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Karen Tan

Good Morning, everyone, and welcome to Bird's Fourth Quarter and Full Year 2022 Earnings Conference Call. On the call is Shane Torchiana, Bird's CEO, and Michael Washinushi, Bird's CFO.

Before we begin, I need to remind you that all statements made on this call that do not relate to matters of historical fact should be considered forward-looking statements under the U.S. federal securities laws, including statements regarding our current expectations for the business and our financial performance. These statements are neither promises nor guarantees and are subject to risks and uncertainties that could cause actual results to differ materially from the historical experience or present expectations.

A description of the risks and uncertainties that could cause actual results to differ materially from those indicated by the forward-looking statements on this call can be found in the Risk Factors section of our Form 10-K for the year ended December 31, 2022, and in our other filings with the SEC.

On this call, management will also reference non-GAAP measures, including Adjusted EBITDA, Adjusted Operating Expenses, Ride Profit (before vehicle depreciation) and Free Cash Flow, which we view as important in assessing the performance of our business. A reconciliation of each non-GAAP measure to the most directly comparable GAAP measure is available in our earnings release on the company's Investor Relations page at ir.bird.co. The growth percentages that follow are in comparison to the same period in the prior year, except as otherwise specified. I will now turn the conference over to Shane Torchiana.

Shane Torchiana

Thank you, Karen, and thank you all for joining us today for our fourth quarter and full fiscal year 2022 earnings conference call.

We reported a record \$245 million in total revenues in fiscal 2022, with \$231M in Sharing revenues, representing 34% growth year over year, along with a 28% Sharing gross margin and 55% Ride Profit

margin (before vehicle depreciation). Riders continue to adopt micromobility and look to our vehicles as an attractive mode of eco-friendly transportation across the hundreds of cities that we serve around the world.

Over the last six months, we have been laser focused on becoming a self-sustaining company that generates profits and cash flow, all while maintaining our long-standing focus on our mission to provide clean, equitable transportation alternatives for the consumers, communities and cities we serve.

To recap the substantial progress we made in 2022.

- First, we sharpened our geographic and product focus on our highest yielding cities and business lines and exited lower margin markets and products;
- Second, we initiated cost optimization efforts that we expect will result in an approximately 60% reduction in operating expenses to no more than \$100 million in fiscal 2023, versus our second quarter 2022 run-rate;
- Third, we enhanced our executive and board leadership, adding members with a track record of success in our industry to support our strategic focus on shared micromobility.

These three actions underpin our progress towards generating significant adjusted EBITDA in 2023, including our expectation to be free cash flow positive in the range of \$5 to \$10 million, on adjusted EBITDA of between \$15 to \$20 million for the full fiscal year. We had to make several tough decisions along the way but we are now better positioned to deliver on our profitability goals and longer term, our eco-friendly mission.

Additionally, we closed 2022 with the successful completion of our acquisition of Bird Canada's micromobility operations, which further consolidated our market leadership in North America with new profitable Canadian markets and added proven senior management to our leadership bench. Bird Canada offers an excellent template on how to grow successfully while generating positive cash flow and profits. With this acquisition, Stewart Lyons, who has an extensive business background and grew Bird Canada into our most successful and profitable platform business, will work closely with me as President of Bird Global, leading our North American operations and city partnerships. Michael Washinushi, also joins our executive team with over 17 years of experience in the CFO seat and will leverage his extensive financial experience to focus on cost optimization and cash management.

The Bird Canada transaction also provided Bird with over \$30 million of cash investment by experienced investors in the transportation industry who support our profitability roadmap and are aligned with our sustainability mission.

As we move into 2023, we are laser focused on three major areas.

First and most important is to align cost structure with inflows.

We cannot emphasize enough that our top priority is to be free cash flow positive, and ultimately, self-funding. This is a two-fold process we are committed to. First, our operating expenses must not exceed the cash margin our Sharing business generates. Second, we must be efficient and disciplined with our overall cost structure to support our core Sharing operations.

Ride Profit margin (before vehicle depreciation), which is a proxy for city level cash margin, reached 55% for fiscal year 2022. Through fiscal 2022, we continued to aggressively reduce our central cost structure with savings from exiting our lowest performing cities in EMEA and North America, discontinuing our Product Sales portfolio offering, and reducing unnecessary central overhead costs. While many of these changes did not yet have a major impact on the Q4 numbers, we expect these efforts will drive significant improvements in our financial condition in 2023.

Excluding nearly \$9 million of operating expenses we do not expect to repeat in the first quarter, we ended the fourth quarter with an annualized operating expense of \$134 million, and expect our cost optimization initiatives will continue to flow through our financial performance as we progress in fiscal 2023. As a result of actions already taken related to our actions associated with fiscal responsibility, we are planning for an annual operating expenses of \$100 million or less in 2023.

Our second focus area is to improve asset efficiency.

The three legs of our asset efficiency stool are: 1) improved supply-demand matching through our new demand-based vehicle drop model; 2) increasing our vehicle deployment rate and percentage of vehicles on the road at any given time; 3) extending the average life of our vehicles. Frankly, our 2022 utilization metrics fell below expectations and competitive data would suggest that we are positioned to improve them in 2023. We had previously communicated that we had pulled forward vehicle orders for the 2022

operating season due to pandemic related elongated supply chain lead times. However, we were not able to support our higher vehicle deployment with an improved level of specificity in the data-driven drop locations last year. That is set to change for the 2023 operating season through our new demand based vehicle drop model which was recently rolled out in our largest North American and EMEA markets.

Keep in mind that right now we are in a seasonally slow period in the operating cycle, but where our demand model has been implemented, we have seen a significant improvement in our vehicle utilization rates. Real world data from rollouts so far gives us further confidence in our expectation for the model to drive our goal of a 10-20% increase in utilization (i.e., rides per vehicle per day).

We also continue to focus on ways we can capture incremental revenue opportunities by rebalancing our existing vehicle supply on expected demand on a city basis. For fiscal 2023, we are able to repurpose vehicles following city exits and reallocate the newer generation vehicles to support our top performing cities in North America, where we can generate higher revenue per ride and city profits with those same vehicles than in less profitable cities.

The third pillar to our roadmap is to be the trusted partner that cities deserve.

We are focused on generating cash flow from our existing markets and exiting any lagging markets. At the same time, we continue to deepen our existing partnerships within our profitable cities and selectively expand where we expect to see a clear return on our investment. This approach has been very successful in Canada. Our goal has been to continue to build upon the strong foundation we have with our city partners and gain a deeper understanding of their transportation needs, pain points, and climate goals so that our technology, operations, and government partnership teams can be at the forefront of addressing them. It is a partnership that ultimately aims to better serve our millions of riders across the hundreds of cities around the world that seek convenient, clean transportation alternatives.

In 2022, we experienced continued momentum in North America, including notable city wins in Dallas and the New York boroughs, and presence during the World Cup in Qatar, which paves the way for further expansion in that region. These wins point to the market potential we have yet to capture, both to consolidate our share within existing profitable regions and in counter seasonal markets to our N. American business to generate year-round Sharing revenues.

Let me take a minute to highlight our recent win in Dallas as an example of how Bird can make an impact on climate and traffic through “last mile” transportation. Like many cities, Dallas unanimously adopted the city’s first ever strategic mobility plan, Connect Dallas, in 2021. Connect Dallas re-envisioned the way people get around a historically car-centric city, with micromobility programs and infrastructure investments. In addition, Dallas adopted a Comprehensive Environmental and Climate Action plan in 2020 with the goal of achieving community-wide carbon neutrality by 2050 to combat findings in a recent report which reflect that 35% of Dallas’s greenhouse gas (GHG) emissions come from the city’s transportation sector. The City selected Bird as a partner for a number of reasons, but many of them come back to our aligned interests in reducing the City’s carbon footprint while improving connectivity in some of the most grid-locked areas of the city. We consider it a privilege to partner with Dallas as well as the many hundreds of other cities around the world like it.

On top of our three pillars to profitability, we made great strides in 2022 in our mission to provide equitable, sustainable transportation to all by providing eco-friendly micromobility solutions and vehicles that riders embrace – providing about 50 million rides for the year, tens of millions of which replaced car, truck, or SUV trips.

Notably:

- **The majority of our riders are with us for more than one ride.** An average of 44% of total rides came from users with 20+ lifetime trips, this compares to 37% in 2021. This material uptick is indicative of how Bird continues to engage with and provide a valuable service to our growing base of recurring riders.
- **Lastly, our newest Bird 3 and swappable vehicles continue to outperform.** These are our most recently deployed vehicles and they outperform in rider experience and net revenue relative to the fleet average. Bird 3 is our most sustainable vehicle, with a lifespan of up to five years after refurbishment which significantly cuts down our capital costs and greenhouse gas impact, Bird 3 is among the most climate friendly vehicles on the road, which helps cities from Dallas to Doha reduce their carbon footprints. In 2022, 27 million rides were taken on our Bird 3 and Swappable vehicles, which accounted for over half of our fleet. This resulted in 2.1 million kg of CO2 reduction, which is equivalent to that from 2.5k acres of forest. We expect this will only get better as our vehicle hardware, scale, and fleet management software continue to improve.

These achievements would not be possible without the support of our riders, city and fleet manager partners, and the day to day dedication, passion and hard work of our team of Bird employees around the globe.

I will now turn the call over to Michael to review our financial performance in more detail.

Michael Washinushi

Thank you, Shane.

I'm excited to be a part of Bird's transformation era. For months, I have been working alongside the Bird Canada team performing due diligence on Bird Global's operations and financials. I have been impressed with the prospects for Bird to be a cash generating, profitable company.

Now, I want to recap a few key financial highlights on the fiscal 2022 year of the business. First, the cash margin in our core Sharing business is encouraging and we have confidence that it will continue to expand through our focus on asset efficiency and other operational initiatives. Second, we continue to demonstrate significant progress in trimming down our centralized cost structure, and have identified many of the cuts we need to make to get below our \$100 million operating expense target. Third, we have made great strides in turning around free cash flow generation of the business, clawing back over \$75 million in operating cash losses, and reducing our capital expenditures by nearly \$126 million. There is still a lot of work to do but significant progress has been made.

Now onto our fourth quarter results...

In the fourth quarter, we completed our detailed analysis of preloaded wallet balances against historical redemption patterns. Upon completion, we recorded breakage revenue of \$28.8 million in the quarter of unredeemed pre-loaded wallet balances from prior periods, which is in-line with what we had anticipated.

For the quarter, we reported revenues of \$70 million, which included the \$28.8 million revenue number mentioned above. It is important to remind everyone that we have exited a number of unprofitable markets which will have a future impact on overall revenues, but we expect to see continued growth in our core markets. In Q4, the \$70 million in recorded revenue represents a 71% increase in Sharing revenues and \$8.4 million decrease in Product Sales year-over-year.

Our Q4 rides declined 14% year-over-year, compared to our deployed vehicle growth of 12%. Adverse weather in the Midwest contributed to the weakness in the quarter and as Shane noted, we increased our vehicle orders and deployment for the 2022 season, without providing optimal data-driven deployment support to our Fleet Manager partners. As we plan for 2023 and retire our older fleet, we look to rebalance our existing fleet, based on expected demand across our cities and have rolled out our new demand-based vehicle drop model.

Q4 consolidated gross margin reached 42%, up from 7% last year, benefiting from higher revenues, offset by higher accelerated depreciation from year-end inventory true-ups. Q4 Ride Profit margin (before vehicle depreciation) reached 72%, up from 53% last year, primarily driven by higher revenues inclusive of the \$28.8 million of breakage revenue.

Q4 adjusted operating expenses decreased 29% year-over-year to \$42 million, below our recent peak of \$56 million in quarter two. As a percentage of revenues, Q4 adjusted operating expenses were 61% compared to 120% a year ago. Q4 adjusted operating expenses included nearly \$9 million of expenses we do not expect to repeat in Q1 of 2023, including over \$4 million of spare parts true-up and over \$3 million of fees associated with our Bird Canada transaction. We expect further operating expense savings through 2023, resulting in adjusted operating expenses below \$100 million.

Our Q4 net loss improved \$11 million year-over-year to a loss of \$36 million, and adjusted EBITDA was \$6.1 million, compared to a loss of \$24 million in the prior period.

We ended the year with total cash of \$39 million, including \$33 million of unrestricted cash. Additionally, seasonality has a strong impact on cash flow and we expect to return to positive cash flow in Q2.

To supplement our balance sheet, we also have 48.5 million shares of equity financing available through our standby equity purchase agreement with Yorkville, which we did not utilize in the fourth quarter.

Looking ahead, our guidance reflects our confidence in the transformation of Bird Global as a profitable and self-sustainable business. Many of the changes that we have made in the second half of the year have had a nominal effect on our results in Q4 but will have a much greater impact on the bottom line in 2023. For fiscal 2023, we are expecting positive adjusted EBITDA in the range of \$15 to \$20 million on a full

year basis and our first year of positive free cash flow in the range of \$5 to \$10 million, with operating expenses below \$100 million. We expect to generate positive free cash flow starting in the second quarter of 2023 given the seasonality of our business. Lastly, our quarter to date performance through February is tracking in-line with our 2023 expectations, and we are tightly controlling our cash burn, giving us confidence in our full year 2023 guidance.