)	(3,190)
Proceeds on sale of property and equipment	**4,278**	6,444	(2,166)
Acquisitions, net of cash acquired	**(5,827)**	—	(5,827)
Other long-term assets	**1,925**	4,087	(2,162)
Cash flows from (used in) investing activities	**(27,506)**	(14,812)	(12,694)
Dividends paid on shares	**(22,564)**	(20,941)	(1,623)
Net proceeds (repayment) of draws for working capital purposes	**—**	—	—
Proceeds from loans and borrowings	**5,103**	2,776	2,327
Repayment of loans and borrowings	**(7,268)**	(6,366)	(902)
Repayment of right-of-use liabilities	**(20,627)**	(19,747)	(880)
Cash flows from (used in) financing activities	**(45,356)**	(44,278)	(1,078)
Increase (decrease) in cash and cash equivalents	$ **2,938**	$ (15,691)	$ 18,629

Operating Activities

For the year ended December 31, 2023, cash flows from operating activities generated cash of $75.8 million, $32.4 million more than the $43.4 million cash generated in the comparable period in 2022.

Cash flows from operations before changes in non-cash working capital of $144.4 million was $30.0 million higher than the $114.4 million cash generated in 2022 primarily due to $21.7 million higher net income. In addition, higher net addbacks of non-cash items of $8.1 million, consisting of $3.6 million lower gains on sale of property and equipment, $3.3 million higher finance and other costs, $5.6 higher deferred compensation costs, and $4.4 million higher non-cash income tax expense were partially offset by $6.1 million higher income from equity accounted investments, and $1.6 million higher finance and other income.

Cash used to fund changes in non-cash working capital and other improved $2.4 million compared to 2022 driven mainly by reduced net cash outflows from accounts payable and contract liabilities ($53.0 million), lower outflows related to provisions ($4.9 million) and deferred compensation ($16.1 million), and lower income tax payments ($2.2 million), partially offset by reduced net inflows related to accounts receivable and contract assets ($70.0 million), and higher net interest paid ($3.2 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, 2023, the Company used $27.5 million of cash in investing activities compared to $14.8 million used in 2022. The $12.7 million higher use of cash was primarily due to $5.8 million net cash used to acquire Trinity in February 2023, $3.2 million higher capital expenditures on property, equipment and intangibles, $2.2 million lower proceeds on sale of property and equipment due to lower sale activity in the year, and $2.2 million lower inflows related to long-term assets, primarily related to a higher release of insurance deposits in the prior year, partly offset by $0.7 million increased net proceeds on sale of equity accounted investments.

Financing Activities

For the year ended December 31, 2023, the Company used $45.4 million of cash to fund financing activities, largely comparable to the $44.3 used in 2022. The Company made $22.6 million of dividend payments and $27.9 million of scheduled repayments of loans and borrowings and ROU liabilities, offset by proceeds from equipment financing of $5.1 million. In 2022, the Company made dividend payments of $20.9 million and scheduled repayments of other loans and borrowings and ROU liabilities of $26.1 million, offset by $2.8 million proceeds on equipment loans.

Quarterly Cash Flow Data

The following table provides an overview of cash flows during the three months ended December 31, 2023 and 2022:

(in thousands of Canadian dollars)	Three months ended December 31, 2023	2022	$ change
Cash flows from operations before changes in non-cash working capital	$ **47,553**	$ 33,465	$ 14,088
Changes in non-cash working capital and other	**57,220**	72,337	(15,117)
Cash flows from (used in) operating activities	**104,773**	105,802	(1,029)
Investments net of capital distributions from equity accounted entities	**181**	264	(83)
Additions to property, equipment and intangible assets	**(9,442)**	(6,614)	(2,828)
Proceeds on sale of property and equipment	**2,123**	3,055	(932)
Other long-term assets	**178**	(113)	291
Cash flows from (used in) investing activities	**(6,960)**	(3,408)	(3,552)
Dividends paid on shares	**(5,775)**	(5,235)	(540)
Net proceeds (repayment) of draws for working capital purposes	**(15,000)**	(20,000)	5,000
Proceeds from loans and borrowings	**2,620**	—	2,620
Repayment of loans and borrowings	**(1,447)**	(1,567)	120
Repayment of right-of-use liabilities	**(4,727)**	(4,889)	162
Cash flows from (used in) financing activities	**(24,329)**	(31,691)	7,362
Increase (decrease) in cash and cash equivalents	$ **73,484**	$ 70,703	$ 2,781

Operating Activities

During the fourth quarter of 2023, cash flows from operating activities generated cash of $104.8 million, a decrease of $1.0 million compared to $105.8 million cash generated in the fourth quarter of 2022.

Cash flows from operations before changes in non-cash working capital of $47.6 million was $14.1 million higher than the $33.5 million cash generated in 2022. The improvement resulted from higher net income of $8.9 million in the current quarter and $4.9 million higher net addbacks for non-cash items on an aggregate basis, primarily consisting of higher depreciation of $1.6 million, higher net finance and other costs of $1.3, higher deferred compensation costs of $3.5 million, and higher non-cash income tax expense of $1.9 million, partially offset by higher income from equity accounted investments of $2.7 million.

Cash generated by changes in non-cash working capital for the quarter decreased $15.1 million compared to the fourth quarter of 2022, with largely offsetting increases in working capital driven by the Company's growing work program. The primary changes included lower net inflows related to changes in accounts receivable and contract assets ($60.5 million), higher net outflows related to prepaid expenses ($1.9 million), higher net interest paid ($2.0 million) and higher income tax payments ($4.9 million), largely offset by lower net outflows related to changes in accounts payable and contract liabilities ($37.6 million), lower net outflows related to provisions ($1.9 million), and lower net outflows related to deferred compensation ($14.6 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 2023, the Company used $7.0 million of cash in investing activities compared to $3.4 million used in 2022. The Company had $2.8 million higher capital expenditures on property, equipment and intangibles in the current quarter, and received $0.9 million lower net proceeds on the sale of equipment and equity accounted investments, which was partially offset by $0.3 million higher inflows related to long-term assets, primarily related to the repayment of a note receivable in the current year quarter.

Financing Activities

During the fourth quarter of 2023, the Company used $24.3 million of cash related to financing activities, comprised of $5.8 million of dividend payments, $15.0 million of repayments of temporary draws on its revolving credit facility used to fund working capital requirements in prior quarters, and $6.2 million of scheduled repayments of loans and borrowings and ROU liabilities, partially offset by $2.6 million proceeds on new equipment financing. In the same period of 2022, the Company made dividend payments of $5.2 million, made net repayments of temporary draws on its revolving credit facility of $20.0 million, and made scheduled repayments of loans and borrowings and ROU liabilities of $6.5 million.

CONTRACTUAL OBLIGATIONS

At December 31, 2023, the Company has future contractual cash flow obligations of $826.7 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	$ 591,577	$ 48,345	$ 41	$ —	$ 639,963	$ 639,963
Dividends payable	1,925	—	—	—	$ 1,925	1,925
ROU liabilities	23,975	35,157	15,641	12,710	$ 87,483	78,430
Committed revolving credit facility	—	22,725	—	—	$ 22,725	22,725
Committed non-revolving term loan	5,938	36,812	—	—	$ 42,750	42,750
Equipment financing	2,717	4,167	1,328	—	$ 8,212	7,451
Acquisition holdback	—	300	—	—	$ 300	300
Lease commitments	5,287	—	—	—	$ 5,287	n/a
Other purchase commitments	6,094	7,659	4,349	—	$ 18,102	n/a
	$ 637,513	$ 155,165	$ 21,359	$ 12,710	$ 826,747	$ 793,544

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, 2023 consolidated 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.

At December 31, 2023, accounts receivable outstanding for greater than 90 days and considered past due by the Company's management represent 12.7% (December 31, 2022 – 16.6%) of the balance of progress billings on construction contracts receivable. Management has recorded an allowance of $0.3 million (December 31, 2022 - $1.6 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, 2023 and 2022, 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.

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, 2023, a one percent change in the interest rate applied to the Company's variable rate long-term debt would change annual income before income taxes by approximately $0.7 million (2022 – $0.7 million).

The Company has certain share-based compensation plans where the values are based on the common share price of the Company. At December 31, 2023, a 10 percent change in the share price applied to the Company's share based compensation plans would change income before income taxes by approximately $3.3 million (2022 – $1.4 million).

The Company has fixed a portion of the settlement costs of these plans by entering into a TRS derivative contract maturing in 2024. At December 31, 2023, a 10 percent change in the share price applied to the Company's TRS derivative would change income before income taxes by approximately $3.0 million (2022 – $1.6 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 certain vendors and subcontractors. At December 31, 2023, a 10% movement in the Canadian and U.S. dollar exchange rate would have changed income before income taxes by approximately $0.1 million (2022 – $0.2 million).

DIVIDENDS

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

Dividend Period		2023		2022
January 1 to March 31	$	0.1008	$	0.0975
April 1 to June 30	$	0.1074	$	0.0975
July 1 to September 30	$	0.1074	$	0.0975
October 1 to December 31	$	0.1074	$	0.0975

As of March 5, 2024, the Board of Directors has declared eligible dividends with a record date subsequent to December 31, 2023, for the following months:

Eligible dividends declared	Record date	Payment date		Dividend per share
January dividend	January 31, 2024	February 20, 2024	$	0.0358
February dividend	February 29, 2024	March 20, 2024	$	0.0358
March dividend	March 28, 2024	April 19, 2024	$	0.0467
April dividend	April 30, 2024	May 17, 2024	$	0.0467

OUTSTANDING COMMON SHARE DATA AND STOCK EXCHANGE LISTING

The Company is authorized to issue an unlimited number of common shares. The Company had a total of 53,891,909 common shares outstanding at March 5, 2024 (December 31, 2023 - 53,774,639). 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 $98.3 million at December 31, 2023 (December 31, 2022 - $87.8 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, 2023 consolidated 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, 2023 consolidated financial statements.

SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars, except per share amounts)								
	2022				**2023**			
	Q1	Q2	Q3	Q4	Q1	Q2	Q3	**Q4**
Revenue	$ 475,521	$ 576,688	$ 668,156	$ 648,967	$ 536,459	$ 686,415	$ 783,843	**$ 792,068**
Net income	6,361	14,104	14,466	14,932	5,149	13,714	28,795	**23,881**
Earnings per share	0.12	0.26	0.27	0.28	0.10	0.26	0.54	**0.44**
Adjusted Earnings[(1)]	6,546	8,491	15,502	15,485	5,272	15,680	28,983	**24,295**
Adjusted Earnings Per Share	0.12	0.16	0.29	0.29	0.10	0.29	0.54	**0.45**
Adjusted EBITDA[(1)]	17,835	21,508	31,203	30,639	16,082	29,457	49,342	**43,868**

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

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

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

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

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

ACCOUNTING POLICIES

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

New Accounting Standards, Amendments and Interpretations Adopted

The Company has adopted new amendments effective January 1, 2023 related to amendments to IAS 1 *Disclosure of Accounting Policies,* IAS 8 *Definition of Accounting Estimates* and IAS 12 *Income Taxes* 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, 2024 that have not been applied in preparing the financial statements for the period ended December 31, 2023. These standards and interpretations are not expected to have a material impact on the Company's financial statements.

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, 2023 annual consolidated 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, 2023 annual consolidated 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.

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 Trinity, acquired on February 1, 2023.

Disclosure Controls and Procedures

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

An evaluation of the effectiveness of the design of the Company’s disclosure controls and procedures was carried out under the supervision of management, including the CEO and CFO, with oversight by the Board of Directors and Audit Committee, as at December 31, 2023. Based on this evaluation, the Company’s CEO and CFO have concluded that the design of the Company’s disclosure controls and procedures, as defined in NI 52-109, was effective as at December 31, 2023.

Internal Controls over Financial Reporting

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

An evaluation of the effectiveness of the design of the Company’s internal controls over financial reporting was carried out under the supervision of management, including the CEO and CFO, with oversight by the Board of Directors and Audit Committee, as at December 31, 2023, using the control framework issued by the Committee of Sponsoring Organizations of the Treadway Commission on Internal Control - Integrated Framework (2013). Based on this evaluation, the Company’s CEO and CFO have concluded that the design and operation of the Company’s internal controls over financial reporting, as defined in NI 52-109, was effective as at December 31, 2023.

There have been no material changes in the Company’s internal controls over financial reporting during the period beginning on October 1, 2023 and ending on December 31, 2023, 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.

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.

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.

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. A prolonged downturn 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 downturns.

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.

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.

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 to complete the work and may incur additional costs. 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. Depending on the value of a subcontractor's work, Bird may require some form of performance security and 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.

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 faulty judgements, the accuracy of reported construction revenues and profits could be impacted.

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 as to inflationary impacts. 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 to help mitigate these risks.

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.

Global Pandemics

Global pandemics, such as the 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.

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 and staff 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, past working relationships as well as 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 that 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.

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.

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 consolidated 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.

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.

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.

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.

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.

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 and NorCan 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.

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.

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.

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, which adds design risk assumed by Bird. 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.

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.

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.

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.

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.

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.

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, 2023, and December 31, 2022; refer to Note 10 of the December 31, 2023 consolidated financial statements.
- **"Lost Time Incident Frequency"** or **"LTI Frequency"** is the number of lost time incidents recorded per 200,000 person-hours of work by Bird employees.

Non-GAAP and Other Financial Measures

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

Non-GAAP Financial Measures

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

ADJUSTED EARNINGS *(in thousands of Canadian dollars, except per share amounts)*	Three months ended December 31,		Year ended December 31,	
	2023	2022	**2023**	2022
Net income	**$ 23,881**	$ 14,932	**$ 71,539**	$ 49,863
Add: Acquisition and integration costs	**561**	728	**2,132**	2,487
Add: Impairment of assets	**—**	—	**1,430**	—
Deduct: Gain on settlement of trade receivable	**—**	—	**—**	(7,596)
Income tax effect of the above items	**(147)**	(175)	**(871)**	1,270
Adjusted Earnings	**$ 24,295**	$ 15,485	**$ 74,230**	$ 46,024
Adjusted Earnings Per Share [1]	**$ 0.45**	$ 0.29	**$ 1.38**	$ 0.86

[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	2022	**2023**	2022
Net income	**$ 23,881**	$ 14,932	**$ 71,539**	$ 49,863
Add: Income tax expense	**7,385**	5,459	**21,692**	17,322
Add: Depreciation and amortization	**10,404**	8,798	**36,137**	36,439
Add: Finance and other costs	**4,247**	2,933	**13,158**	9,818
Less: Finance and other income	**(1,206)**	(904)	**(5,216)**	(10,341)
Add: Loss (gain) on sale of property and equipment	**(1,404)**	(1,307)	**(2,123)**	(4,403)
Add: Acquisition and integration costs	**561**	728	**2,132**	2,487
Add: Impairment of assets	**—**	—	**1,430**	—
Adjusted EBITDA	**$ 43,868**	$ 30,639	**$ 138,749**	$ 101,185
Adjusted EBITDA Margin [1]	**5.5 %**	4.7 %	**5.0 %**	4.3 %

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

Non-GAAP Financial Ratios

- **"Adjusted Earnings Per Share"** is calculated by dividing Adjusted Earnings by the basic weighted average number of shares.

- **"Adjusted EBITDA Margin"** is the percentage derived by dividing Adjusted EBITDA by construction revenue.

Supplementary Financial Measures

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

FORWARD-LOOKING INFORMATION

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

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