

Management’s Discussion & Analysis

OVERVIEW

Boyd Group Services Inc. (“BGSI”), through its operating company, The Boyd Group Inc. and its subsidiaries (“Boyd” or the “Company”), is one of the largest operators of non-franchised collision repair centers in North America in terms of number of locations and sales. The Company currently operates locations in Canada under the trade name Boyd Autobody & Glass and Assured Automotive, as well as in the U.S. under the trade name Gerber Collision & Glass. The Company is also a major retail auto glass operator in the U.S. under the trade names Gerber Collision & Glass, Glass America, Auto Glass Service, Auto Glass Authority and Autoglassonly.com. In addition, the Company operates a third party administrator, Gerber National Claims Services (“GNCS”), that offers glass, emergency roadside and first notice of loss services.

The following is a geographic breakdown of the collision repair locations by trade name and location. In response to the reduction in demand resulting from the COVID-19 pandemic, certain collision repair locations have temporarily been converted to intake locations in order to consolidate collision repair services and to reduce Boyd’s operating costs at the intake locations while at the same time maximizing productivity of the staff at the repair locations. Those intake locations are over and above the number of intake locations set forth in the chart below.

 49 locations	 566 locations	
British Columbia 16 Manitoba 15 Alberta 14 Saskatchewan 4	Michigan 67 Illinois 64 Florida 62 New York 38 Washington 37 Indiana 36 Georgia 30 North Carolina 28 Ohio 28 Arizona 24 Colorado 20 Wisconsin 18 Texas 14 Louisiana 13	Oregon 12 Tennessee 11 Maryland 10 California 9 Alabama 7 Nevada 7 Pennsylvania 7 Missouri 5 Oklahoma 5 Utah 4 Kentucky 4 South Carolina 4 Idaho 1 Kansas 1
 83 locations		
Ontario 83		
		
		
<i>The above numbers include 34 intake locations.</i>	<i>The above numbers include 19 intake locations and two fleet locations co-located with collision repair centers.</i>	

Boyd provides collision repair services to insurance companies, individual vehicle owners, as well as fleet and lease customers, with a high percentage of the Company’s revenue being derived from insurance-paid collision repair services. In Canada, government-owned insurers operating in Manitoba, Saskatchewan and British Columbia dominate the insurance-paid collision repair markets in which they operate. In the U.S. and Canadian markets other than Manitoba and Saskatchewan, private insurance carriers compete for consumer policyholders, and in many cases significantly influence the choice of collision repairer through Direct Repair Programs (“DRP’s”).

BGSI’s shares trade on the Toronto Stock Exchange under the symbol TSX: BYD.

Prior to January 1, 2020, BGSi operated as Boyd Group Income Fund (the “Fund”). Pursuant to a plan of arrangement agreement (the “Arrangement”), under the *Canada Business Corporations Act* (“CBCA”), on January 1, 2020, Fund unitholders and Boyd Group Holdings Inc. (“BGHI”) Class A common shareholders received one BGSi common share in exchange for each Fund unit and BGHI Class A common share held by them.

As the Arrangement was effective on January 1, 2020, information presented in this MD&A as at, and for periods prior to, or ending December 31, 2019, is provided for the Fund and information provided at January 1, 2020 and later is provided for BGSi. Therefore, as the context requires, references may be made to either the Fund or BGSi.

The following review of BGSi’s operating and financial results for the period ended March 31, 2020, including material transactions and events of BGSi up to and including May 12, 2020, should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2020, as well as the annual audited consolidated financial statements, management discussion & analysis (“MD&A”) and annual information form (“AIF”) of Boyd Group Services Inc. (formerly reporting as Boyd Group Income Fund), as filed on SEDAR at www.sedar.com.

SIGNIFICANT EVENTS

On January 2, 2020, BGSi announced the completion of the conversion of the Fund from an income trust to a public corporation, pursuant to the plan of Arrangement under the *Canada Business Corporations Act*.

On January 2, 2020, BGSi announced the appointment of Tim O’Day as President & CEO, pursuant to the previously announced CEO succession plan. Also pursuant to this CEO succession plan and concurrent with this change, Brock Bulbuck moved into the role of Executive Chair.

On March 17, 2020, the BGSi Board of Directors declared a cash dividend for the first quarter of 2020 of \$0.138 per common share. The dividend was paid on April 28, 2020 to common shareholders of record at the close of business on March 31, 2020.

On March 18, 2020, BGSi announced an increase to its existing credit agreement to expand the facility to \$550.0 million U.S., with an accordion feature to increase the facility to a maximum of \$825 million U.S., accompanied by the addition of a new seven-year fixed-rate Term Loan A in the amount of \$125 million U.S., maturing in March 2025 and March 2027, respectively.

On March 27, 2020, BGSi announced a number of business developments related to the COVID-19 pandemic, including changes to activity levels and corresponding Company actions.

On April 28, 2020, BGSi announced preliminary first quarter results and a bought deal public offering, where it will issue to an underwriting syndicate, approximately 1,100,000 common shares at a price of \$183.00 per share. On May 11, 2020, the over-allotment option was exercised, and the underwriters committed to purchase an additional 165,000 shares at a price of \$183.00 per share, resulting in total gross proceeds of approximately \$231.5 million. The offering is expected to close May 14, 2020, with net proceeds of the offering to fund potential future acquisition opportunities once the impact of COVID-19 is better understood, as well as to further strengthen the Company’s balance sheet through either holding cash or debt repayment, and for general corporate purposes.

On May 12, 2020, BGSi and its lending syndicate agreed to amend the Credit Facility covenants to provide additional covenant headroom, further enhancing the Company’s financial flexibility. The amendments include a suspension to Boyd’s requirement to comply with its leverage and interest coverage covenants from July 1, 2020 to December 30, 2020, as well as to provide more flexibility in the calculation of such covenants beginning with the second quarter of 2020 and through the second quarter of 2021. During the suspension period referred to above, the Company is required to meet a minimum liquidity covenant, which, given the Company’s cash position and undrawn facilities, is not expected to be burdensome.

BGSI added 19 new collision locations since January 1, 2020 as follows:

Date	Location	Previously operated as
January 2, 2020	Parksville, BC	Crashpad Collision Services
January 6, 2020	Williamsville, NY	n/a intake center
January 17, 2020	Littleton, CO	n/a start-up
March 6, 2020	Indiana & Michigan (14 locations)	Vision Collision
March 13, 2020	Waukesha, WI	Nagel Auto Body
March 23, 2020	Saanichton, BC	Maysa Ventured Ltd.

OUTLOOK

Boyd has taken proactive steps to adapt to the current economic environment, and to maintain a strong financial position. Boyd has been able to adjust to manage through the challenging situation that has arisen as a result of the COVID-19 pandemic, while preparing to ramp back up as demand for collision repair services begins to rise and growth opportunities emerge.

Just prior to the end of the first quarter, the impacts of COVID-19 began to significantly impact Boyd's business, with reductions in demand in the range of 40% to 50% from normal levels. However, in April sales were down slightly less than 40% as the Company drew down on the available work-in-process, and thus far in May the Company is seeing new demand at similar levels of sales, down slightly less than 40%. To address this decline in sales, at the end of the first quarter, Boyd implemented various initiatives. These initiatives included staffing reductions, salary and other compensation adjustments, lease payment deferrals, reductions to other variable expenses, restrictions on capital expenditures, and pausing on closing and funding of acquisitions, that are resulting in operating expense reductions and preservation of cash in the immediate term, with additional flexibility to drop even lower as future market conditions require. These operating actions, combined with the Company's flexible financial model and strong liquidity, provide the Company with the ability to move through this unprecedented period with resilience. Notwithstanding the actions taken by Boyd, with significant fixed costs and personnel costs, the current level of sales will make it challenging for the Company to consistently achieve more than modest levels of Adjusted EBITDA in a given period.

While long-term, the Company will continue to pursue accretive growth through a combination of organic growth (same-store sales growth) as well as acquisitions and new store development, Boyd has taken a near-term pause on closing and funding acquisitions. After the pause, acquisitions will resume and will continue to include both single location acquisitions as well as multi-location acquisitions. The Company continues to evaluate strategic investments as they become available. Growth to the end of the first quarter of 2020 brought BGSI to within 97% of achieving its 2015 five-year growth goal of doubling the size of the business based on trailing twelve-month revenues, on a constant currency basis. However, annualizing the most recent quarter, Boyd has effectively achieved this long-term growth goal.

In the long-term, management remains confident in its business model and its ability to increase market share by expanding its presence in North America through strategic acquisitions alongside organic growth from Boyd's existing operations. Accretive growth will remain the Company's long-term focus whether it is through organic growth or acquisitions. The North American collision repair industry remains highly fragmented and offers attractive opportunities for industry leaders to build value through focused consolidation and economies of scale. As a growth company, Boyd's objective continues to be to maintain a conservative dividend policy that will provide the financial flexibility necessary to support growth initiatives while gradually increasing dividends over time. The Company remains confident in its management team, systems and experience. This, along with a strong statement of financial position and financing options, positions Boyd well for success into the future.

BUSINESS ENVIRONMENT & STRATEGY

As at May 12, 2020, the business environment of the Company and strategies adopted by management remain unchanged from those described in BGSI's 2019 annual MD&A, except for the disruption caused by the COVID-19 pandemic as further described under the heading of "Business Risks and Uncertainties".

CAUTION CONCERNING FORWARD-LOOKING STATEMENTS

Statements made in this interim report, other than those concerning historical financial information, may be forward-looking and therefore subject to various risks and uncertainties. Some forward-looking statements may be identified by words like “may”, “will”, “anticipate”, “estimate”, “expect”, “intend”, or “continue” or the negative thereof or similar variations. Readers are cautioned not to place undue reliance on such statements, as actual results may differ materially from those expressed or implied in such statements.

The following table outlines forward-looking information included in this MD&A:

Forward-looking Information	Key Assumptions	Most Relevant Risk Factors
<p>Boyd remains confident in its business model to increase market share by expanding its presence in North America through strategic and accretive acquisitions alongside organic growth from Boyd’s existing operations</p>	<p>Re-emergence of stability in economic conditions and employment rates</p> <p>Pricing in the industry remains stable</p> <p>The Company’s customer and supplier relationships provide it with competitive advantages to increase sales over time</p> <p>Market share growth will more than offset systemic changes in the industry and environment</p> <p>Anticipated operating results would be accretive to overall Company results</p>	<p>Economic conditions continue to deteriorate, or economic recovery post-COVID-19 is slow</p> <p>Loss of one or more key customers or loss of significant volume from any customer</p> <p>Decline in the number of insurance claims</p> <p>Inability of the Company to pass cost increases to customers over time</p> <p>Increased competition which may prevent achievement of revenue goals</p> <p>Changes in market conditions and operating environment</p> <p>Changes in weather conditions</p> <p>Inability to maintain, replace or grow same-store technician capacity could impact organic growth</p>
<p>Stated objective to gradually increase dividends over time</p>	<p>Growing profitability of the Company and its subsidiaries</p> <p>The continued and increasing ability of the Company to generate cash available for dividends</p> <p>Balance sheet strength and flexibility is maintained and the dividend level is manageable taking into consideration bank covenants, growth requirements and maintaining a dividend level that is supportable over time</p>	<p>BGSI is dependent upon the operating results of the Company</p> <p>Economic conditions continue to deteriorate, or economic recovery post-COVID-19 is slow</p> <p>Changes in weather conditions</p> <p>Decline in the number of insurance claims</p> <p>Loss of one or more key customers or loss of significant volume from any customer</p> <p>Changes in government regulation</p>
<p>Subject to adjustments that may be necessary due to the COVID-19 pandemic, for 2020, the Company plans to make capital expenditures (excluding those related to acquisition and development of new locations) within the range of 1.6% to 1.8% of sales. In addition, the Company may invest \$5 million in LED lighting which is expected to achieve accretive returns on invested capital. Additionally, the Company may expand its Wow Operating Way practices to corporate business processes. The related technology and process efficiency project would result in a total \$9-10 million investment and would also be expected to generate economic returns after the project is fully implemented as well as streamline various processes.</p>	<p>The actual cost for these capital expenditures agrees with the original estimate</p> <p>The purchase, delivery and installation of the capital items is consistent with the estimated timeline</p> <p>No other new capital requirements are identified or required during the period</p> <p>All identified capital requirements are required during the period</p> <p>Investment in LED lighting and process efficiency projects will generate positive returns</p>	<p>Expected actual expenditures could be above or below 1.6% to 1.8% of sales</p> <p>The timing of the expenditures could occur on a different timeline</p> <p>BGSI may identify additional capital expenditure needs that were not originally anticipated</p> <p>BGSI may identify capital expenditure needs that were originally anticipated; however, are no longer required or required on a different timeline</p> <p>Expected positive returns are not generated due to delays, increased costs, or unanticipated challenges in implementation</p>

In previous periods, Boyd provided forward-looking information surrounding the Company's objective of generating growth sufficient to double the size of the business over the five-year period ending in 2020 based on revenues on a constant currency basis. Growth to the end of the first quarter of 2020 brought BGSi to within 97% of achieving this long-term goal. However, during the last two to three weeks of the first quarter, the COVID-19 pandemic brought significant disruption to the worldwide economy. Notwithstanding this significant disruption, annualizing the most recent quarter, Boyd has effectively achieved this long-term growth goal; therefore, this forward-looking information has been withdrawn. While long-term, the Company will continue to pursue accretive growth through a combination of organic growth (same-store sales growth) as well as acquisitions and new store development, Boyd has taken a near-term pause on closing and funding acquisitions.

We caution that the foregoing table contains what BGSi believes are the material forward-looking statements and is not exhaustive. Therefore when relying on forward-looking statements, investors and others should refer to the "Risk Factors" section of BGSi's Annual Information Form, the "Business Risks and Uncertainties" and other sections of our Management's Discussion and Analysis and our other periodic filings with Canadian securities regulatory authorities. All forward-looking statements presented herein should be considered in conjunction with such filings.

NON-GAAP FINANCIAL MEASURES

EBITDA AND ADJUSTED EBITDA

Earnings before interest, taxes, depreciation and amortization ("EBITDA") is not a calculation defined in International Financial Reporting Standards ("IFRS"). EBITDA should not be considered an alternative to net earnings in measuring the performance of BGSi, nor should it be used as an exclusive measure of cash flow. BGSi reports EBITDA and Adjusted EBITDA because it is a key measure that management uses to evaluate performance of the business and to reward its employees. EBITDA is also a concept utilized in measuring compliance with debt covenants. EBITDA and Adjusted EBITDA are measures commonly reported and widely used by investors and lending institutions as an indicator of a company's operating performance and ability to incur and service debt, and as a valuation metric. While EBITDA is used to assist in evaluating the operating performance and debt servicing ability of BGSi, investors are cautioned that EBITDA and Adjusted EBITDA as reported by BGSi may not be comparable in all instances to EBITDA as reported by other companies.

CPA Canada's Canadian Performance Reporting Board defined Standardized EBITDA to foster comparability of the measure between entities. Standardized EBITDA represents an indication of an entity's capacity to generate income from operations before taking into account management's financing decisions and costs of consuming tangible and intangible capital assets, which vary according to their vintage, technological age and management's estimate of their useful life. Accordingly, Standardized EBITDA comprises sales less operating expenses before finance costs, capital asset amortization and impairment charges, and income taxes. Adjusted EBITDA is calculated to exclude items of an unusual nature that do not reflect normal or ongoing operations of BGSi and which should not be considered in a valuation metric or should not be included in assessment of ability to service or incur debt. Included in this category of adjustments prior to January 1, 2020 are the fair value adjustments to exchangeable Class A common shares, the fair value adjustments to unit based payment obligations, and the fair value adjustments to the non-controlling interest put option and call liability. Subsequent to January 1, 2020, included in this category of adjustments are the fair value adjustments to the non-controlling interest put option. These items are adjustments that did not have any cash impact on BGSi or the Fund. Also included as an adjustment to EBITDA are acquisition and transaction costs and fair value adjustments to contingent consideration, which do not relate to the current operating performance of the business units but are typically costs incurred to expand operations. Prior to the adoption of IFRS 16, *Leases* on January 1, 2019, lease expenses were included in operating expenses and were thereby included in the calculation of both Standardized and Adjusted EBITDA. On adoption of IFRS 16, *Leases* on January 1, 2019, lease expenses are no longer included in operating expenses. In 2019, these amounts were deducted in arriving at Adjusted EBITDA to enhance comparability with the prior period. Beginning January 1, 2020, these amounts are no longer deducted in arriving at Adjusted EBITDA. From time to time, BGSi may make other adjustments to its Adjusted EBITDA for items that are not expected to recur.

The following is a reconciliation of BGSi's net earnings to Standardized EBITDA and Adjusted EBITDA:

ADJUSTED EBITDA

<i>(thousands of Canadian dollars)</i>	For the three months ended March 31,	
	2020	2019
Net earnings	\$ 22,655	\$ 21,389
Add:		
Finance costs	11,198	7,929
Income tax expense	7,187	7,035
Depreciation of property, plant and equipment	11,555	9,075
Depreciation of right of use assets	24,990	21,004
Amortization of intangible assets	6,106	4,818
Standardized EBITDA	\$ 83,691	\$ 71,250
Add (less):		
Fair value adjustments	(3,060)	5,813
Acquisition and transaction costs	786	1,259
Adjusted EBITDA	81,417	78,322

Note: On adoption of IFRS 16, *Leases* on January 1, 2019, lease payments were deducted in arriving at Adjusted EBITDA to enhance comparability with prior period. Beginning January 1, 2020, these amounts are no longer being adjusted out in calculating Adjusted EBITDA and the comparative amounts have been restated for comparability with the current period.

ADJUSTED NET EARNINGS

In addition to Standardized EBITDA and Adjusted EBITDA, BGSi believes that certain users of financial statements are interested in understanding net earnings excluding certain fair value adjustments and other items of an unusual or infrequent nature that do not reflect normal or ongoing operations of the Company. This can assist these users in comparing current results to historical results that did not include such items. The following is a reconciliation of BGSi's net earnings to adjusted net earnings:

<i>(thousands of Canadian dollars, except share/unit and per share/unit amounts)</i>	For the three months ended March 31,	
	2020	2019
Net earnings	\$ 22,655	\$ 21,389
Add (less):		
Fair value adjustments (non-taxable)	(3,060)	5,813
Acquisition and transaction costs (net of tax)	582	932
Adjusted net earnings	\$ 20,177	\$ 28,134
Weighted average number of shares/units	20,207,194	19,839,203
Adjusted net earnings per share/unit	\$ 1.00	\$ 1.42

Note: On adoption of IFRS 16, *Leases* on January 1, 2019, lease payments, associated finance costs and depreciation of right of use assets (net of tax) were deducted in arriving at adjusted net earnings to enhance comparability with prior period. Beginning January 1, 2020, these amounts are no longer being adjusted out in calculating adjusted net earnings and the comparative amounts have been restated for comparability with the current period.

Dividends and Distributions

Until December 31, 2019, the Fund and BGHI made monthly distributions, in accordance with their distribution policies, to unitholders of the Fund and dividends to Class A common shareholders of BGHI of record on the last day of each month, payable on or about the last business day of the following month. The amount of cash distributed by the Fund was equal to the pro rata share of interest or principal repayments received on the Notes and distributions received on or in respect of the Class I common shares of the Company held by the Fund, after deducting expenses of the Fund and any cash redemptions of the Fund during the period. The amount of cash distributed by BGHI was equal to the pro rata share of dividends received on or in respect of the Class II common shares of the Company held by BGHI, after deducting expenses of BGHI. All dividends paid or allocated to unitholders of the Fund or Class A shareholders of BGHI are considered to be eligible dividends for Canadian income tax purposes.

For the three months ended March 31, 2020, BGSi has declared a quarterly dividend to shareholders of record on March 31, 2020. The dividend was paid on April 28, 2020. Dividends paid to shareholders of BGSi are considered to be eligible dividends for Canadian income tax purposes.

Dividends to shareholders of BGSi were declared and paid as follows:

<i>(thousands of Canadian dollars, except per share amounts)</i>					
Record date	Payment date	Dividend per Share		Dividend amount	
March 31, 2020	April 28, 2020	\$	0.1380	\$	2,788
		\$	0.1380	\$	2,788

Distributions to unitholders of the Fund and dividends to the BGHI shareholders were declared and paid as follows:

<i>(thousands of Canadian dollars, except per unit amounts)</i>					
Record date	Payment date	Distribution per Unit / Dividend per Share		Distribution amount	Dividend amount
January 31, 2019	February 26, 2019	\$	0.0450	\$ 891	\$ 10
February 28, 2019	March 27, 2019		0.0450	892	10
March 31, 2019	April 26, 2019		0.0450	894	9
		\$	0.1350	\$ 2,677	\$ 29

RESULTS OF OPERATIONS

Results of operations, including sales, profitability and cash flows for the first quarter of 2020 were negatively impacted by the business slow down caused by the COVID-19 pandemic that began in mid-March of 2020.

Results of Operations <i>(thousands of Canadian dollars, except per unit amounts)</i>	For the three months ended March 31,		
	2020	% change	2019
Sales - Total	628,350	12.6	557,897
Same-store sales - Total (excluding foreign exchange)	538,324	(1.5)	546,416
Gross margin %	44.8	(1.1)	45.3
Operating expense %	31.8	1.6	31.3
Adjusted EBITDA ⁽¹⁾	81,417	4.0	78,322
Acquisition and transaction costs	786	(37.6)	1,259
Depreciation and amortization	42,651	22.2	34,897
Fair value adjustments	(3,060)	(152.6)	5,813
Finance costs	11,198	41.2	7,929
Income tax expense	7,187	2.2	7,035
Adjusted net earnings ⁽¹⁾	20,177	(28.3)	28,134
Adjusted net earnings per share/unit ⁽¹⁾	1.00	(29.6)	1.42
Net earnings	22,655	5.9	21,389
Basic earnings per share/unit	1.12	3.7	1.08
Diluted earnings per share/unit	0.95	0.0	0.95

⁽¹⁾ As defined in the non- GAAP financial measures section of the MD&A.

Note: On adoption of IFRS 16, *Leases* on January 1, 2019, lease payments, associated finance costs and depreciation of right of use assets (net of tax) were deducted in arriving at adjusted net earnings and adjusted net earnings per unit, to enhance comparability with prior period. Lease payments were also deducted in arriving at adjusted EBITDA during 2019, to enhance comparability with prior period. Beginning January 1, 2020, these amounts are no longer being adjusted out in calculating adjusted EBITDA, adjusted net earnings and adjusted net earnings per share, and the comparative amounts have been restated for comparability with the current period.

Sales

Sales totaled \$628.4 million for the three months ended March 31, 2020, an increase of \$70.5 million or 12.6% when compared to the same period of 2019. The increase in sales was the result of the following:

- \$75.4 million of incremental sales were generated from 119 new locations that were not in operation for the full comparative period.
- Same-store sales excluding foreign exchange decreased \$8.1 million or 1.5% and increased \$4.9 million due to the translation of same-store sales at a higher U.S. dollar exchange rate. Same-store sales excluding foreign exchange decreased 3.1% on a days adjusted basis, recognizing an additional selling and production day in the U.S. and Canada in 2020 compared to the same period of 2019. The decrease in same-store sales percentage was negatively impacted by approximately 4 percentage points or \$21 million due to the business slow down caused by the COVID-19 pandemic that began in mid-March of 2020.
- Sales were affected by the closure of under-performing facilities which decreased sales by \$1.7 million.

Same-store sales are calculated by including sales for locations and businesses that have been in operation for the full comparative period.

Gross Profit

Gross Profit was \$281.4 million or 44.8% of sales for the three months ended March 31, 2020 compared to \$253.0 million or 45.3% of sales for the same period in 2019. Gross profit increased primarily as a result of higher sales due to acquisition growth compared to the prior period. The gross margin percentage is impacted by fluctuations in DRP pricing as well as lower parts and labor margins, partially offset by the favorable mix of parts sales in relation to labor. Certain DRP performance pricing arrangements have changed in a way that is resulting in slightly greater pricing variability. The gross margin percentage is within normal ranges for mix and margin changes period to period.

Operating Expenses

Operating Expenses for the three months ended March 31, 2020 increased \$25.3 million to \$200.0 million from \$174.7 million for the same period of 2019, primarily due to the acquisition of new locations. Excluding the impact of foreign currency translation which increased operating expenses by approximately \$1.8 million, expenses increased \$23.5 million from 2019. Closed locations lowered operating expenses by \$0.3 million.

Operating expenses as a percentage of sales were 31.8% for the three months ended March 31, 2020, which compared to 31.3% for the same period in 2019. The increase as a percentage of sales was primarily due to the impact of negative same-store sales levels on the fixed component of operating expenses.

Acquisition and Transaction Costs

Acquisition and Transaction Costs for the three months ended March 31, 2020 were \$0.8 million compared to \$1.3 million recorded for the same period of 2019. The costs relate to various acquisitions, including acquisitions from prior periods, as well as other completed or potential acquisitions.

Adjusted EBITDA

Earnings before interest, income taxes, depreciation and amortization, adjusted for the non-controlling interest put option and contingent consideration, as well as acquisition and transaction costs and the 2019 impact of fair value adjustments related to the exchangeable share liability and unit option liability (“Adjusted EBITDA”)¹ for the three months ended March 31, 2020 totaled \$81.4 million or 13.0% of sales compared to Adjusted EBITDA of \$78.3 million or 14.0% of sales in the same period of the prior year. The \$3.1 million increase was primarily the result of incremental EBITDA contribution from new location growth, as well as changes in U.S. dollar exchange rates in 2020, which increased Adjusted EBITDA by \$0.9 million. Adjusted EBITDA was negatively impacted by approximately \$8 million due to the business slow down caused by the COVID-19 pandemic.

Depreciation and Amortization

Depreciation related to property, plant and equipment totaled \$11.6 million or 1.8% of sales for the three months ended March 31, 2020, an increase of \$2.5 million when compared to the \$9.1 million or 1.6% of sales recorded in the same period of the prior year. The increase in depreciation expense was primarily due to acquisition growth as well as investments in capital equipment.

Depreciation related to right of use assets totaled \$25.0 million, or 4.0% of sales for the three months ended March 31, 2020, as compared to \$21.0 million or 3.8% of sales for the same period of the prior year.

Amortization of intangible assets for the three months ended March 31, 2020 totaled \$6.1 million or 1.0% of sales, an increase of \$1.3 million when compared to the \$4.8 million or 0.9% of sales expensed for the same period in the prior year. The increase is primarily the result of the addition of new intangible assets from recent acquisitions.

Fair Value Adjustments

Fair Value Adjustment to Non-controlling Interest Put Option resulted in a non-cash recovery of \$3.5 million for the first three months of 2020 compared to a non-cash recovery of \$2.5 million in the same period of the prior year. The non-controlling interest call liability transaction was completed on January 31, 2019, with no fair value adjustment recorded during the period ended March 31, 2019. The non-controlling interest put option has been calculated based on the Gerber Glass LLC Company Agreement. Revisions to the EBITDA amount on which the calculation is based resulted in a decrease in the put option liability and a corresponding non-cash recovery in 2020.

Fair Value Adjustment to Contingent Consideration resulted in a non-cash expense of \$0.5 million for the first three months of 2020 compared to a non-cash recovery of \$0.2 million in the same period of the prior year. Contingent consideration is impacted by changes to the estimated payment due to sellers based on the acquisition meeting predetermined earnings targets during specified periods subsequent to the acquisition date.

Finance Costs

Finance Costs of \$11.2 million or 1.8% of sales for the three months ended March 31, 2020 increased from \$7.9 million or 1.4% of sales for the same period of the prior year. The increase in finance costs was primarily due to increased borrowing under the credit facility. Out of an abundance of caution during the uncertainty created by the COVID-19 pandemic, Boyd fully drew on the credit facilities near the end of March, other than under the swing line credit facilities and an accordion feature. During the first quarter, finance costs related to the unamortized deferred financing costs of \$0.4 million were expensed as the revolving credit facility was amended and restated.

¹ As defined in the non-GAAP financial measures section of the MD&A.

Income Taxes

Current and Deferred Income Tax Expense of \$7.2 million for the three months ended March 31, 2020 compared to an expense of \$7.0 million for the same period of the prior year. Income tax expense continues to be impacted by permanent differences such as mark-to-market adjustments which impact the tax computed on accounting income. During the first quarter of 2019, a permanent difference on the completion of the call option transaction reduced income tax expense. During the first quarter of 2020, based on the CARES act, a bonus depreciation tax benefit of approximately \$9.9 million U.S. has been recorded as income tax receivable, which has resulted in an increase to the deferred income tax liability as well as a reclassification between current and deferred income tax expense.

Net Earnings and Earnings Per Share/Unit

Net Earnings for the three months ended March 31, 2020 was \$22.7 million or 3.6% of sales compared to \$21.4 million or 3.8% of sales in the same period of the prior year. The net earnings amount in 2020 was positively impacted by fair value adjustments to financial instruments of \$3.0 million, which were primarily due to the decrease in the EBITDA amount on which the calculation of the put option liability is based, and acquisition and transaction costs of \$0.6 million (net of tax). After adjusting for fair value and other unusual items, Adjusted net earnings² for the first three months of 2020 was \$20.2 million, or 3.2% of sales. This compares to Adjusted net earnings of \$28.1 million or 5.0% of sales in the same period of 2019. The decrease in the Adjusted net earnings for the period is the result of negative same-store sales growth and resulting negative leverage on the fixed component of operating expenses, along with increased finance and depreciation and amortization costs. Adjusted net earnings for the period were negatively impacted by approximately \$6 million due to the business slow down caused by the COVID-19 pandemic.

Basic Earnings Per Share was \$1.12 per share for the three months ended March 31, 2020 compared to basic earnings per unit of \$1.08 for the first three months of 2019. The increase in basic earnings per share is primarily attributed to the impact of fair value adjustments on both periods. Diluted earnings per share was \$0.95 for the three months ended March 31, 2020 compared to diluted earnings per unit of \$0.95 for the first three months of 2019. Adjusted net earnings per share¹ was \$1.00 compared to adjusted net earnings per unit of \$1.42 for the first three months of 2019. The decrease in adjusted net earnings per share is primarily attributed to the impact of negative same-store sales growth and resulting negative leverage on the fixed component of operating expenses, along with increased finance and depreciation and amortization costs. Adjusted net earnings per share were negatively impacted by approximately \$0.30 per share due to the business slow down caused by the COVID-19 pandemic.

Summary of Quarterly Results								
<i>(in thousands of Canadian dollars, except per share/unit amounts)</i>								
	2020 Q1	2019 Q4	2019 Q3	2019 Q2	2019 Q1	2018 Q4	2018 Q3	2018 Q2
Sales	\$ 628,350	\$ 585,966	\$ 566,957	\$ 572,505	\$ 557,897	\$ 495,131	\$ 459,564	\$ 456,627
Adjusted EBITDA, pre IFRS 16, Leases basis ⁽¹⁾	N/A	\$ 56,430	\$ 50,656	\$ 54,335	\$ 54,175	\$ 47,563	\$ 41,203	\$ 42,494
Adjusted EBITDA ⁽¹⁾	\$ 81,417	\$ 84,053	\$ 77,398	\$ 80,099	\$ 78,322	N/A	N/A	N/A
Net earnings	\$ 22,655	\$ 14,253	\$ 14,766	\$ 13,739	\$ 21,389	\$ 29,904	\$ 16,571	\$ 12,828
Basic earnings per share/unit	\$ 1.12	\$ 0.72	\$ 0.74	\$ 0.69	\$ 1.08	\$ 1.52	\$ 0.84	\$ 0.65
Diluted earnings per share/unit	\$ 0.95	\$ 0.72	\$ 0.74	\$ 0.63	\$ 0.95	\$ 1.19	\$ 0.75	\$ 0.65
Adjusted net earnings ⁽¹⁾	\$ 20,177	\$ 23,786	\$ 20,651	\$ 23,497	\$ 28,134	\$ 23,174	\$ 20,403	\$ 21,141
Adjusted net earnings per share/unit ⁽¹⁾	\$ 1.00	\$ 1.20	\$ 1.04	\$ 1.18	\$ 1.42	\$ 1.17	\$ 1.04	\$ 1.07

⁽¹⁾ As defined in the non-GAAP financial measures section of the MD&A.

Note: On adoption of IFRS 16, *Leases* on January 1, 2019, lease payments, associated finance costs and depreciation of right of use assets (net of tax) were deducted in arriving at adjusted net earnings to enhance comparability with prior period. Lease payments were also deducted in arriving at adjusted EBITDA during 2019, to enhance comparability with prior period. Beginning January 1, 2020, these amounts are no longer being adjusted out in calculating adjusted EBITDA, adjusted net earnings and the comparative amounts have been restated for comparability with the current period.

² As defined in the non-GAAP financial measures section of the MD&A.

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operations, together with cash on hand and unutilized credit available on existing credit facilities are expected to be sufficient to meet operating requirements, capital expenditures and dividends. At March 31, 2020, BGSJ had cash, net of outstanding deposits and cheques, held on deposit in bank accounts totaling \$576.5 million (December 31, 2019 - \$35.5 million). A significant increase in the cash balance as at March 31, 2020 is the result of draws on the revolving credit facility made out of an abundance of caution during the uncertainty created by the COVID-19 pandemic, to better position the Company to withstand the uncertain impact of the economic downturn. The net working capital ratio (current assets divided by current liabilities) was 1.81:1 at March 31, 2020 (December 31, 2019 – 0.57:1).

At March 31, 2020, BGSJ had total debt outstanding, net of cash, of \$949.9 million compared to \$893.2 million at December 31, 2019, \$895.0 million at September 30, 2019, \$804.3 million at June 30, 2019 and \$809.6 million at March 31, 2019. Debt, net of cash, increased when compared to December 31, 2019 as a result of draws on the revolving credit facility and seller notes used to fund acquisitions.

Total debt, net of cash <i>(thousands of Canadian dollars)</i>	March 31, 2020	December 31, 2019	September 30, 2019	June 30, 2019	March 31, 2019
Revolving credit facility (net of financing costs)	\$ 713,656	\$ 339,185	\$ 343,176	\$ 288,928	\$ 296,218
Term Loan A (net of financing costs)	176,789	-	-	-	-
Seller notes ⁽¹⁾	85,426	76,084	75,174	70,185	70,450
Total debt before lease liabilities	\$ 975,871	\$ 415,269	\$ 418,350	\$ 359,113	\$ 366,668
Cash	576,493	35,468	41,068	46,296	52,192
Total debt, net of cash before lease liabilities	\$ 399,378	\$ 379,801	\$ 377,282	\$ 312,817	\$ 314,476
Lease liabilities	550,501	513,373	517,735	491,523	495,126
Total debt, net of cash	\$ 949,879	\$ 893,174	\$ 895,017	\$ 804,340	\$ 809,602
⁽¹⁾ Seller notes are loans granted to the Company by the sellers of businesses related to the acquisition of those businesses.					

Operating Activities

Cash flow generated from operations, before considering working capital changes, was \$91.2 million for the three months ended March 31, 2020 compared to \$71.4 million in the same period of 2019. During the first quarter of 2020, based on the CARES act, a bonus depreciation tax benefit of approximately \$9.9 million U.S. has been recorded as income tax receivable, which has resulted in an increase to deferred income tax expense.

In the first quarter of 2020, changes in working capital items provided net cash of \$1.0 million compared with using net cash of \$5.1 million in the same period of 2019. Increases and decreases in accounts receivable, inventory, prepaid expenses, income taxes, accounts payable and accrued liabilities are significantly influenced by timing of collections and expenditures. Working capital in the first quarter of 2020 was impacted by the additional income tax receivable recorded based on the CARES act.

Financing Activities

Cash provided by financing activities totaled \$482.0 million for the three months ended March 31, 2020 compared to cash provided by financing activities of \$27.2 million during the same period of the prior year. During 2020, cash was provided by draws of the revolving credit facility and term loan in the amount of \$691.4 million, offset by cash used to repay draws as well as long-term debt associated with seller notes in the amount of \$170.2 million and cash used to fund interest costs on long-term debt of \$5.4 million. Cash used by financing activities included \$24.0 million in repayments of lease liabilities and cash used to fund interest costs on lease liabilities of \$5.9 million. Cash was also used to pay dividends and distributions of \$0.9 million. In the first quarter of 2020, the Company completed the corporate conversion, resulting in the payment of \$1.2 million in issue costs, and also amended the revolving credit facility, resulting in the payment of \$1.8 million of financing costs. During the first quarter of 2019, cash was provided by draws of the revolving credit facility in the amount of \$80.2 million, offset by cash used to repay draws as well as long-term debt associated with seller notes in the amount of \$9.3 million and cash used to fund interest costs on long-term debt of \$2.6 million. Cash used by financing activities included \$19.9 million used to repay lease liabilities and cash used to fund interest costs on lease liabilities of \$5.3 million. Cash was also used to pay distributions to unitholders and dividends to Class A common shareholders totaling \$2.7 million. In the first quarter of 2019, the Company completed the call option transaction and paid \$13.2 million to acquire the non-controlling interest in Glass America LLC.

Debt Financing

On March 17, 2020, the Company entered into a third amended and restated credit agreement, increasing the revolving credit facility to \$550 million U.S., with an accordion feature which can increase the facility to a maximum of \$825 million U.S. (the “revolving credit facility”, or the “facility”). The revolving credit facility is accompanied by a new seven-year fixed-rate Term Loan A in the amount of \$125 million U.S. at an interest rate of 3.455%. The revolving credit facility is with a syndicate of Canadian and U.S. banks and is secured by the shares and assets of the Company as well as guarantees by BGSI, BGIF, BGHI, and subsidiaries, while Term Loan A is with one of the syndicated banks. The interest rate for draws on the revolving credit facility are based on a pricing grid of BGSI’s ratio of total funded debt to EBITDA as determined under the credit agreement. The Company can draw the facility in either the U.S. or in Canada, in either U.S. or Canadian dollars. The Company can make draws in tranches as required. Tranches bear interest only and are not repayable until the maturity date but can be voluntarily repaid at any time. The Company has the ability to choose the base interest rate between Prime, Bankers Acceptances (“BA”), U.S. Prime or London Inter Bank Offer Rate (“LIBOR”). The total syndicated facility includes a swing line up to a maximum of \$10.0 million U.S. in Canada and \$30.0 million U.S. in the U.S. At March 31, 2020, the Company has drawn \$370.0 million U.S. (December 31, 2019 - \$158.3 million U.S.) and \$190.0 million Canadian (December 31, 2019 - \$134.0 million) on the revolving credit facility and \$125.0 million U.S. (December 31, 2019 - \$nil) on the Term Loan A.

Under the revolving credit facility, the Company is subject to certain financial covenants which must be maintained to avoid acceleration of the termination of the credit agreement. The financial covenants require BGSI to maintain a senior funded debt to EBITDA ratio of less than 3.50 and an interest coverage ratio of greater than 2.75. For four quarters following a material acquisition, the senior funded debt to EBITDA ratio may be increased to less than 4.00. For purposes of covenant calculations, property lease payments are deducted from EBITDA. Subsequent to the end of the first quarter of 2020, the Company has amended certain financial covenants under the revolving credit facility to provide additional covenant headroom, further enhancing the Company’s financial flexibility. While the Company has not breached any covenants to date, nor is it forecasting any breach for the second quarter based on current sales levels, this amendment is intended to prevent the effects of the COVID-19 pandemic from distorting the covenant calculations and distracting the Company or its lenders from the prudent management of the business over the quarters ahead. The amendments include a suspension to Boyd’s requirement to comply with its leverage and interest coverage covenants from July 1, 2020 to December 30, 2020, as well as to provide more flexibility in the calculation of such covenants beginning with the second quarter of 2020 and through the second quarter of 2021. Effective July 1, 2020 to June 30, 2021 inclusive, for the purposes of testing any financial covenants on a trailing twelve month period, the Company will be permitted to replace the EBITDA for the second and third quarters of 2020 with the EBITDA for the second and third quarters of 2019. In addition, the senior funded debt to EBITDA ratio will be increased to no greater than 4.00 to June 30, 2020. From December 31, 2020 to June 29, 2021, the senior funded debt to EBITDA ratio will be no greater than 3.75. For four quarters following a material acquisition during the December 31, 2020 to June 29, 2021 timeframe, the senior debt to EBITDA ratio may be increased to no greater than 4.00. During the suspension period, the Company is required to meet a minimum liquidity covenant of \$150 million U.S., which, given the Company’s cash position and undrawn facilities, is not expected to be burdensome.

The Company supplements its debt financing by negotiating with sellers in certain acquisitions to provide financing to the Company in the form of term notes. The notes payable to sellers are typically at favorable interest rates and for terms of one to 15 years. This source of financing is another means of supporting BGSi's growth, at a relatively low cost. During the first quarter of 2020, BGSi entered into 2 new seller notes for an aggregate amount of \$6.9 million. The Company repaid seller notes in the first quarter of 2020 totaling approximately \$4.6 million (2019 - \$4.3 million).

Shareholders' Capital

On January 2, 2020, BGSi announced the completion of the conversion of the Fund from an income trust to a public corporation, pursuant to the plan of Arrangement under the *Canada Business Corporations Act*. As a result of the Arrangement, Fund unitholders and Boyd Group Holdings Inc. ("BGHI") Class A common shareholders received one BGSi common share in exchange for each Fund unit and BGHI Class A common share held by them.

Subsequent to the end of the first quarter, BGSi announced the issuance on a "bought-deal" basis, of 1,100,000 common shares at a price of \$183.00 per share. On May 11, 2020, the over-allotment option was exercised, and the underwriters committed to purchase an additional 165,000 shares at a price of \$183.00 per share, resulting in total gross proceeds of approximately \$231.5 million. The offering is expected to close May 14, 2020, with net proceeds of the offering to fund potential future acquisition opportunities once the impact of COVID-19 is better understood, as well as to further strengthen the Company's balance sheet through either holding cash or debt repayment, and for general corporate purposes.

Investing Activities

Cash used in investing activities totaled \$43.5 million for the three months ended March 31, 2020, compared to \$104.7 million used in the prior year. The investing activity in both periods related primarily to new location growth that occurred during these periods.

Acquisitions and Development of Businesses

Since the beginning of 2020, the Company has added 19 collision locations as follows:

Date	Location	Previously operated as
January 2, 2020	Parksville, BC	Crashpad Collision Services
January 6, 2020	Williamsville, NY	n/a intake center
January 17, 2020	Littleton, CO	n/a start-up
March 6, 2020	Indiana & Michigan (14 locations)	Vision Collision
March 13, 2020	Waukesha, WI	Nagel Auto Body
March 23, 2020	Saanichton, BC	Maysa Ventured Ltd.

The Company completed the acquisition or start-up of 51 locations from the beginning of the first quarter of 2019 until the first quarter reporting date of May 14, 2019.

Capital Expenditures

Although most of Boyd's repair facilities are leased, funds are required to ensure facilities are properly repaired and maintained to ensure the Company's physical appearance communicates Boyd's standard of professional service and quality. The Company's need to maintain its facilities and upgrade or replace equipment, signage, computers, software and vehicles forms part of the annual cash requirements of the business. The Company manages these expenditures by annually reviewing and determining its capital budget needs and then authorizing major expenditures throughout the year based upon individual business cases. Excluding expenditures related to acquisition and development and those funded through leases, the Company spent approximately \$9.6 million or 1.5% of sales on capital expenditures during the first quarter of 2020, compared to \$7.6 million or 1.4% of sales during the same period of 2019.

Subject to adjustments that may be necessary to preserve financial flexibility due to the COVID-19 pandemic, for 2020, the Company planned to make cash capital expenditures, excluding those related to acquisition and development of new locations, within the range of 1.6% and 1.8% of sales. In addition to normal capital expenditures, the Company planned to invest \$5 million in LED lighting in order to reduce energy consumption and enhance the shop work environment. This investment would not only provide environmental and social benefits but also achieve accretive returns on invested capital. Additionally, the Company planned to expand its Wow Operating Way practices to corporate business processes. The related technology and process efficiency project would result in a total \$9-10 million investment and would also be expected to streamline various processes as well as generate economic returns after the project is fully implemented. The Company has temporarily paused on these planned investments as well as non-essential capital expenditures until there is greater clarity on the impact of COVID-19. As the impacts of the COVID-19 pandemic become clearer and the impact on the Company begins to stabilize, the temporary pause will be reevaluated.

LEGAL PROCEEDINGS

Neither BGSi, nor any of its subsidiaries are involved in any legal proceedings which are material in any respect.

RELATED PARTY TRANSACTIONS

Boyd has not entered into any new related party transactions beyond the items disclosed in the 2019 annual report.

CRITICAL ACCOUNTING ESTIMATES

The preparation of financial statements that present fairly the financial position, financial condition and results of operations requires that BGSi make estimates and assumptions that affect the reported amounts of assets and liabilities, the disclosure of contingent assets and liabilities at the balance sheet date and reported amounts of revenues and expenses during the reporting period. Actual results could differ materially from these estimates.

The critical accounting estimates are substantially unchanged from those identified in the 2019 annual MD&A.

INTERNAL CONTROL OVER FINANCIAL REPORTING

BGSi's internal control over financial reporting is designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with IFRS. During the first quarter of 2020, there have been no changes in BGSi's internal control over financial reporting that have materially affected, or are reasonably likely to materially affect, BGSi's internal control over financial reporting.

BUSINESS RISKS AND UNCERTAINTIES

Risks and uncertainties affecting the business remain substantially unchanged from those identified in the 2019 annual MD&A, except as follows:

Pandemic Risk & Economic Downturn

A local, regional, national or international outbreak of a contagious disease, including the COVID-19 coronavirus, Middle East Respiratory Syndrome, Severe Acute Respiratory Syndrome, H1N1 influenza virus, avian flu or any other similar illness, could decrease the willingness of the general population to travel or customers to patronize the Company's facilities, cause shortages of employees to staff the Company's facilities, interrupt supplies from third parties upon which the Company relies, result in governmental regulation adversely impacting the Company's business and otherwise have a material adverse effect on the Company's business, financial condition and results of operations. Disruptions in financial markets, regional economies and the world economy have been caused by the recent COVID-19 pandemic. This disruption has resulted in, and continues to result in decreased demand for the services the Company provides. The recent COVID-19 pandemic has resulted in a widespread health crisis that has adversely affected the economies and financial markets of many regions and countries. There can be no assurance that this disruption in financial markets, regional economies and the world economy will not continue to negatively affect the financial performance of the Company.

Historically the auto collision repair industry has proven to be resilient to typical economic downturns along with the accompanying unemployment, and while the Company works to mitigate the effect of current economic downturn on its operations, economic conditions, which are beyond the Company's control, have led to a decrease in accident repair claims volumes due to fewer miles driven and due to vehicle owners being less inclined to have their vehicles repaired. It is difficult to predict the severity and the duration of the decrease in claims volumes resulting from this economic downturn and the accompanying unemployment and what affect it may have on the auto collision repair industry, in general, and the financial performance of the Company in particular. There can be no assurance that the economic downturn will not continue to negatively affect the financial performance of the Company.

Acquisition Risk

In the long-term, the Company plans to continue to increase revenues and earnings through the acquisition of collision repair facilities and other businesses. However, the recent COVID-19 pandemic has resulted in a short term pause on funding and closing acquisition activity. The Company follows a detailed process of due diligence and approvals to limit the possibility of acquiring a non-performing location or business. However, there can be no assurance that the Company will be able to find suitable acquisition targets at acceptable pricing levels without incurring cost overruns, or that the locations acquired will achieve sales and profitability levels to justify the Company's investment.

Employee Relations and Staffing

Boyd, at its fiscal year end 2019, employed approximately 9,922 people, of which 1,513 were in Canada and 8,409 were in the U.S. The current work force is not unionized, except for approximately 31 employees located in the U.S. who are subject to collective bargaining agreements. Due to the decrease in demand associated with the COVID-19 pandemic, workforce layoffs have recently occurred. There is a risk that the Company will not be able to bring back all employees that have been laid off when demand returns to pre-COVID-19 pandemic levels.

The recent COVID-19 pandemic has disrupted staffing and could impact the volume and pace at which collision repair shops can fix damaged vehicles. Such disruption has resulted in the temporary conversion of collision repair locations to intake locations, and could result in temporary closure of collision repair facilities. The recent COVID-19 pandemic has resulted in a widespread health crisis that has adversely affected the financial performance of the Company in the short-term.

Decline in Number of Insurance Claims

The automobile collision repair industry is dependent on the number of accidents which occur and, for the most part, become repairable insurance claims. The volume of accidents and related insurance claims can be significantly impacted by technological disruption and changes in technology such as ride sharing, collision avoidance systems, driverless vehicles and other safety improvements made to vehicles. Other changes which have and can continue to affect insurance claim volumes include, but are not limited to, weather, general economic conditions, unemployment rates, changing demographics, vehicle miles driven, new vehicle production, insurance policy deductibles, auto insurance premiums, photo radar and graduated licensing. In addition, repairable claims volumes have been and can continue to be impacted by an increased number of non-repairable claims or total loss. Reduced travel due to the recent COVID-19 pandemic has negatively impacted claim volumes. There can be no assurance that a continued decline in insurance claims will not occur, which could reduce Boyd's revenues and result in a material adverse effect on the Company's business.

ADDITIONAL INFORMATION

BGSI's shares trade on the Toronto Stock Exchange under the symbol TSX: BYD. Additional information relating to the BGSI is available on SEDAR (www.sedar.com) and the Company website (www.boydgroup.com).