Bird Construction Inc.

Management's Discussion and Analysis

For the three month periods ended March 31, 2022 and 2021

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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 months ended March 31, 2022, should be read in conjunction with the March 31, 2022 unaudited interim condensed financial statements. This MD&A has been prepared as of May 10, 2022. Unless otherwise specified, all amounts are expressed in Canadian dollars. The information presented in this MD&A is presented in accordance with International Financial Reporting 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 under "Risks Relating to the Business" included in the Company's most recent Annual Information Form dated March 8, 2022. Additional information about the Company is available through the System for Electronic Document Analysis and Retrieval ("SEDAR") at www.sedar.com 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.

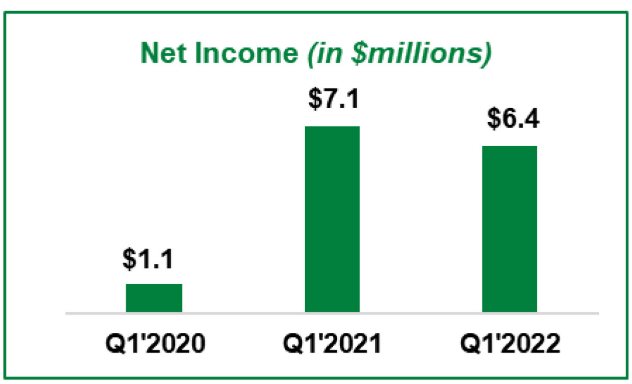
EXECUTIVE SUMMARY

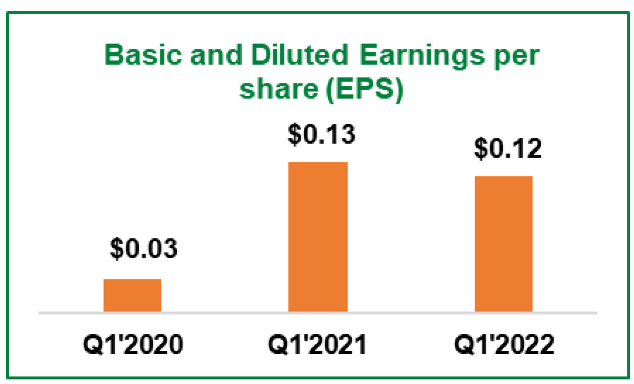
(in thousands of Canadian dollars, except per share amounts)				
Revenue	$	**475,521**	$	444,637
Net income		**6,361**		7,119
Basic and diluted earnings per share ("EPS")		**0.12**		0.13
Adjusted Earnings [1]		**6,546**		9,137
Adjusted Earnings Per Share [1]		**0.12**		0.17
Adjusted EBITDA [1]		**17,835**		21,040
Adjusted EBITDA Margin [1]		**3.8%**		4.7%
Net (decrease) increase in cash and cash equivalents	$	**(39,474)**	$	(86,964)
Cash flows from operations before changes in non-cash working capital		**19,265**		20,792
Capital expenditures [2]		**5,437**		1,028
Cash dividends paid		**5,235**		5,171
Cash dividends declared per share		**0.10**		0.10
Total assets	$	**1,076,976**	$	1,137,148
Working capital		**144,857**		151,810
Loans and borrowings		**76,349**		78,681
ROU Liabilities		**78,605**		79,358
Shareholders' equity		**244,955**		243,488
Pending Backlog [1]	$	**1,716,800**	$	1,624,700
Backlog [3]		**3,033,678**		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

Bird's comprehensive and diverse range of services provide integrated solutions for the entire project lifecycle. Bird deploys cutting edge technology and draws on the vast experience of a workforce of over 5,000 employees to deliver exceptional operational performance and collaborative execution across all project sizes and delivery models for new construction, renovations, and retrofits; industrial maintenance, repair and operations services ("MRO"); heavy civil construction and mine support services; civil infrastructure; modular construction; and vertical infrastructure and specialty trades.

> **"Bird's strategic evolution has positioned the Company to accelerate growth initiatives, while never losing sight of our deep roots spanning more than 100 years in Canada."**
>
> **Teri McKibbon, President & CEO**

PROJECT DELIVERY METHODS

In all sectors, Bird contracts with its clients using a combination of Construction Management, Cost Plus, Integrated Project Delivery ("IPD"), Stipulated Sum, Unit Price, Standard Specification Design-Build, Alternative Finance Projects, Complex Design-Build, Progressive Design Build, and Public Private Partnerships ("PPP").

Bird selectively invests equity in PPP projects to support construction operations, and has enhanced its ability to deliver collaborative contracting such as IPD and Alliance, which are contractual approaches to project delivery designed as co-operative arrangements that are premised on complementary strengths and mutual benefit, offering strategic advantages to all parties particularly in terms of better sharing of risks and rewards.

OUR LOCATIONS

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

MANAGING RISK

While Bird is capable of self-performing larger projects, particularly in the industrial market and MRO space, for many projects the overall construction risk rests with Bird's subcontractors.

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 should mitigate exposure to possible additional costs should a subcontractor not be able to meet its contractual obligations.

Bird's primary constraints on growth are the ability to secure new work at reasonable margins and the availability of qualified professional staff who can be assigned to manage the projects.

INDUSTRY SECTORS

INDUSTRIAL

Within the industrial sector, Bird has substantial experience executing large and complex projects for clients primarily operating in the oil and gas, liquefied natural gas ("LNG"), mining, renewables, water and wastewater, and nuclear sectors. Additionally, Bird constructs large, complex industrial buildings including manufacturing, processing, distribution, and warehouse facilities.

Bird has significant self-perform capabilities for structural, mechanical, piping, electrical and instrumentation, including off-site metal and modular fabrication. These industrial service capabilities have been further enhanced with the addition of Stuart Olson Inc. ("Stuart Olson"), which was acquired on September 25, 2020. The Company's industrial self-perform capabilities now include insulation, metal siding and cladding, ductwork, asbestos abatement, mechanical, and electrical and instrumentation abilities, including high voltage testing and commissioning, as well as power line construction.

These maintenance service abilities are augmented with civil and facilities maintenance services, and the combined service offering opens the door to a wider range of clients including those in the oil and gas, mining, and nuclear sectors. In general, Bird has gained an expanded industrial general contracting business and more notably is now an industrial maintenance contractor with opportunities for additional maintenance clients in a broader geographical footprint.

INFRASTRUCTURE

Within the infrastructure sector, Bird has a well-developed offering of civil construction capabilities including site preparation and earthworks, underground piping, and foundations and other concrete services. Bird also has broad capabilities in mine support services and hydroelectric construction.

The Company's acquisition of Dagmar Construction Inc. ("Dagmar") on September 1, 2021 provides a platform to expand Bird's national civil capabilities, including self-perform capacity across key civil infrastructure sub-sectors including road, bridge, rail, and underground utilities installation. Dagmar's capabilities and service offerings, integrated with Bird's existing civil business, improves Bird's competitive position nationally as well as enables access to the attractive Ontario market. Enhanced access to these markets contributes to increased diversification in a growing end-market with a strong outlook bolstered by government infrastructure commitments. Opportunities to capitalize on a higher portion of self-perform work in larger, complex projects further reinforces the future potential of the integrated business.

INSTITUTIONAL, COMMERCIAL, AND RESIDENTIAL

Within the institutional sector, Bird constructs and renovates hospitals, post-secondary education facilities, K-12 schools, recreation facilities, prisons, courthouses, government buildings, long term care facilities, and senior housing. Within the commercial and residential sector, Bird's operations include the construction and renovation of office buildings, shopping malls, big box stores, hotels, and selected mixed-use high-rise and mid-rise residential. The Company has developed expertise in the construction of vertical elements and overall management of transportation-related projects and will continue to enhance its abilities in this market.

COMMERCIAL SYSTEMS

Within the commercial systems business, Bird provides electrical and related system services such as complex electrical and mechanical infrastructure design and installation, data communications, 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. The Company's commercial systems business is one of Canada's largest electrical and data system contractors.

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 knowledge 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. 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, laying multiple lines and several kilometers of material per day. 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 expertise from across Bird's districts, divisions, and businesses, 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.

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.

Q1 2022 HIGHLIGHTS

FIRST QUARTER 2022 COMPARED TO FIRST QUARTER 2021

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

- The Company recorded year-over-year revenue growth of $30.9 million for the quarter, including contributions from Dagmar which was acquired in September 2021. The revenue growth was achieved against a backdrop of pandemic-driven increased employee absenteeism and intermittent supply chain challenges, particularly in the first two months of the quarter.

- The Company exited the first quarter with a strong liquidity position, including over $73.2 million in accessible cash and $140.1 million available under its Syndicated Credit Facility.

- The Company once again grew its combined backlog to record levels in the first quarter of 2022, with Backlog increasing $31.2 million to $3,033.7 million at March 31, 2022, and Pending Backlog increasing $92.1 million to $1,716.8 million at the end of the quarter. The Company secured $506.7 million of new contract awards and change orders and executed $475.5 million of construction revenues in the quarter.

- During the first quarter of 2022, the Company announced that it was awarded the following projects and contracts:
    - The Company, in a joint venture, was selected by the City of Barrie as General Contractor for the City's Wastewater Treatment Facility upgrade program, and will assume primary responsibility for construction services for the duration of the project which will be delivered through an IPD model. The construction cost estimate for the project is valued at approximately $125 million.
- The Board has declared an eligible dividend of $0.0325 per common share for each of May, June, and July 2022.
- Subsequent to quarter end, the Company announced that it was awarded the following projects and contracts:
    - The Company was awarded two five-year master service agreement ("MSA") contracts for industrial maintenance services, and two industrial facilities turnaround contracts. The total value of the awarded contracts is an estimated $90 million.
    - The Company was awarded a multi-year mining services contract valued at approximately $70 million over the term of the contract.
    - The Company announced a contract valued at approximately $62 million for railway track, signal and station works with Metrolinx for the Kitchener GO Corridor Expansion project.
    - The Company was selected as a proponent for the Port Hope Area Initiative ("PHAI") Master Construction Contract ("MCC") by Canadian Nuclear Laboratories. Under the MCC, Bird has the opportunity to bid on work packages covering close to $1 billion of remediation work over the life of the initiative.

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[1] Adjusted Earnings and Adjusted EBITDA are non-GAAP financial measures. 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 March 31, 2022	2021	% change
Construction revenue	**$ 475,521**	$ 444,637	6.9%
Costs of construction	**433,903**	404,721	7.2%
Gross profit	**41,618**	39,916	4.3%
Income (loss) from equity accounted investments	**(465)**	322	-244.4%
General and administrative expenses	**(31,304)**	(29,437)	6.3%
Income from operations	**9,849**	10,801	-8.8%
Finance income	**266**	302	-11.9%
Finance and other costs	**(1,773)**	(1,739)	2.0%
Income before income taxes	**8,342**	9,364	-10.9%
Income tax expense	**1,981**	2,245	-11.8%
Net income for the period	**$ 6,361**	$ 7,119	-10.6%
Total comprehensive income for the period	**$ 6,702**	$ 9,533	-29.7%
Basic and diluted earnings per share	**$ 0.12**	$ 0.13	-7.7%
Adjusted Earnings[(1)]	**$ 6,546**	$ 9,137	-28.4%
Adjusted Earnings Per Share	**$ 0.12**	$ 0.17	-29.4%
Adjusted EBITDA[(1)]	**$ 17,835**	$ 21,040	-15.2%
Adjusted EBITDA Margin	**3.8%**	4.7%	-1.0%

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

During the first quarter of 2022, the Company earned net income of $6.4 million on construction revenue of $475.5 million, compared with net income of $7.1 million on $444.6 million of construction revenue in 2021. The increased revenue included Dagmar, acquired in September 2021, and overall increased activity. While revenues for the first quarter of both 2022 and 2021 were negatively impacted by the pandemic, the nature of those impacts were different. In 2021, the Company experienced project shutdowns and postponements due to COVID-19, whereas in 2022, smaller individual impacts were encountered due to increased absenteeism and supply chain delays, but across a wider range of projects.

The Company's 2022 first quarter gross profit of $41.6 million was $1.7 million higher than the $39.9 million gross profit recorded a year ago. Gross Profit Percentage[1] in the first quarter of 2022 was 8.8% compared to 9.0% recorded a year ago. The year-over-year increase in gross profit was driven by higher construction volume and stable gross profit margins from disciplined project selection, contracting and execution, and well-managed construction costs. The first quarter of 2021 included a CEWS recovery of $11.0 million in costs of construction which helped to offset costs incurred by the Company related to the pandemic. No amounts for CEWS were recognized in the first quarter of 2022. Overall, diversification of the Company's work program, particularly in the Company's self-perform industrial projects, continues to positively impact Gross Profit Percentage. However, the pandemic continued to have a negative impact on gross profit, with delays in receiving materials and equipment, as well as higher absenteeism, resulting in project delays, increased costs, and productivity challenges.

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1 "Gross Profit Percentage" and "General and Administrative expenses as a percentage of revenue" 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."

The year-over-year decrease in first quarter net income resulted from lower income from equity accounted investments and increases in general and administrative expenses, further discussed below, which more than offset the Company's higher gross profit and lower income taxes.

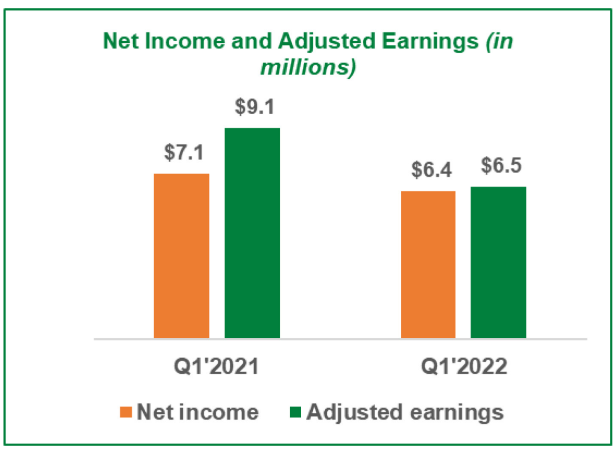
Losses from equity accounted investments in the first quarter of 2022 was $0.5 million, compared with income of $0.3 million in same period of 2021. The lower income in the first quarter of 2022 was primarily due to lower earnings related to Stack Modular and the overall project mix of equity investments in varying stages of project lifecycles. In addition, the first quarter of 2021 included equity income from PPP concession entities that were subsequently classified as held for sale.

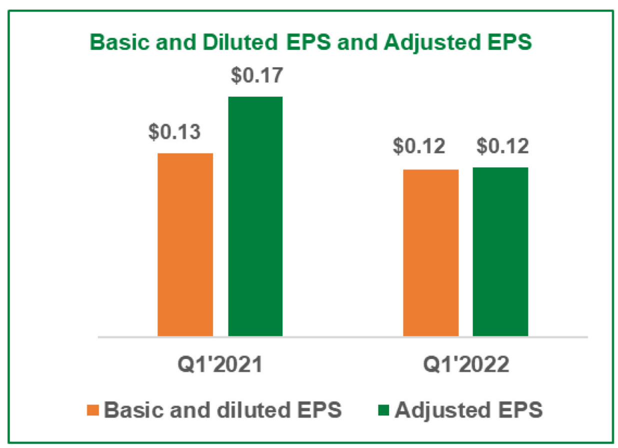
In the first quarter of 2022, general and administrative expenses were $31.3 million (6.6% of revenue[1]) versus $29.4 million (6.6% of revenue) in the corresponding period a year ago. The primary drivers for the $1.9 million year-over-year increase were higher compensation costs of $2.0 million including the impact of a $0.2 million CEWS recovery of compensation costs in 2021, higher amortization and depreciation costs of $0.5 million and an increase in foreign exchange and other costs of $1.8 million. Partially offsetting the increase in expenses were $2.4 million of integration costs associated with the Stuart Olson acquisition included in the comparable quarter.

Finance income of $0.3 million and finance and other costs of $1.8 million in the first quarter of 2022 were comparable to the amounts recorded in the same period of 2021.

In the first quarter of 2022, income tax expense was $2.0 million, compared to $2.2 million recorded in the first quarter of 2021. The decrease in income tax expense was primarily due to the decrease in year-over-year income before taxes.

In the first quarter of 2022, total comprehensive income was $6.7 million, compared to $9.5 million in the first quarter of 2021. The year-over-year decrease of $2.8 million was primarily due to the decrease in net income of $0.8 million described above and a $2.1 million lower gain, net of tax, on defined benefit pension plans. The lower gain is a result of an increase in the discount rate impacting the pension obligation, partially offset by investment earnings being lower than expected, and the impact of the asset ceiling.



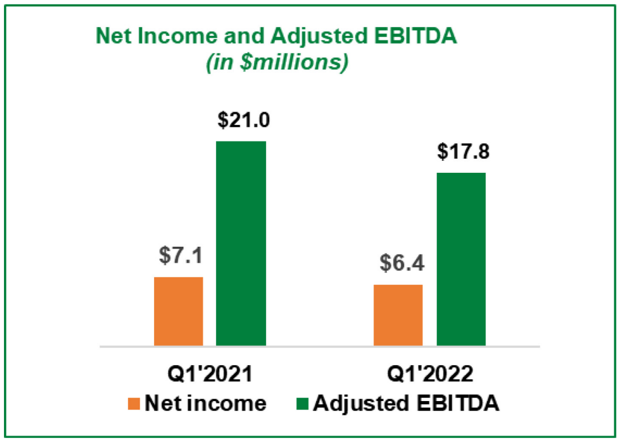


Adjusted Earnings[2] in the first quarter of 2022 was $6.5 million, compared with Adjusted Earnings in the first quarter of 2021 of $9.1 million. Adjusted Earnings reflects increased revenues and gross profit, as discussed above. This improvement was offset by a reduction in income from equity accounted investments and an increase in acquisitive and organic growth-related general and administrative expenses, primarily compensation and other costs and depreciation and amortization expense, the details of which are discussed above.

[1] "Gross Profit Percentage" and "General and Administrative expenses as a percentage of revenue" 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] Adjusted Earnings is a non-GAAP financial measure. See "Terminology and Non-GAAP & Other Financial Measures."

Basic and diluted earnings per share were $0.12 in the first quarter of 2022, compared to $0.13 in 2021. Adjusted Earnings Per Share was $0.12 and $0.17 in the first quarter of 2022 and 2021, respectively. In addition to the impacts of changes in Net Income and Adjusted Earnings discussed above, the basic weighted average shares outstanding at the end of first quarter of 2022 was higher by 656,364 common shares issued in connection with the Dagmar acquisition in September 2021.



Adjusted EBITDA[1] in the first quarter of 2022 was $17.8 million compared to $21.0 million recorded in the first quarter of 2021. The $3.2 million year-over year decrease was consistent with the increased revenues and gross profit being offset by reductions in income from equity accounted investments and growth-related increases in general and administrative expenses, as discussed above. Adjusted EBITDA Margin was 3.8% and 4.7% in the first quarter of 2022 and 2021, respectively. Both Adjusted EBITDA and Adjusted EBITDA margin in the first quarter of 2021 include the positive impact of CEWS recoveries totalling $11.2 million recorded in costs of construction and general and administrative expenses. No similar recoveries were recorded in 2022.

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:

Pending Backlog	$	**1,716,800**	$	1,624,700
Backlog	$	**3,033,678**	$	3,002,509

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

Pending Backlog at March 31, 2022 was $1,716.8 million compared to $1,624.7 million at December 31, 2021, an increase of $92.1 million or 5.7%. The Company's Backlog of $3,033.7 million at March 31, 2022 increased $31.2 million from December 31, 2021. The continued growth in Backlog and Pending Backlog compared to December 31, 2021 reflects the Company's expanded capabilities and scale and an improvement in market conditions, notwithstanding the ongoing impacts of the COVID-19 pandemic.

Pending Backlog includes approximately $850 million of Master Service Agreement ("MSA") type contracts. These contracts are typically with industrial clients, span multiple years for MRO services, and represent a recurring revenue stream over the next one to five years. The Company expects to convert these MSAs to Backlog on a regular basis as purchase orders are received. The remaining projects comprising Pending Backlog are geographically diverse and span multiple sectors and contracting methods.

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)		**Three months ended March 31, 2022**		Year ended December 31, 2021		Three months ended March 31, 2021
Opening balance	$	**3,002.5**	$	2,682.5	$	2,682.5
Securements, change orders & other adjustments		**506.7**		2,540.0		389.3
Realized in construction revenues		**(475.5)**		(2,220.0)		(444.6)
Closing balance	$	**3,033.7**	$	3,002.5	$	2,627.2

Gross Profit Percentage

Once the Company has secured a contract, the profitability of that contract, measured by the Gross Profit Percentage, is primarily a function of management's ability to control costs, achieve productivity objectives associated with the contract and resolve commercial issues if they arise.

During the first quarter of 2022 the Company realized a Gross Profit Percentage of 8.8% compared with 9.0% in first quarter of 2021. The year-over-year change in Gross Profit Percentage for the quarter is discussed in the section above titled "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 following current and prior reporting periods:

Working capital	$	**144,857**	$	151,810
Shareholders' equity	$	**244,955**	$	243,488

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 approach to health, safety & the environment ("HS&E") continues to evolve and advance in response to new technologies, tools, strategies, and challenges such as COVID-19. At Bird, ensuring that all work on the Company's sites is executed to exacting quality standards begins with the commitment to creating and sustaining a culture in which the identification, assessment, and elimination or control of HS&E hazards and risks is incorporated into every aspect of operations. This is a cornerstone of the Company's philosophy and approach towards operational excellence.

Bird's approach to developing a healthy safety culture begins with senior leadership articulating HS&E values and policy coupled with an integrated long-term strategic focus on risk reduction. This foundation extends to project risk mitigation beginning with pre-project safety planning and strong safety execution practices ranging from competent project leadership, thorough frontline onboarding routines, through to regular HS&E program oversight and evaluation. The Company's HS&E philosophy subscribes to being a *learning organization* constantly seeking opportunities to improve. All the foregoing is underpinned by all workers and trade partners being highly engaged in day-to-day safety expectations.

Ensuring that all workers leave the jobsite 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 client's satisfaction. The Company believes this shared commitment is critical to its overall success.

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. At Bird, personal engagement & ownership is not just a vision or a philosophy, it is a daily routine practiced with discipline and rigour on all Bird job sites.

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

	Three months ended March 31, 2022	Year ended December 31, 2022	Three months ended March 31, 2021
Person-hours of work	**2,155,360**	10,131,291	2,285,989
Lost time incidents ("LTI")	**0**	1	1
Lost time incidents frequency ("LTIF")	**0.00**	0.02	0.09

COVID-19 AND COMPANY RESPONSE

The COVID-19 pandemic continues to disrupt global health and the economy in 2022. While widespread vaccination programs and government policies were enacted in response to the pandemic, the Canadian construction industry continued to face volatility. With the identification and global transmission of new COVID-19 variants late in 2021, many regions in Canada experienced a resurgence of daily cases and reintroduced additional preventative safety measures that remained in place for most of the first quarter of 2022, with gradual easing of restrictions beginning only recently.

The highly contagious Omicron variant impacted some project sites in the first quarter, with the Company experiencing increased absenteeism, project schedule impacts and intermittent supply chain challenges. Throughout the pandemic, the Company has mitigated major disruption through a continued approach to robust health and safety measures that meet or exceed guidance from applicable public health authorities.

Throughout the pandemic, Bird's employees have remained dedicated to safely and effectively delivering on project commitments. Their ability to navigate through fluctuating situations is both recognized and appreciated by the Company, its executives, and Directors.

The duration of the pandemic and the associated impact to future financial and operational measures are unknown. As a result, the corresponding impacts to key variables including our workforce, supply chain, project pursuit and awards cycle, and project site measures remain uncertain. The situation remains fluid; however, the Company responded well to the challenges presented to date and is well positioned to continue responding to fluctuating scenarios.

OUTLOOK

Bird's overall outlook for 2022 remains optimistic with positive market conditions foreseeable in the near- to medium-term and encouraging growth prospects. The Company's bidding pipeline remains robust, and the acquisitions of Stuart Olson and Dagmar Construction continue to bear fruit as significant cross-selling opportunities continue to emerge.

After a strong finish to 2021, Bird maintained momentum in the first quarter of 2022. The Company posted year-over-year revenue growth and ended the quarter with record combined backlog. Notwithstanding the impacts of COVID-related employee absenteeism and intermittent supply chain challenges in the quarter, the achievement of these solid results can be attributed to a continued focus on execution, collaboration, cross-selling initiatives, and broadening our national service offering, while maintaining an appropriate cost structure. Management expects revenue growth to accelerate throughout the remainder of the year as the Company executes its work program and secures new awards.

Significant project awards secured this quarter exemplify Bird's diversified and balanced work program. This includes being awarded the City of Barrie's Wastewater Treatment Facility upgrade program, which is to be delivered through an IPD model, and highlights the Company's prominent industry position in collaborative contracting. Subsequent to quarter end, the Company announced that it has been awarded a three-year mining services contract valued at approximately $70 million in northeastern Ontario, a contract for railway track, signal and station works by Metrolinx for the Kitchener GO Corridor Expansion project valued at approximately $62 million, and was selected as a proponent for the Port Hope Area Initiative ("PHAI") Master Construction Contract by Canadian Nuclear Laboratories.

Backlog and Pending Backlog grew in the first quarter of 2022, amounting to $3.0 billion and $1.7 billion, respectively, providing strong revenue visibility for the remainder of the year and beyond. Pending Backlog includes approximately $850 million in MSA contracts that represent a recurring revenue stream over the next five years. As previously noted, management's focus over the past several years has been on securing projects with an appropriate and manageable risk profile. Consequently, Bird's Backlog reflects this through increased diversification and appropriate contracting methods. Management remains optimistic for the full year with expected solid organic growth for the remainder of 2022 and beyond. This is based on the combined strength of the Company's Backlog and Pending Backlog and a healthy project bidding pipeline which is supported by a positive outlook for infrastructure investment and a strong commodity price environment.

Bird's key strategic priorities to diversify across geographies and end markets, pursue collaborative contracting methods, and drive top-line synergies across its platform were bolstered by the acquisitions of Stuart Olson and Dagmar, and are yielding tangible benefits. The Company is well positioned to capitalize on top-line growth opportunities and remains diligent on cost management to deliver an improved margin profile.

The Company continues to maintain a strong balance sheet and has significant financial flexibility and liquidity at the end of the quarter to support its strategic objectives including investments in the business. Management's balanced approach to capital allocation keeps Bird well positioned to successfully capitalize on productivity advancements, organic growth, and tuck-in merger and acquisition opportunities while maintaining a regular cash return and dividend yield to shareholders via our monthly dividend.

Despite the positive outlook, the ongoing impacts of the pandemic, particularly related to the Omicron variant, remain a concern. While most provinces have begun to ease restrictive measures previously put in place to reduce COVID infections, rising infection rates have the potential to impact the Company's second quarter and remainder of the year.

Overall, we expect the healthy economic backdrop, combined with Bird's trusted position with its clients and within its end markets, to provide a solid foundation that allows the Company to grow profitably, improve its overall margin profile, and build shareholder value.

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.

In addition to financial capacity, the success of the Company is dependent upon the management and leadership skills of senior management. A highly engaged, high-performance team with industry leading people programs is a key objective outlined in the Company's 2022-2024 strategic plan. On an annual basis, high-performing candidates are identified for training and progression into more senior positions within the Company. The Company's performance management system emphasizes the development of leadership skills. In addition, the Company sponsors internal and external training programs, including the Bird Leadership Academy, the Bird Site Management program, and the Taking Flight management training program, to provide a forum for high-potential candidates to develop their leadership skills.

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)		March 31, 2022		December 31, 2021
Cash and cash equivalents	$	**150,671**	$	190,191
Non-cash working capital		**(5,814)**		(38,381)
Working capital	$	**144,857**	$	151,810
Non-current loans and borrowings	$	**69,216**	$	71,211
Non-current right-of-use liabilities	$	**62,018**	$	59,576
Shareholders' equity	$	**244,955**	$	243,488

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. The Company believes it has sufficient working capital to support its current and projected contractual requirements.

As a component of working capital, the Company maintains a balance of cash and cash equivalents. At March 31, 2022, this balance totalled $150.7 million. Accessible cash at March 31, 2022 was $73.2 million ($103.0 million at December 31, 2021) with the remaining cash and cash equivalents balance held in trust or in joint operations' accounts.

Non-cash working capital was in a net liability position of $5.8 million at March 31, 2022, compared to a net liability position of $38.4 million at December 31, 2021. The decrease in the net liability position utilized $32.6 million of cash in 2022. The overall use of cash is consistent with the Company's expectations and is mainly due to the 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 March 31, 2022, the Company had working capital of $144.9 million compared with $151.8 million at December 31, 2021, a decrease of $6.9 million. The primary drivers of the decrease were investments in property and equipment and intangible assets, net of sale proceeds, of $4.7 million, scheduled repayments of loans and borrowings and ROU liabilities in excess of the change in non-current portions of $3.9 million, partially offset by the Company's net income of $6.4 million exceeding the $5.2 million of dividends declared by $1.2 million. The Company's current ratio[1] at March 31, 2022 was 1.22 compared to 1.21 at December 31, 2021.

The $1.5 million increase in shareholders' equity since December 31, 2021 was primarily the result of the Company's net income of $6.4 million and other comprehensive income of $0.3 million, partially offset by $5.2 million of dividends declared.

Credit Facilities

The Company has several 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.

Syndicated Credit Facility

The Company has a three-year committed, syndicated credit facility (the "Syndicated Facility") secured by a general interest in the assets of the Company. The Syndicated Facility consists of the following:

Committed revolving credit facility

The Company has a committed revolving credit facility up to $185.0 million, maturing on September 1, 2024. The revolving credit facility includes a $20.0 million swingline which allows the Company to enter into an overdraft position. Borrowings under the facility bear interest at a rate per annum equal to the Canadian prime rate plus a spread. A standby fee is payable quarterly on the unutilized portion of the facility.

At March 31, 2022, the Company has $22.0 million (December 31, 2021 - $22.0 million) in letters of credit outstanding on the facility and has drawn $22.7 million on the facility (December 31, 2021 - $22.7 million). The $22.7 million draw amount is presented as non-current loans and borrowings on the Company's statement of financial position.

Committed non-revolving term loan facility

The Company has a committed non-revolving term loan facility totalling $50.0 million which was used to finance the acquisitions of Stuart Olson and Dagmar in 2020 and 2021. The term loan has scheduled repayments due quarterly until the maturity date of September 1, 2024. Any repayment of the facility cannot be reborrowed. Borrowings under the facility bear interest at a rate per annum equal to the Canadian prime rate plus a spread.

At March 31, 2022, the Company has an outstanding balance of $48.8 million on the term loan facility (December 31, 2021 - $49.4 million).

Accordion

The Company has a non-committed accordion of up to an additional $50.0 million to increase the limit of the committed revolving credit facility and the committed non-revolving term debt facility. The aggregate increase to the committed revolving credit facility and committed non-revolving term debt facility may not exceed $50.0 million. Any increases under the accordion require creditor approval before becoming available to the Company.

The Company was in compliance with its covenants under each respective facility at March 31, 2022.

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

Letters of Credit Facilities

The Company has available $150.0 million of demand facilities used primarily to support the issuance of letters of credit. All letters of credit issued under these facilities are supported by the pledge of Company-owned financial instruments, including cash, or through a guarantee from Export Development Canada (“EDC”). At March 31, 2022, the Company has $59.3 million in letters of credit outstanding on these facilities (December 31, 2021 - $67.4 million).

The Company has an agreement with EDC to support the issuance of contract performance security letters of credit issued by financial institutions on behalf of the Company. The Company is able use this facility only when letters of credit have been issued as contract security for projects that meet the EDC mandate. Letters of credit are typically issued to support the Company’s performance obligations on major construction projects.

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)	March 31, 2022	December 31, 2021
Committed revolving credit facility	$ **185,000**	$ 185,000
Letters of credit issued from committed revolving credit facility	**22,039**	21,989
Drawn from committed revolving credit facility	**22,725**	22,725
Available committed revolving credit facility	**140,236**	140,286
Committed non-revolving term loan facility	$ **50,000**	$ 50,000
Repayment of committed non-revolving term loan facility	**(1,250)**	(625)
Drawn committed non-revolving term loan facility	**48,750**	49,375
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	**59,250**	67,426
Available letters of credit facilities	**90,750**	82,574
Collateral pledged to support letters of credit	$ **90**	$ 139
Guarantees provided by EDC	$ **59,160**	$ 67,289

Equipment Financing

The Company has committed term credit facilities of up to $40.0 million that may be used to finance equipment purchases. Borrowings under the facilities are secured with a first charge on the equipment being financed. At March 31, 2022, there is $4.4 million outstanding on the facilities (December 31, 2021 - $5.2 million). Interest on the facilities is charged at a fixed rate based on the Bank of Canada bond rate plus a spread. Interest is paid monthly in arrears.

The Company also has multiple, fixed interest rate, term loans which were used to finance equipment purchases. At March 31, 2022, the balance outstanding on these term loans amounted to $0.5 million (December 31, 2021 - $1.3 million). Principal and interest are payable monthly, and these term loans are secured by a first charge against the specific equipment financed using these facilities.

At March 31, 2022, the Company was in compliance with the covenants relating to these equipment financing loans and facilities.

Cash Flow Data

The following table provides an overview of cash flows during the three months ended March 31, 2022 and 2021:

Cash flows from operations before changes in non-cash working capital	**$ 19,268**	$ 20,792	$ (1,524)
Changes in contract assets - alternative finance projects	**-**	113	(113)
Changes in non-cash working capital and other	**(41,528)**	(89,444)	47,916
Cash flows from operating activities	**(22,260)**	(68,539)	46,279
Investments net of capital distributions from equity accounted entities	**63**	(725)	788
Additions to property, equipment and intangible assets	**(5,437)**	(1,028)	(4,409)
Proceeds on sale of property and equipment	**761**	1,071	(310)
Other long-term assets	**35**	204	(169)
Cash flows used in investing activities	**(4,578)**	(478)	(4,100)
Dividend paid on shares	**(5,235)**	(5,171)	(64)
Repayment of loans and borrowings	**(2,332)**	(7,621)	5,289
Repayment of right-of-use liabilities	**(5,069)**	(5,155)	86
Cash flows used in financing activities	**(12,636)**	(17,947)	5,311
Increase in cash and cash equivalents	**$ (39,474)**	$ (86,964)	$ 47,490

Operating Activities

During the first quarter of 2022, cash flows from operating activities used cash of $22.3 million, an improvement of $46.3 million compared to $68.5 million cash used in the first quarter of 2021.

Cash flows from operations before changes in non-cash working capital of $19.3 million was $1.5 million lower than the $20.8 million cash generated in 2021 primarily due to the $0.8 million decrease in net income, lower non-cash addbacks for deferred compensation ($1.3 million) and income taxes ($0.3 million), and higher non-cash deduction for gains on sale of property and equipment ($0.3 million), partially offset by higher amortization and depreciation ($0.5 million) and lower income from equity accounted investments ($0.8 million).

Cash used to fund changes in non-cash working capital and other improved $47.9 million compared to the first quarter of 2021 driven mainly by reduced net cash outflows related to changes in accounts payable and contract liabilities ($53.7 million), lower income tax payments ($12.3 million) and changes in prepaid expenses ($0.7 million), partially offset by reduced net inflows related to changes in accounts receivable and contract assets ($4.8 million), provisions ($5.1 million), deferred compensation ($8.5 million), and other items ($0.4 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 first quarter of 2022, the Company used $4.6 million of cash in investing activities compared to $0.5 million used in 2021. The change of $4.1 million was primarily due to higher additions to property and equipment, and intangible assets of $4.4 million, lower proceeds on sale of property and equipment of $0.3 million partially offset by higher net distributions of $0.8 million from equity accounted entities.

Financing Activities

During the first quarter of 2022, the Company used $12.6 million of cash related to financing activities, comprised of $5.2 million of dividend payments and $7.4 million of scheduled repayments of other loans and borrowings and ROU liabilities. In the same period of 2021, the Company made dividend payments of $5.2 million and net repayments of other loans and borrowings and ROU liabilities of $12.8 million.

FINANCIAL INSTRUMENTS

The financial instruments that Bird uses expose the Company to credit, liquidity, market, and currency risks. Refer to Note 30 to the March 31, 2021 interim condensed consolidated financial statements for further details.

Credit Risk

The Company is primarily exposed to credit risk through accounts receivable. At March 31, 2022, accounts receivable outstanding for greater than 90 days and considered past due by the Company's management represent 19.3% (December 31, 2021 – 14.8%) of the balance of progress billings on construction contracts receivable. Management has recorded an allowance of $1.5 million (December 31, 2021 - $1.5 million) against these past due receivables, net of amounts recoverable from others. Management does not believe there is additional material risk regarding the credit quality and collectability of these accounts, as the Company's customers are predominantly large in scale and of high creditworthiness, and the concentration of credit risk is limited due to the Company's sizeable and unrelated customer base.

Market Risk

The Company is exposed to interest rate risk to the extent that its credit facilities are based on variable rates of interest. At March 31, 2022, 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 (2021 – $0.5 million).

The Company has certain share-based compensation plans where the values are based on the common share price of the Company. The Company has fixed a portion of the settlement costs of these plans by entering into various TRS derivative contracts maturing in 2022. At March 31, 2022, a 10 percent change in the share price applied to the Company's TRS derivatives would change income before income taxes by approximately $1.4 million (2021 – $1.3 million).

Currency Risk

The Company uses foreign currency to settle payments to certain vendors and subcontractors. During 2021, the Company entered into foreign currency forward contracts to buy US dollars for the purpose of managing its foreign currency risk. For the quarter ended March 31, 2022, a 10% movement in the Canadian and U.S. dollar exchange rate would have changed income by approximately $0.3 million (2021 – $0.7 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:

January 1 to March 31, 2021	$	0.0975
April 1 to June 30, 2021	$	0.0975
July 1 to September 30, 2021	$	0.0975
October 1 to December 31, 2021	$	0.0975
January 1 to March 31, 2022	$	0.0975

As of May 10, 2022, the Board of Directors has declared eligible dividends with a record date subsequent to March 31, 2022, for the following months:

April dividend	April 29, 2022	May 20, 2022	$	0.0325
May dividend	May 31, 2022	June 20, 2022	$	0.0325
June dividend	June 30, 2022	July 20, 2022	$	0.0325
July dividend	July 29, 2022	August 19, 2022	$	0.0325

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 53,695,293 common shares outstanding at May 10, 2022 (December 31, 2021 - 53,695,293). 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 $93.0 million at March 31, 2022 (December 31, 2021 - $93.1 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 31 to the March 31, 2022 interim condensed consolidated financial statements.

SUMMARY OF QUARTERLY RESULTS

(in thousands of Canadian dollars, except per share amounts)	2020			2021				**2022**
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	**Q1**
Revenue	$ 282,766	$ 345,060	$ 554,960	$ 444,637	$ 556,362	$ 621,224	$ 597,803	**$ 475,521**
Net income	5,624	8,822	20,534	7,119	13,630	12,117	9,917	**6,361**
Earnings per share	0.13	0.20	0.39	0.13	0.26	0.23	0.18	**0.12**
Adjusted Earnings(1)	6,566	12,364	21,526	9,137	14,950	13,821	13,046	**6,546**
Adjusted Earnings Per Share	0.15	0.29	0.41	0.17	0.28	0.26	0.24	**0.12**
Adjusted EBITDA(1)	12,328	22,036	40,011	21,040	30,112	28,585	28,399	**17,835**

(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 more annualized nature of its mining work program and the timing of new project starts in its industrial work program. Contracts typically extend over several quarters and often over several years. In addition, seasonal activity often increases in both the spring and fall for the Company's MRO services, related to plant turnarounds that are typically completed in this timeframe.

For purposes 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. Such estimating includes contingencies to allow for certain known and unknown risks. The magnitude of the contingencies will depend on the nature and complexity of the work to be performed. As the 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 will remain until the contract has been completed, and 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 large and/or complex contracts 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. 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 of each year, significant acquisitions, and the impact of the COVID-19 pandemic. The transformational acquisition of Stuart Olson on September 25, 2020, led to the significant change in quarterly results between the third and fourth quarters of 2020.

The COVID-19 pandemic impact put downward pressure on the Company's revenue with significant impacts commencing in the second quarter of 2020. Commencing in the third quarter of 2020 and continuing until the second quarter of 2021, the Company was able to partially offset costs incurred as a result of the pandemic through recoveries under the CEWS program. With no CEWS recoveries reflected in the third quarter of 2021 onward, the Company's results reflect the full financial impact of the pandemic.

ACCOUNTING POLICIES

The Company's significant accounting policies are outlined in the notes to the annual consolidated financial statements for the year ended December 31, 2021.

New Accounting Standards, Amendments and Interpretations Adopted

The Company has adopted new amendments effective January 1, 2022 related to IAS 37 Onerous Contracts and annual improvements to IFRS standards 2018-2020 for IFRS 9 Financial Instruments and IFRS 16 Leases that did not have a material impact on the Company's financial statements.

Future Accounting Changes

There are new accounting standards, amendments to accounting standards and interpretations that are effective for annual periods beginning on or after January 1, 2023, and have not been applied in preparing the financial statements for the period ended March 31, 2022. 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. Estimates and judgements used in the preparation of these financial statements are consistent with those used in the preparation of the Company's December 31, 2021 annual consolidated financial statements, as described in Note 3 of the financial statements, and include:

- Assets and liabilities acquired in a business combination
- Revenue and gross profit recognition
- Provisions
- Impairment of non-financial assets
- Measurement of pension obligations
- Share-based payments
- Leases
- 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 Dagmar, acquired on September 1, 2021.

Disclosure Controls and Procedures

Disclosure controls and procedures are designed to provide reasonable assurance that all relevant information is gathered and reported to senior management, including the President and Chief Executive Officer ("CEO") and Chief Financial Officer ("CFO"), on a timely basis so that appropriate decisions can be made regarding information to be included in public disclosures required under provincial and territorial 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 March 31, 2022. 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 March 31, 2022.

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, 2021. Based on this evaluation, the Company's CEO and CFO have concluded that the design of the Company's internal controls over financial reporting, as defined in NI 52-109, was effective as at March 31, 2022.

There have been no material changes in the Company's internal controls over financial reporting during the period beginning on January 1, 2022 and ending on March 31, 2022, 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 more significant risk factors relating to the business. For a detailed discussion of all risk factors relating to the business, refer to the Company's most recently filed Annual Information Form dated March 8, 2022 which is available through SEDAR at www.sedar.com and on the Company's website at www.bird.ca. Readers are also encouraged to review the "Forward-Looking Information" section of this MD&A.

- Ability to Hire and Retain Qualified and Capable Personnel
- Maintaining Safe Work Sites
- Global Pandemics
- Economy and Cyclicality
- Design Risks
- Ability to Secure Work
- Performance of Subcontractors
- Accuracy of Cost to Complete Estimates
- Competitive Factors
- Estimating Costs and Schedules/Assessing Contract Risks
- Litigation/Potential Litigation
- Adjustments and Cancellations of Backlog
- Work Stoppages, Strikes and Lockouts
- Information Systems and Cyber-security Risk
- Acquisition and Integration Risk
- Climate Change Risk

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 issued from MSAs related to MRO services. It does not include amounts for variable consideration that are constrained, agency relationship construction management projects, and estimated future work orders to be performed as part of MSAs. The Company's Backlog equates to the Company's remaining performance obligations as at March 31, 2022, and December 31, 2021; refer to Note 10 of the March 31, 2022 interim condensed 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 March 31, 2022	2021
Net income	$ **6,361**	$ 7,119
Add: Acquisition and integration costs	**246**	2,655
Add: IFRS restructuring costs [(1)]	**-**	-
Income tax effect of the above costs	**(61)**	(637)
Adjusted Earnings	$ **6,546**	$ 9,137
Adjusted Earnings Per Share [(2)]	$ **0.12**	$ 0.17

Notes
(1) Restructuring costs as defined in accordance with IFRS.
(2) Calculated as Adjusted Earnings divided by basic weighted average shares.

- **"Adjusted EBITDA"** represents earnings before taxes, interest, depreciation and amortization, finance and other costs, finance income, asset impairment charges, gain or loss on sale of property and equipment, restructuring and severance costs outside of normal course, and acquisition, integration and restructuring (as defined in accordance with IFRS) costs. 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 March 31,			
		2022		2021
Net income	$	**6,361**	$	7,119
Add: Income tax expense		**1,981**		2,245
Add: Depreciation and amortization		**8,420**		7,960
Add: Finance and other costs		**1,773**		1,739
Less: Finance income		**(266)**		(302)
Add: Loss (gain) on sale of property and equipment		**(680)**		(403)
Add: IFRS restructuring costs (1)		**-**		-
Add: Other restructuring and severance costs (2)		**-**		27
Add: Acquisition and integration costs		**246**		2,655
Adjusted EBITDA	$	**17,835**	$	21,040
Adjusted EBITDA Margin (3)		**3.8%**		4.7%

(1) Restructuring costs as defined in accordance with IFRS.

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

(3) Calculated as Adjusted EBITDA divided by 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 agency relationship construction management projects, pre-construction activities, collaborative contracting arrangements and future work orders to be performed as part of MSAs. 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", "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: the anticipated financial performance; the outlook for 2022; anticipated synergies; the plans and strategic priorities of the Company; and with respect to Bird's share of the project value for certain joint venture projects.

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

- Ability to access sufficient capital from internal and external sources
- Ability to secure work
- Accuracy of cost to complete estimates
- Adjustments and cancellations of Backlog
- Changes in legislation, including but not limited to tax laws and environmental regulations
- Client concentration
- Climate change
- Collection of recognized revenue
- Commodity price, interest rate and exchange rate fluctuations
- Competition, ethics, and reputational risks
- Completion and performance guarantees
- Compliance with environmental laws risks
- Corporate guarantees and letters of credit
- Cyber-security risks
- Default under the Company's credit facilities could result in the suspension of dividends
- Delays or changes in plans with respect to growth projects or capital expenditures, costs and expenses
- Dependence on the public sector
- Design and design/build risks
- Economy and cyclicality
- Estimating costs and schedules/assessing contract risks
- Failure of clients to obtain required permits and licenses
- Failure to realize the anticipated benefits of business acquisitions including the Stuart Olson and Dagmar transactions
- Global pandemics
- Health, safety and environmental risks
- Industry and inherent project delivery risks
- Insurance risk
- Internal and disclosure controls
- Joint venture risk
- Labour matters
- Litigation risk
- Loss of key management; ability to hire and retain qualified and capable personnel
- Maintaining safe worksites
- Operational risks
- Payment of dividends
- Performance bonds and contract security
- Potential for non-payment and credit risk and ongoing financing availability
- PPP equity investments
- PPP project risk
- Quality assurance and quality control
- Regional concentration
- Regulations
- Repayment of credit facility
- Subcontractor performance
- Unanticipated shutdowns, work stoppages, strikes and lockouts
- Volatility of market trading

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

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

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.