BOYD GROUP SERVICES INC.

INTERIM REPORT TO SHAREHOLDERS
First Quarter and Three Months Ended March 31, 2024

BOYD GROUP SERVICES INC.

REPORT TO SHAREHOLDERS

To our Shareholders,

First quarter results were disappointing, with sales of $786.5 million, Adjusted EBITDA[1] of $81.7 million and net earnings of $8.4 million. Following several quarters of demand for services exceeding capacity, the first quarter was significantly impacted by mild winter weather with claims and appraisal volumes experiencing decline, while used car pricing returned to more normal levels, increasing the frequency of total losses. As reported by industry sources, repairable appraisals were down 8% during the quarter, with a greater share of decline in the month of March, which was unanticipated when the Company last reported. As a result of the decline in demand, the cost structure and workforce that Boyd had in place exceeded the level of demand and placed pressure on the level of Adjusted EBITDA the Company could deliver during the first quarter of 2024.

Total sales in the first quarter of 2024 were $786.5 million, a 10.0% increase when compared to the $714.9 million achieved in the same period of 2023, with same-store sales increasing 2.2% and new locations that were not in operation for the full comparative period generating $55.9 million of incremental sales. Demand for services and the associated level of same-store sales growth that could be achieved during the first quarter of 2024 was significantly impacted by the decline in demand, particularly during the month of March.

Adjusted EBITDA for the first quarter of 2024 was $81.7 million, or 10.4% of sales, compared with $84.7 million, or 11.8% of sales in the same period of 2023. The $3.0 million decrease was primarily the result of the mild winter weather which impacted demand for glass and collision repair services. The cost structure and workforce that Boyd had in place exceeded the level of demand and placed pressure on the level of Adjusted EBITDA the Company could deliver during the first quarter of 2024. In addition, Adjusted EBITDA was impacted by the reduced gross margin percentage from variability in performance based pricing, investments made to support higher demand, and lower contributions from a greater number of new locations.

BGSI posted net earnings of $8.4 million in the first quarter of 2024, compared to $20.8 million in the same period of 2023. Impacting net earnings were acquisition and transaction costs and fair value adjustments on contingent consideration. After adjusting for these items, Adjusted net earnings for the first quarter of 2024 was $9.4 million or 1.2% of sales. This compares to Adjusted net earnings of $21.2 million or 3.0% of sales in the same period of 2023. Adjusted net earnings for the period was negatively impacted by the decrease in Adjusted EBITDA, as well as increased finance costs and increased depreciation related to location growth. Adjusted net earnings for the three months ended March 31, 2024 was $0.44 per share, compared to $0.99 per share in the same period of 2023.

With respect to the balance sheet, at March 31, 2024, BGSI held total debt, net of cash, of $1,163.8 million, compared to $1,114.5 million at December 31, 2023 and $1,008.8 million at March 31, 2023. Debt, net of cash before lease liabilities increased from $399.2 million at December 31, 2023 to $438.5 million at March 31, 2024.

[1] *Adjusted EBITDA (earnings before interest, income taxes, depreciation and amortization, adjusted for the fair value adjustments related to contingent consideration, as well as acquisition and transaction costs), adjusted net earnings, adjusted net earnings per share and same-store sales are non-GAAP financial measures and ratios and are not recognized measures under International Financial Reporting Standards ("IFRS"). Management believes that in addition to net earnings and cash flows, the supplemental measures of adjusted net earnings and Adjusted EBITDA are useful as they provide investors with an indication of earnings from operations and cash available for distribution, both before and after debt management, productive capacity maintenance and non-recurring and other adjustments. Management believes that, in addition to sales, the supplemental measure of same-store sales is useful as it provides investors with an indication of the increase in sales without accounting for location growth and the impact of fluctuations in exchange rates during the period. Investors should be cautioned, however, that Adjusted EBITDA, adjusted net earnings and adjusted net earnings per share should not be construed as an alternative to net earnings determined in accordance with IFRS as an indicator of Boyd's performance. Investors should also be cautioned that same-store sales should not be construed as an alternative to sales in accordance with IFRS as an indicator of Boyd's performance. Boyd's method of calculating these measures may differ from other public issuers and, accordingly, may not be comparable to similar measures used by other issuers. For a detailed explanation of how Boyd's non-GAAP financial measures are calculated, please refer to the section titled "Non-GAAP Financial Measures and Ratios" in Boyd's MD&A filing (dated May 15, 2024) for the period ended March 31, 2024, starting on page 4 of this Report. A copy of Boyd's MD&A for the period ended March 31, 2024 can be accessed via the SEDAR+ Web site (www.sedarplus.com).*

Debt, net of cash, increased as a result of acquisition activity and increased capital expenditures, including new location start-ups. In addition, start-up locations have resulted in an increase in real estate assets.

While the Company expects claims volumes and demand for services to normalize as the year progresses, Boyd is prepared to take steps to address the challenges the business is currently facing, should the current softer level of demand continue.

Boyd has made meaningful progress towards our goal of internalizing scanning and calibration services to drive down cost to customers and convert a sublet operation to an internal operation. During 2024, the Company has increased the amount of scanning and calibration services Boyd is able to perform in-house by increasing the workforce in this area by over 60% and expanding the footprint of states that the Company is able to serve while continuing to increase the remote services Boyd is able to offer.

Given the high level of location growth in 2021, the strong same-store sales growth during 2022, the combination of same-store sales growth and location growth in 2023, the location growth thus far in 2024, and the commitment of the Boyd team to improving performance throughout the remainder of 2024, the Company remains confident that Boyd is on track to achieve its long-term growth goals, including doubling the size of the business on a constant currency basis from 2021 to 2025 against 2019 sales.

On behalf of the Board of Directors of Boyd Group Services Inc. and Boyd Group employees, thank you for your continued support.

Sincerely,

(signed)

Timothy O'Day
President & Chief Executive Officer

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 names 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 Company also operates a Mobile Auto Solutions ("MAS") service that offers scanning and calibration services. The following is a geographic breakdown of the collision repair locations by trade name and location as at May 14, 2024.

952 locations

Boyd Autobody & Glass	47 locations	Gerber Collision & Glass			823 locations
Alberta	16	Florida	78	Maryland	14
British Columbia	14	Michigan	76	Missouri	14
Manitoba	13	Illinois	66	Pennsylvania	14
Saskatchewan	4	California	52	Minnesota	13
		New York	42	Tennessee	12
		Washington	39	Kansas	11
Assured	82 locations	Georgia	38	Oregon	11
		Texas	37	Alabama	10
Ontario	82	Wisconsin	37	Nevada	8
		North Carolina	36	Hawaii	6
		Indiana	34	Kentucky	6
		Ohio	34	Utah	6
		Oklahoma	28	Iowa	5
		Arizona	25	Arkansas	3
		Louisiana	23	Nebraska	3
		Colorado	22	Idaho	1
		South Carolina	19		

The above numbers include 33 intake locations.

The above numbers include 2 intake locations and two fleet locations co-located with collision repair centers.

Boyd provides collision repair and glass 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.

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

The following review of BGSI's operating and financial results for the period ended March 31, 2024, including material transactions and events of BGSI up to and including May 14, 2024, should be read in conjunction with the unaudited interim condensed consolidated financial statements for the three months ended March 31, 2024, as well as the annual audited consolidated financial statements, management discussion & analysis ("MD&A") and annual information form ("AIF") of BGSI, as filed on SEDAR+ at www.sedarplus.com.

SIGNIFICANT EVENTS

On March 15, 2024, the BGSI Board of Directors declared a cash dividend for the first quarter of 2024 of C$0.15 per common share. The dividend was paid on April 26, 2024 to common shareholders of record at the close of business on March 31, 2024.

On March 27, 2024, BGSI extended its existing revolving credit facilities in the aggregate amount of $550 million for a four-year term, with an accordion feature which can increase the credit facilities to a maximum of $850 million (the "Facilities"). The Facilities will mature in March 2028. The existing $125 million Term Loan A maturing in March 2027 remains unchanged.

The Company completed and opened the following number of collision repair acquisitions and start up locations during the periods listed:

	Number of locations added through acquisition	Number of start-ups	Total
January 1, 2024 to March 31, 2024	12	1	13
April 1, 2024 to May 14, 2024	6	1	7

During the three months ended March 31, 2024, the Company opened four start-up glass locations. During the three months ended March 31, 2024, the Company acquired a calibration business in Nebraska. From April 1, 2024 up to the reporting date of May 14, 2024, the Company acquired a calibration business in Minnesota.

OUTLOOK

First quarter results were disappointing, with sales of $786.5 million, Adjusted EBITDA of $81.7 million and net earnings of $8.4 million. Following several quarters of demand for services exceeding capacity, the first quarter was significantly impacted by mild winter weather with claims and appraisal volumes experiencing decline, while used car pricing returned to more normal levels, increasing the frequency of total losses. As reported by industry sources, repairable appraisals were down 8% during the quarter, with a greater share of decline in the month of March, which was unanticipated when the Company last reported. As a result of the decline in demand, the cost structure and workforce that Boyd had in place exceeded the level of demand and placed pressure on the level of Adjusted EBITDA the Company could deliver during the first quarter of 2024.

The continuing mild weather and resulting low demand environment has impacted demand for services into the second quarter. This, along with strong comparative period same-store sales has made it challenging to deliver same-store sales growth thus far in the quarter. As is typical, during the summer months the Company anticipates miles driven to increase and the claims volume and demand for services to increase. While the Company expects claims volumes and demand for services to normalize as the year progresses, Boyd is prepared to take steps to address the challenges the business is currently facing, should the current softer level of demand continue.

Boyd has made meaningful progress towards our goal of internalizing scanning and calibration services to drive down cost to customers and convert a sublet operation to an internal operation. During 2024, the Company has increased the amount of scanning and calibration services Boyd is able to perform in-house by increasing the workforce in this area by over 60% and expanding the footprint of states that the Company is able to serve while continuing to increase the remote services Boyd is able to offer.

Given the high level of location growth in 2021, the strong same-store sales growth during 2022, the combination of same-store sales growth and location growth in 2023, the location growth thus far in 2024, and the commitment of the Boyd team to improving performance throughout the remainder of 2024, the Company remains confident that Boyd is on track to achieve its long-term growth goals, including doubling the size of the business on a constant currency basis from 2021 to 2025 against 2019 sales.

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, new store development, 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 financial position and financing options, positions Boyd well for success into the future.

BUSINESS ENVIRONMENT & STRATEGY

As at May 14, 2024, the business environment of the Company and strategies adopted by management remain unchanged from those described in BGSI's 2023 annual MD&A.

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
The stated objective of generating growth sufficient to double the size of the business over the five year period from 2021 to 2025, based on 2019 revenues	Opportunities continue to be available and are at acceptable and accretive prices Financing options continue to be available at reasonable rates and on acceptable terms and conditions New and existing customer relationships are expected to provide acceptable levels of revenue opportunities Anticipated operating results would be accretive to overall Company results Growth is defined as revenue on a constant currency basis Initiatives to increase production capacity are successful	Acquisition market conditions change and repair shop owner demographic trends change Credit and refinancing conditions prevent or restrict the ability of the Company to continue growth strategies Changes in market conditions and operating environment Significant decline in the number of insurance claims Integration of new stores is not accomplished as planned Increased competition which prevents achievement of acquisition and revenue goals Initiatives to increase production capacity take longer than expected or are not successful
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	Re-emergence of stability in economic conditions and employment rates New and existing customer relationships are expected to provide acceptable levels of revenue opportunities The Company's customer and supplier relationships provide it with competitive advantages to increase sales over time Market share growth will more than offset systemic changes in the industry and environment Anticipated operating results would be accretive to overall Company results	Economic conditions deteriorate Loss of one or more key customers or loss of significant volume from any customer Decline in the number of insurance claims Inability of the Company to pass cost increases to customers over time Increased competition which may prevent achievement of revenue goals Changes in market conditions and operating environment Changes in weather conditions Inability to maintain, replace or grow technician capacity could impact organic growth

Stated objective to gradually increase dividends over time	Growing profitability of the Company and its subsidiaries The continued and increasing ability of the Company to generate cash available for dividends 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	BGSI is dependent upon the operating results of the Company Economic conditions deteriorate Changes in weather conditions Decline in the number of insurance claims Loss of one or more key customers or loss of significant volume from any customer Changes in government regulation
During 2024, the Company plans to make cash capital expenditures, excluding those related to acquisition and development of new locations, within the range of 1.8% and 2.0% of sales. In addition to these capital expenditures, the Company plans to invest in network technology upgrades to further strengthen our technology and security infrastructure and prepare for advanced technology needs in the future. The investment expected in 2024 is in the range of $14M to $17M, with similar investments expected in 2025.	The actual cost for these capital expenditures agrees with the original estimate The purchase, delivery and installation of the capital items is consistent with the estimated timeline No other new capital requirements are identified or required during the period All identified capital requirements are required during the period	Actual expenditures could be above or below 1.8% to 2.0% of sales The timing of the expenditures could occur on a different timeline BGSI may identify additional capital expenditure needs that were not originally anticipated BGSI may identify capital expenditure needs that were originally anticipated; however, are no longer required or required on a different timeline
Boyd has made good progress with many clients, but has not achieved the level of pricing that will return labor margins to historical levels.	Price increases will be negotiated and agreed upon by key clients Demand for services will continue to grow, allowing Boyd to focus on higher margin business Wage inflation will return to historical levels and will not outpace pricing increases Internal training and development programs, including the Technician Development Program, will improve staffing availability	Inability of the Company to pass cost increases to customers over time Decline in the number of insurance claims Loss of one or more key customers or loss of significant volume from any customer Changes in market conditions and operating environment Wage inflation continues in excess of historical levels and outpaces pricing increases Internal training and development programs do not improve staffing availability

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 AND RATIOS

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 they are key measures 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 an assessment of the ability to service or incur debt. 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. 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

	Three months ended March 31,	
(thousands of U.S. dollars)	**2024**	2023
Net earnings	**$ 8,381**	$ 20,823
Add:		
Finance costs	**16,122**	12,064
Income tax expense	**3,147**	7,456
Depreciation of property, plant and equipment	**16,400**	11,916
Depreciation of right of use assets	**29,659**	25,777
Amortization of intangible assets	**6,559**	6,102
Standardized EBITDA	**$ 80,268**	$ 84,138
Add:		
Fair value adjustments	**(7)**	—
Acquisition and transaction costs	**1,446**	556
Adjusted EBITDA	**$ 81,707**	$ 84,694

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:

	Three months ended March 31,	
(thousands of U.S. dollars, except share and per share amounts)	**2024**	2023
Net earnings	**$ 8,381**	$ 20,823
Add:		
Fair value adjustments (non-taxable)	**(7)**	—
Acquisition and transaction costs (net of tax)	**1,070**	411
Adjusted net earnings	**$ 9,444**	$ 21,234
Weighted average number of shares	**21,472,194**	21,472,194
Adjusted net earnings per share	**$ 0.44**	$ 0.99

SAME-STORE SALES

Same-store sales is a measure of sales that includes only those locations in operation for the full comparative period. Same-store sales is presented excluding the impact of foreign exchange on the current period. Same-store sales is calculated by applying the prior period exchange rate to the current year sales. The following is a reconciliation of BGSI's sales to same-store sales:

	Three months ended March 31,	
(thousands of U.S. dollars)	**2024**	2023
Sales	**$ 786,547**	$ 714,941
Less:		
Sales from locations not in the comparative period	**(58,563)**	(2,624)
Sales from under-performing facilities closed during the period	**—**	7
Foreign exchange	**(190)**	—
Same-store sales (excluding foreign exchange)	**$ 727,794**	$ 712,324

Dividends

BGSI declared dividends of C$0.15 per share in the first quarter of 2024 (2023 - C$0.147).

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

(thousands of U.S. dollars)			
Record date	**Payment date**		**Dividend amount**
March 31, 2024	April 26, 2024	**$**	**2,379**
		$	**2,379**

(thousands of U.S. dollars)			
Record date	**Payment date**		**Dividend amount**
March 31, 2023	April 26, 2023	$	2,306
		$	2,306

RESULTS OF OPERATIONS

Results of Operations			
(thousands of U.S. dollars, except per share amounts)			
	Three months ended March 31,		
	2024	% change	2023
Sales - Total	**786,547**	10.0	714,941
Same-store sales - Total (excluding foreign exchange) [1]	**727,794**	2.2	712,324
Gross margin %	**44.8**	(2.0)	45.7
Operating expense %	**34.4**	1.5	33.9
Adjusted EBITDA [1]	**81,707**	(3.5)	84,694
Acquisition and transaction costs	**1,446**	160.1	556
Depreciation and amortization	**52,618**	20.1	43,795
Fair value adjustments	**(7)**	N/A	—
Finance costs	**16,122**	33.6	12,064
Income tax expense	**3,147**	(57.8)	7,456
Adjusted net earnings [1]	**9,444**	(55.5)	21,234
Adjusted net earnings per share [1]	**0.44**	(55.6)	0.99
Net earnings	**8,381**	(59.8)	20,823
Basic and diluted earnings per share	**0.39**	(59.8)	0.97

[1] *As defined in the non- GAAP financial measures and ratios section of the MD&A.*

1st Quarter Comparison - Three months ended March 31, 2024 vs. 2023

Sales

Sales totaled $786.5 million for the three months ended March 31, 2024, an increase of $71.6 million or 10.0% when compared to the same period of 2023. The increase in sales was the result of the following:

- Same-store sales[1] excluding foreign exchange increased $15.5 million or 2.2% and increased a further $0.2 million due to the translation of same-store sales at a higher Canadian dollar exchange rate. The first quarter of 2024 recognized the same number of selling and production days when compared to the same period of the prior year. Demand for services was significantly impacted by mild winter weather with claims and appraisal volumes experiencing decline, while used car pricing returned to more normal levels, increasing the frequency of total losses. As reported by industry sources, repairable appraisals were down 8% during the quarter, with a greater share of decline in the month of March. In addition, the Company faced very strong same-store sales growth in the comparative period.
- $55.9 million of incremental sales were generated from 121 new locations that were not in operation for the full comparative period. These new locations will contribute meaningfully as their sales mature over the next two to three year period.

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 $352.6 million or 44.8% of sales for the three months ended March 31, 2024, compared to $327.0 million or 45.7% of sales for the same period of 2023. Gross profit increased $25.5 million primarily as a result of same-store sales and location growth when compared to the prior period. Gross margin percentage decreased due to several factors, including variability due to performance based pricing, investments made to support higher demand, and lower contributions from a greater number of new locations. Labor rate increases have added to sales and gross profit dollars; however, margins remain below historical levels. These negative impacts were modestly offset by the benefit of increased internalization of scanning and calibration.

Operating Expenses

Operating Expenses for the three months ended March 31, 2024 increased $28.5 million to $270.9 million from $242.4 million for the same period of 2023. The increase in operating expenses was primarily the result of location growth and inflationary increases. Closed locations lowered operating expenses by $0.7 million.

Operating expenses as a percentage of sales were 34.4% for the three months ended March 31, 2024, which compared to 33.9% for the same period of 2023. Operating expenses as a percentage of sales was negatively impacted by the decline in demand, as the cost structure and workforce that Boyd had in place exceeded the level of demand and placed pressure on the operating expense leverage that could be achieved during the first quarter of 2024. In addition, operating expense leverage was negatively impacted by inflationary increases not fully absorbed by the lower same-store sales and, as expected, the performance of new locations.

[1] As defined in the non-GAAP financial measures and ratios section of the MD&A

Acquisition and Transaction Costs

Acquisition and Transaction Costs for the three months ended March 31, 2024 were $1.4 million compared to $0.6 million recorded for the same period of 2023. 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 contingent consideration, as well as acquisition and transaction costs ("Adjusted EBITDA")[2] for the three months ended March 31, 2024 totaled $81.7 million or 10.4% of sales compared to Adjusted EBITDA of $84.7 million or 11.8% of sales in the same period of the prior year. The $3.0 million decrease was primarily the result of mild winter weather which impacted demand for glass services and collision repair services. The cost structure and workforce that Boyd had in place exceeded the level of demand and placed pressure on the level of Adjusted EBITDA the Company could deliver during the first quarter of 2024. As reported by industry sources, repairable appraisals were down 8% during the quarter, with a greater share of decline in the month of March, which was unanticipated when the Company last reported. In addition, Adjusted EBITDA was impacted by the reduced gross margin percentage from variability in performance based pricing, investments made to support higher demand, and lower contributions from a greater number of new locations.

Depreciation and Amortization

Depreciation related to property, plant and equipment totaled $16.4 million or 2.1% of sales for the three months ended March 31, 2024, an increase of $4.5 million when compared to the $11.9 million or 1.7% of sales recorded in the same period of the prior year. The increase in depreciation expense was primarily due to location growth as well as investments in capital equipment.

Depreciation related to right of use assets totaled $29.7 million, or 3.8% of sales for the three months ended March 31, 2024, as compared to $25.8 million or 3.6% of sales for the same period of the prior year. The increase in depreciation expense was primarily due to location growth and lease renewals.

Amortization of intangible assets for the three months ended March 31, 2024 totaled $6.6 million or 0.8% of sales, compared to the $6.1 million or 0.9% of sales expensed for the same period of the prior year. The increase in amortization expense was primarily due to acquisition growth.

Finance Costs

Finance Costs of $16.1 million or 2.0% of sales for the three months ended March 31, 2024 increased from $12.1 million or 1.7% of sales for the same period of the prior year. The increase in finance costs was due to increased lease liabilities, as a result of location growth and lease renewals, as well as higher variable interest rates and increased draws on the revolving credit facility.

Income Taxes

Current and Deferred Income Tax Expense of $3.1 million for the three months ended March 31, 2024 compared to $7.5 million for the same period of the prior year. Income tax expense has not been impacted by significant permanent differences in the current or prior period.

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

Net Earnings and Earnings Per Share

Net Earnings for the three months ended March 31, 2024 was $8.4 million or 1.1% of sales compared to net earnings of $20.8 million or 2.9% of sales in the same period of the prior year. The net earnings amount in 2024 was impacted by acquisition and transaction costs of $1.1 million (net of tax). *Adjusted net earnings*[3] for the first quarter of 2024 was $9.4 million, or 1.2% of sales. This compares to Adjusted net earnings of $21.2 million or 3.0% of sales in the same period of 2023. Adjusted net earnings for the period was negatively impacted by the decrease in Adjusted EBITDA, as well as increased finance costs and increased depreciation related to location growth.

Basic and Diluted Earnings Per Share was $0.39 per share for the three months ended March 31, 2024 compared to $0.97 for the first quarter of 2023. Adjusted net earnings per share was $0.44 compared to $0.99 for the first quarter of 2023.

Summary of Quarterly Results *(in thousands of U.S. dollars, except per share amounts)*	**2024 Q1**	2023 Q4	2023 Q3	2023 Q2	2023 Q1	2022 Q4	2022 Q3	2022 Q2
Sales	**$ 786,547**	$ 740,014	$ 737,798	$ 753,235	$ 714,941	$ 637,094	$ 625,663	$ 612,806
Adjusted EBITDA [(1)]	**$ 81,707**	$ 94,207	$ 93,972	$ 95,374	$ 84,694	$ 74,693	$ 73,042	$ 72,003
Net earnings	**$ 8,381**	$ 19,066	$ 20,498	$ 26,269	$ 20,823	$ 14,184	$ 11,872	$ 13,298
Basic and diluted earnings per share	**$ 0.39**	$ 0.89	$ 0.95	$ 1.22	$ 0.97	$ 0.66	$ 0.55	$ 0.62
Adjusted net earnings [(1)]	**$ 9,444**	$ 19,977	$ 21,483	$ 26,988	$ 21,234	$ 14,610	$ 12,052	$ 13,558
Adjusted net earnings per share [(1)]	**$ 0.44**	$ 0.93	$ 1.00	$ 1.26	$ 0.99	$ 0.68	$ 0.56	$ 0.63

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

LIQUIDITY AND CAPITAL RESOURCES

Cash flow from operations, together with cash on hand and undrawn credit on existing facilities are expected to be sufficient to meet operating requirements, capital expenditures and dividends. At March 31, 2024, BGSI had cash, net of outstanding deposits and cheques, held on deposit in bank accounts totaling $16.4 million (December 31, 2023 - $22.5 million). The net working capital ratio (current assets divided by current liabilities) was 0.59:1 at March 31, 2024 (December 31, 2023 – 0.63:1).

At March 31, 2024, BGSI had total debt outstanding, net of cash, of $1,163.8 million compared to $1,114.5 million at December 31, 2023, $1,048.8 million at September 30, 2023, $1,004.5 million at June 30, 2023 and $1,008.8 million at March 31, 2023. Debt, net of cash, increased when compared to the prior quarter primarily as a result of acquisition activity and increased capital expenditures, including new location start-ups. In addition, start-up locations have resulted in an increase in real estate assets.

[3] As defined in the non-GAAP financial measures and ratios section of the MD&A.

Total debt, net of cash *(thousands of U.S. dollars)*	**March 31, 2024**	December 31, 2023	September 30, 2023	June 30, 2023	March 31, 2023
Revolving credit facility & swing line (net of financing costs)	**$ 300,171**	$ 264,046	$ 219,753	$ 174,507	$ 184,094
Term Loan A (net of financing costs)	**124,831**	124,812	124,802	124,783	124,773
Seller notes [(1)]	**29,870**	32,847	34,274	37,447	40,295
Total debt before lease liabilities	**$ 454,872**	$ 421,705	$ 378,829	$ 336,737	$ 349,162
Cash	**16,380**	22,511	22,059	19,887	11,036
Total debt, net of cash before lease liabilities	**$ 438,492**	$ 399,194	$ 356,770	$ 316,850	$ 338,126
Lease liabilities	**725,337**	715,277	692,078	687,685	670,629
Total debt, net of cash	**$ 1,163,829**	$ 1,114,471	$ 1,048,848	$ 1,004,535	$ 1,008,755

(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 $78.0 million for the three months ended March 31, 2024 compared to $78.4 million in the same period of 2023.

In the first quarter of 2024, changes in working capital items provided net cash of $4.8 million compared with providing net cash of $6.4 million in the same period of 2023. Changes in accounts receivable, inventory, prepaid expenses, income taxes, accounts payable and accrued liabilities are significantly influenced by timing of collections and expenditures.

Financing Activities

Cash used in financing activities totaled $13.2 million for the three months ended March 31, 2024 compared to cash used in financing activities of $50.9 million during the same period of the prior year. During the first quarter of 2024, cash was provided by draws of the revolving credit facility and swing line, primarily to fund acquisition and new location growth activity, in the amount of $96.5 million, offset by cash used to repay draws as well as long-term debt associated with seller notes in the amount of $64.4 million and to fund interest costs on long-term debt of $6.5 million. Cash used by financing activities included $26.0 million in repayments of lease liabilities and cash used to fund interest costs on lease liabilities of $9.7 million. Cash was also used to pay dividends of $2.4 million. Financing costs of $0.8 million were incurred to complete the fourth amended and restated credit agreement. During the first quarter of 2023, cash was provided by draws of the revolving credit facility and swing line, primarily to fund acquisition activity, in the amount of $25.4 million, offset by cash used to repay draws as well as long-term debt associated with seller notes in the amount of $38.3 million and cash used to fund interest costs on long-term debt of $4.7 million. Cash used by financing activities included $23.7 million used to repay lease liabilities and cash used to fund interest costs on lease liabilities of $7.4 million. Cash was also used to pay dividends totaling $2.4 million.

Debt Financing

On March 26, 2024, the Company amended and restated the credit agreement to extend the revolving credit facility in the aggregate amount of $550 million for a four-year term, with an accordion feature which can increase the credit facility to a maximum of $850 million. The Facility will mature in March 2028. In addition, the amended and restated credit agreement provides for Canadian Overnight Repo Rate Average (“CORRA”) as the Canadian benchmark replacement rate on Canadian dollar term advances when the publication of Canadian Dollar Offered Rate ("CDOR") ceases in June 2024. The revolving credit facility is accompanied by a seven-year fixed-rate Term Loan A in the amount of $125 million at an interest rate of 3.455%, which remains unchanged and will mature in March 2027.

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 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. For purposes of covenant calculations, property lease payments are deducted from EBITDA, and EBITDA is further adjusted to reflect pro-forma annualized acquisition results. 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 the Secured Overnight Financing Rate ("SOFR") at the Company's election. The total syndicated facility includes a swing line up to a maximum of $10.0 million in Canada and $30.0 million in the U.S. At March 31, 2024, the Company has drawn $288.5 million U.S. (December 31, 2023 - $264.5 U.S.) and $nil Canadian (December 31, 2023 - $nil) on the revolving credit facility, $125.0 million U.S. (December 31, 2023 - $125.0 million) on the Term Loan A and $12.5 U.S. (December 31, 2023 - $nil) on the swing line.

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.

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 three months ended March 31, 2024, BGSI entered into five new seller notes for $1.4 million. Subsequent to March 31, 2024, BGSI repaid one seller note in the amount of $9.2 million.

Shareholders' Capital

During the first quarter of 2021, the Company instituted a stock option plan for senior management, which was approved by shareholders on May 12, 2021. The Company's stock option plan allows for the granting of options up to an amount of 250,000 Common shares under this plan. Each tranche of the options vests equally over two, three, four and five year periods. The term of an option shall be determined and approved by the People, Culture and Compensation Committee; provided that the term shall be no longer than ten years from the grant date.

The information on the outstanding options is as follows:

	Three months ended March 31,			
	2024		2023	
	Number of options	**Weighted average exercise price (C$)**	Number of options	Weighted average exercise price (C$)
Balance at the beginning of period	**54,559**	**$ 198.78**	31,113	$ 186.41
Granted during the period	**17,092**	**285.83**	28,292	211.26
Forfeited during the period	**(144)**	**218.83**	(179)	191.18
Balance at the end of period	**71,507**	**$ 219.55**	59,226	$ 198.27
Exercisable at the end of the period	**9,208**	**$ 196.34**	2,831	$ 219.21

Investing Activities

Cash used in investing activities totaled $75.3 million for the three months ended March 31, 2024. This compares to cash used in investing activities of $38.0 million in the same periods of the prior year. The investing activity in both periods related to new location growth as well as the development of businesses which consisted primarily of property, plant and equipment additions.

Acquisitions and Development of Businesses

The Company completed and opened the following number of collision repair acquisitions and start up locations during the periods listed:

	Number of locations added through acquisition	Number of start-ups	Total
January 1, 2024 to March 31, 2024	12	1	13
April 1, 2024 to May 14, 2024	6	1	7

During the three months ended March 31, 2024, the Company opened four start-up glass locations. During the three months ended March 31, 2024, the Company acquired a calibration business in Nebraska. From April 1, 2024 up to the reporting date of May 14, 2024, the Company acquired a calibration business in Minnesota.

The Company added 22 locations through acquisition and eight start-up locations, for a total of 30 new locations from the beginning of 2023 until the first quarter reporting date of May 9, 2023.

Included as part of cash used for acquisition and development of business were costs related to the acquisition of businesses, as well as the development of businesses which consisted primarily of property, plant and equipment additions and includes development of brownfield and greenfield start-up locations that have not yet opened. In the current period, additional investments have been made to develop and internalize scanning and calibration capabilities.

Start-ups

Start-up collision repair facilities include brownfield locations, which are existing buildings converted to Boyd's use. In some cases this would include opening in a building that was previously a collision repair facility. The Company will also develop greenfield locations which consist of Boyd's prototype building from the ground up. In both cases, Boyd ensures the location is favorable and zoned appropriately to be able to operate upon completion of development. Depending on a variety of factors including zoning, permitting, supply chain and availability of trades, the development of a start-up facility can take between 10 and 24 months, with greenfields generally taking longer than brownfields.

The Company believes that start-up facilities offer a number of advantages and as a result plans to continue increasing the proportion of growth using this approach. This approach provides another option to grow in markets that are new and growing and also allows Boyd to design and develop a facility that has a preferred footprint and flow. Being able to accommodate Boyd's future needs in terms of glass and calibration services is another benefit. These facilities are also attractive from a customer and employee perspective. Having the capability to grow through start-ups at a higher pace gives the Company optionality to invest in a way that continues to provide accretive returns when multi-shop or single location acquisition opportunities are not ideal.

Start-up facilities, whether brownfield or greenfield, have a longer ramp-up period when compared to the Company's historical single shop acquisitions. It generally takes longer for sales to build up to steady state levels in start up locations. Whereas with single store acquisitions, it takes on average between 12-24 months to add the necessary employees and DRP relationships to drive sales to projected levels, for start-ups it can take between 24-36 months from the time of store opening. During these ramp up periods, leveraging of fixed costs is limited, which impacts the operating expense ratio and supplementing production staff wages may be required, which impacts gross margin. For start-up locations, pre-opening costs such as utilities, core staff, property taxes and shop supplies are incurred without sales revenue to offset these costs. This pattern of extended ramp up would typically result in losses for the months leading up to the opening and continue at decreasing levels as the revenue increases. Performance of newly developed locations will vary, but the long-term value creation of developing start-up sites are very attractive. Based on Boyd's history, newly developed locations would perform at the Company average by the end of their third year of operation.

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 to meet increased complexity of newer vehicles, 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 network technology upgrades and acquisition and development, the Company spent approximately $15.8 million or 2.0% of sales on capital expenditures during the first quarter of 2024. The Company spent $13.6 million or 1.9% of sales on capital expenditures excluding expenditures related to acquisition and development during the same period of 2023.

During 2024, the Company plans to make cash capital expenditures, excluding those related to network technology upgrades and acquisition and development of new locations, within the range of 1.8% and 2.0% of sales. In addition to these capital expenditures, the Company plans to invest in network technology upgrades to further strengthen our technology and security infrastructure and prepare for advanced technology needs in the future. During the first quarter of 2024, the company spent $4.8 million on network technology upgrades. The investment expected in 2024 and 2025 is in the range of $14 million to $17 million per year. This investment aligns with Boyd's ESG sustainability roadmap to further strengthen data privacy and cyber security.

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 2023 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 2023 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 2024, 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 2023 annual MD&A.

ADDITIONAL INFORMATION

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

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Timothy O'Day, Chief Executive Officer, Boyd Group Services Inc.**, certify the following:

1. ***Review:*** I have reviewed the interim financial report and MD&A (together, the "interim filings") of **Boyd Group Services Inc.** (the "issuer") for the interim period ended **March 31, 2024**.
2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the interim filings.
3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, for the issuer.
5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the financial year end
   a. designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
      i. material information relating to the issuer is made known to us by others, particularly during the period in which the annual filings are being prepared; and
      ii. information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
   b. designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the Internal Control – Integrated Framework (COSO 2013 Framework), published by The Committee of Sponsoring Organizations of the Treadway Commission.

5.2 ***ICFR – material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2024 and ended on March 31, 2024 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: May 15, 2024

(signed)

Timothy O'Day
President & Chief Executive Officer

FORM 52-109F2
CERTIFICATION OF INTERIM FILINGS
FULL CERTIFICATE

I, **Jeff Murray, Chief Financial Officer, Boyd Group Services Inc.**, certify the following:

1. ***Review:*** I have reviewed the interim financial report and MD&A (together, the "interim filings") of **Boyd Group Services Inc.** (the "issuer") for the interim period ended **March 31, 2024**.
2. ***No misrepresentations:*** Based on my knowledge, having exercised reasonable diligence, the interim filings do not contain any untrue statement of a material fact or omit to state a material fact required to be stated or that is necessary to make a statement not misleading in light of the circumstances under which it was made, for the period covered by the interim filings.
3. ***Fair presentation:*** Based on my knowledge, having exercised reasonable diligence, the interim financial report together with the other financial information included in the interim filings fairly present in all material respects the financial condition, financial performance and cash flows of the issuer, as of the date of and for the periods presented in the interim filings.
4. ***Responsibility:*** The issuer's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (DC&P) and internal control over financial reporting (ICFR), as those terms are defined in National Instrument 52-109 Certification of Disclosure in Issuers' Annual and Interim Filings, for the issuer.
5. ***Design:*** Subject to the limitations, if any, described in paragraphs 5.2 and 5.3, the issuer's other certifying officer(s) and I have, as at the financial year end
   a. designed DC&P, or caused it to be designed under our supervision, to provide reasonable assurance that
      i. material information relating to the issuer is made known to us by others, particularly during the period in which the annual filings are being prepared; and
      ii. information required to be disclosed by the issuer in its annual filings, interim filings or other reports filed or submitted by it under securities legislation is recorded, processed, summarized and reported within the time periods specified in securities legislation; and
   b. designed ICFR, or caused it to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with the issuer's GAAP.

5.1 ***Control framework:*** The control framework the issuer's other certifying officer(s) and I used to design the issuer's ICFR is the Internal Control – Integrated Framework (COSO 2013 Framework), published by The Committee of Sponsoring Organizations of the Treadway Commission.

5.2 ***ICFR – material weakness relating to design:*** N/A

5.3 ***Limitation on scope of design:*** N/A

6. ***Reporting changes in ICFR:*** The issuer has disclosed in its interim MD&A any change in the issuer's ICFR that occurred during the period beginning on January 1, 2024 and ended on March 31, 2024 that has materially affected, or is reasonably likely to materially affect, the issuer's ICFR.

Date: May 15, 2024

(signed)

Jeff Murray
Executive Vice President & Chief Financial Officer

BOYD GROUP SERVICES INC.

Interim Condensed Consolidated Financial Statements

Three Months Ended March 31, 2024

BOYD GROUP SERVICES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF FINANCIAL POSITION (Unaudited)
(thousands of U.S. dollars)

	Note		**March 31, 2024**		December 31, 2023
Assets					
Current assets:					
Cash		**$**	**16,380**	$	22,511
Accounts receivable			**139,196**		145,793
Income taxes recoverable			**5,477**		7,721
Inventory	*4*		**69,193**		78,532
Prepaid expenses			**42,285**		41,728
			272,531		296,285
Property, plant and equipment	*5*		**485,040**		438,981
Right of use assets	*6*		**660,805**		654,347
Deferred income tax asset			**4,914**		4,316
Intangible assets	*7*		**341,885**		342,781
Goodwill	*8*		**638,351**		633,986
Other long-term assets	*9*		**11,746**		11,720
		$	**2,415,272**	$	2,382,416
Liabilities and Equity					
Current liabilities:					
Accounts payable and accrued liabilities		**$**	**326,557**	$	339,823
Dividends payable	*10*		**2,377**		2,435
Current portion of long-term debt	*11*		**20,840**		22,038
Current portion of lease liabilities	*12*		**109,500**		107,727
			459,274		472,023
Long-term debt	*11*		**434,032**		399,667
Lease liabilities	*12*		**615,837**		607,550
Deferred income tax liability			**71,155**		70,271
Unearned rebates			**4,425**		4,579
			1,584,723		1,554,090
Equity					
Accumulated other comprehensive earnings			**54,341**		58,313
Retained earnings			**171,429**		165,427
Shareholders' capital			**600,047**		600,047
Contributed surplus			**4,732**		4,539
			830,549		828,326
		$	**2,415,272**	$	2,382,416

The accompanying notes are an integral part of these interim condensed consolidated financial statements

Approved by the Board:

TIMOTHY O'DAY
Director

DAVID BROWN
Director

BOYD GROUP SERVICES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN EQUITY (Unaudited)
(thousands of U.S. dollars, except share amounts)

		Shareholders' Capital					
	Note	Shares	Amount	Contributed Surplus	Accumulated Other Comprehensive Earnings	Retained Earnings	Total Equity
Balances - January 1, 2023		21,472,194	$ 600,047	$ 4,037	$ 54,330	$ 88,183	$ 746,597
Other comprehensive earnings					3,983		3,983
Net earnings						86,656	86,656
Comprehensive earnings					3,983	86,656	90,639
Stock option accretion				502			502
Dividends to shareholders						(9,412)	(9,412)
Balances - December 31, 2023		21,472,194	$ 600,047	$ 4,539	$ 58,313	$ 165,427	$ 828,326
Other comprehensive loss					(3,972)		(3,972)
Net earnings						8,381	8,381
Comprehensive (loss) earnings					(3,972)	8,381	4,409
Stock option accretion				193			193
Dividends to shareholders	10					(2,379)	(2,379)
Balances - March 31, 2024		21,472,194	$ 600,047	$ 4,732	$ 54,341	$ 171,429	$ 830,549
Balances - January 1, 2023		21,472,194	$ 600,047	$ 4,037	$ 54,330	$ 88,183	$ 746,597
Other comprehensive earnings					138		138
Net earnings						20,823	20,823
Comprehensive earnings					138	20,823	20,961
Stock option accretion				100			100
Dividends to shareholders	10					(2,306)	(2,306)
Balances - March 31, 2023		21,472,194	$ 600,047	$ 4,137	$ 54,468	$ 106,700	$ 765,352

The accompanying notes are an integral part of these interim condensed consolidated financial statements

BOYD GROUP SERVICES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF EARNINGS (Unaudited)
(thousands of U.S. dollars, except share and per share amounts)

		Three months ended March 31, 2024	2023
	Note		
Sales	*15*	**$ 786,547**	$ 714,941
Cost of sales		**433,987**	387,895
Gross profit		**352,560**	327,046
Operating expenses		**270,853**	242,352
Acquisition and transaction costs		**1,446**	556
Depreciation of property, plant and equipment	*5*	**16,400**	11,916
Depreciation of right of use assets	*6*	**29,659**	25,777
Amortization of intangible assets	*7*	**6,559**	6,102
Fair value adjustments		**(7)**	—
Finance costs		**16,122**	12,064
		341,032	298,767
Earnings before income taxes		**11,528**	28,279
Income tax expense			
Current		**2,965**	5,757
Deferred		**182**	1,699
		3,147	7,456
Net earnings		**$ 8,381**	$ 20,823

The accompanying notes are an integral part of these interim condensed consolidated financial statements

		2024	2023
Basic earnings per share	*16*	**$ 0.39**	$ 0.97
Diluted earnings per share	*16*	**$ 0.39**	$ 0.97
Basic weighted average number of shares outstanding	*16*	**21,472,194**	21,472,194
Diluted weighted average number of shares outstanding	*16*	**21,483,723**	21,472,194

BOYD GROUP SERVICES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE EARNINGS (Unaudited)
(thousands of U.S. dollars)

	Three months ended March 31, 2024	2023
Net earnings	**$ 8,381**	$ 20,823
Other comprehensive earnings		
Items that may be reclassified subsequently to Interim Condensed Consolidated Statements of Earnings		
Change in unrealized earnings on foreign currency translation	**(3,972)**	138
Other comprehensive (loss) earnings	**(3,972)**	138
Comprehensive earnings	**$ 4,409**	$ 20,961

The accompanying notes are an integral part of these interim condensed consolidated financial statements

BOYD GROUP SERVICES INC.
INTERIM CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS (Unaudited)
(thousands of U.S. dollars)

		Three months ended March 31,	
		2024	2023
	Note		
Cash flows from operating activities			
Net earnings		**$ 8,381**	$ 20,823
Adjustments for			
Fair value adjustments		**(7)**	—
Deferred income taxes		**182**	1,699
Finance costs		**16,122**	12,064
Amortization of intangible assets	*7*	**6,559**	6,102
Depreciation of property, plant and equipment	*5*	**16,400**	11,916
Depreciation of right of use assets	*6*	**29,659**	25,777
Other		**679**	65
		77,975	78,446
Changes in non-cash working capital items		**4,788**	6,392
		82,763	84,838
Cash flows used in financing activities			
Increase in obligations under long-term debt	*11*	**96,500**	25,449
Repayment of long-term debt, principal	*11*	**(64,402)**	(38,283)
Repayment of obligations under property leases, principal		**(24,697)**	(22,813)
Repayment of obligations under vehicle and equipment leases, principal		**(1,268)**	(840)
Interest on long-term debt	*11*	**(6,481)**	(4,680)
Interest on property leases		**(9,398)**	(7,224)
Interest on vehicle and equipment leases		**(269)**	(144)
Dividends paid		**(2,399)**	(2,352)
Payment of financing costs	*11*	**(829)**	—
		(13,243)	(50,887)
Cash flows used in investing activities			
Proceeds on sale of equipment and software	*5*	**225**	117
Equipment purchases and facility improvements		**(20,512)**	(13,561)
Acquisition and development of businesses (net of cash acquired)		**(54,899)**	(24,315)
Software purchases and licensing	*7*	**(118)**	(68)
Increase in other long-term assets		**(37)**	(138)
		(75,341)	(37,965)
Effect of foreign exchange rate changes on cash		**(310)**	(18)
Net decrease in cash position		**(6,131)**	(4,032)
Cash beginning of period		**22,511**	15,068
Cash, end of period		**$ 16,380**	$ 11,036
Income taxes paid		**$ 731**	$ 730
Interest paid		**$ 15,836**	$ 11,554

The accompanying notes are an integral part of these interim condensed consolidated financial statements

1. GENERAL INFORMATION

Boyd Group Services Inc. ("BGSI" or the "Company") is a Canadian corporation and controls The Boyd Group Inc. and its subsidiaries.

The Company's business consists of the ownership and operation of autobody/autoglass repair facilities and related services. At the reporting date, the Company operated locations in Canada under the trade names 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 Gerber National Claim Services ("GNCS"), that offers glass, emergency roadside and first notice of loss services. The Company also operates Mobile Auto Solutions ("MAS") that offers mobile calibration and diagnostic services.

The shares of the Company are listed on the Toronto Stock Exchange and trade under the symbol "BYD.TO". The head office and principal address of the Company are located at 1745 Ellice Avenue, Unit C1, Winnipeg, Manitoba, Canada, R3H 1A6.

The policies applied in these interim condensed consolidated financial statements are based on International Financial Reporting Standards ("IFRS") issued and effective as of May 14, 2024, the date the Board of Directors approved the statements.

2. BASIS OF PRESENTATION

These interim condensed consolidated financial statements for the three months ended March 31, 2024 have been prepared in accordance with IAS 34, *Interim financial reporting* using the same accounting policies and methods of computation followed in the consolidated financial statements for the year ended December 31, 2023, except for the adoption of new standards as set out below. The interim condensed consolidated financial statements should be read in conjunction with the annual financial statements for the year ended December 31, 2023, which have been prepared in accordance with IFRS. These interim condensed consolidated financial statements are presented in U.S. dollars ("USD").

New or amended standards became applicable for the current reporting period and the Company had to change its accounting policies as a result of adopting the following standards:

- IAS 1 Non-current Liabilities with Covenants;
- IAS 7 and IFRS 7 Supplier Finance Arrangements and
- IFRS 16 Lease Liability in a Sale Leaseback

The adoption of the amendments to the above standards did not have a material impact on the Company's interim condensed consolidated financial statements.

(thousands of U.S. dollars, except share and share amounts)

3. ACQUISITIONS

The Company completed 10 acquisitions that added 12 locations and one calibration business during the three months ended March 31, 2024.

BGSI has accounted for the 2024 acquisitions using the acquisition method as follows:

Acquisitions in 2024		Total acquisitions
Identifiable net assets acquired at fair value:		
Other current assets	$	209
Property, plant and equipment		3,895
Right of use assets		8,753
Identified intangible assets		
Customer relationships		6,570
Non-compete agreements		368
Liabilities assumed		
Lease liabilities		(8,753)
Identifiable net assets acquired	$	11,042
Goodwill		6,688
Total purchase consideration	$	17,730
Consideration provided		
Cash paid or payable	$	16,305
Seller notes		1,425
Total consideration provided	$	17,730

The preliminary purchase price allocations for the 2024 acquisitions may be revised as additional information becomes available. Further adjustments may be recorded in future periods as purchase price adjustments are finalized.

Canadian acquisition transactions are initially recognized in U.S. dollars at the rates of exchange in effect on the transaction dates. Subsequently, the assets and liabilities are translated at the rate in effect at the Statement of Financial Position date.

A significant part of the goodwill recorded on the acquisitions can be attributed to the assembled workforce and the operating know-how of key personnel. However, no intangible assets qualified for separate recognition in this respect.

Goodwill recognized during 2024 is expected to be deductible for tax purposes.

(thousands of U.S. dollars, except share and share amounts)

On the statement of cash flows, included as part of cash used for acquisition and development of business were costs related to the acquisition of businesses, as well as the development of businesses which consisted primarily of property, plant and equipment additions.

4. INVENTORY

As at		**March 31, 2024**		December 31, 2023
Paint and materials	**$**	**25,141**	$	23,864
Work in process		**44,052**		54,668
Balance, end of period	**$**	**69,193**	$	78,532

5. PROPERTY, PLANT AND EQUIPMENT

As at		**March 31, 2024**		December 31, 2023
Balance, beginning of year	**$**	**438,981**	$	314,564
Acquired through business combination		**3,895**		27,219
Additions		**59,239**		156,981
Proceeds on disposal		**(225)**		(3,447)
Loss on disposal		**(201)**		(57)
Transfers from right of use assets		**110**		297
Depreciation		**(16,400)**		(56,863)
Foreign exchange		**(359)**		287
Balance, end of period	**$**	**485,040**	$	438,981

Additions to property, plant and equipment for the three months ended March 31, 2024 include additions to land and buildings of $16,726 (for the 12 months ended December 31, 2023 - $25,688). The Company intends to enter into a sale and leaseback arrangement for a number of these assets in the future.

(thousands of U.S. dollars, except share and share amounts)

6. RIGHT OF USE ASSETS

As at		**March 31, 2024**		December 31, 2023
Balance, beginning of year	**$**	**654,347**	$	568,437
Acquired through business combinations		**8,753**		49,916
Additions and modifications		**28,694**		144,864
Depreciation		**(29,659)**		(109,806)
Transfers to property, plant and equipment		**(110)**		(297)
Foreign exchange		**(1,220)**		1,233
Balance, end of period	**$**	**660,805**	$	654,347

7. INTANGIBLE ASSETS

As at		**March 31, 2024**		December 31, 2023
Balance, beginning of year	**$**	**342,781**	$	332,939
Acquired through business combination		**6,938**		32,944
Additions		**118**		1,684
Amortization		**(6,559)**		(26,182)
Foreign exchange		**(1,393)**		1,396
Balance, end of period	**$**	**341,885**	$	342,781

8. GOODWILL

As at		**March 31, 2024**		December 31, 2023
Balance, beginning of year	**$**	**633,986**	$	601,706
Acquired through business combination		**6,688**		29,996
Foreign exchange		**(2,323)**		2,284
Balance, end of period	**$**	**638,351**	$	633,986

9. OTHER LONG TERM ASSETS

Other long term assets consist primarily of rent deposits in the amount of $3,746 (2023 - $3,720) and an investment of $8,000 (2023 - $8,000) to support the growth of the glass business. Investments which do not qualify for equity treatment are recorded as other long term assets.

(thousands of U.S. dollars, except share and share amounts)

10. DIVIDENDS

The Company's Directors have discretion in declaring dividends. The Company declares and pays dividends from its available cash from operations taking into account current and future performance amounts necessary for principal and interest payments on debt obligations, amounts required for maintenance capital expenditures and amounts allocated to reserves.

The Company declared dividends of C$0.150 per share in the first quarter of 2024 (2023 - C$0.147).

The following is the balance of dividends payable:

As at	**March 31, 2024**	December 31, 2023
Balance, beginning of period	**$ 2,435**	$ 2,330
Declared	**2,379**	9,412
Payments	**(2,399)**	(9,382)
Foreign exchange	**(38)**	75
Balance, end of period	**$ 2,377**	$ 2,435

Dividends to shareholders were declared and paid as follows:

Record date	**Payment date**	**Dividend amount**
March 31, 2024	April 26, 2024	$ 2,379
		$ 2,379

Record date	**Payment date**	**Dividend amount**
March 31, 2023	April 26, 2023	$ 2,306
		$ 2,306

(thousands of U.S. dollars, except share and share amounts)

11. LONG-TERM DEBT

On March 26, 2024, the Company entered into a fourth amended and restated credit agreement to extend the revolving credit facilities in the aggregate amount of $550,000 for a four-year term, with an accordion feature which can increase the credit facilities to a maximum of $850,000 (the “Facilities”). The Facilities will mature in March 2028. In addition, the amended and restated credit agreement provides for the Canadian Overnight Repo Rate Average (“CORRA”) as the Canadian benchmark replacement rate on Canadian dollar term advances when the publication of Canadian Dollar Offered Rate (“CDOR”) ceases in June 2024. The $125,000 Term Loan A maturing in March 2027 remains unchanged.

Long-term debt is comprised of the following:

As at		**March 31, 2024**		December 31, 2023
Revolving credit & swing line facilities (net of financing costs)	**$**	**300,171**	$	264,046
Term Loan A (net of financing costs)		**124,831**		124,812
Seller notes		**29,870**		32,847
	$	**454,872**	$	421,705
Current portion		**20,840**		22,038
	$	**434,032**	$	399,667

The following is the continuity of long-term debt:

As at		**March 31, 2024**		December 31, 2023
Balance, beginning of period	**$**	**421,705**	$	360,171
Consideration on acquisition		**1,425**		6,547
Draws		**96,500**		260,473
Repayments		**(64,402)**		(205,848)
Deferred financing costs		**(829)**		—
Amortization of deferred financing costs		**458**		418
Foreign exchange		**15**		(56)
Balance, end of period	**$**	**454,872**	$	421,705

Included in finance costs for the three months ended March 31, 2024 is interest on long-term debt of $6,481 (2023 - $4,680).

(thousands of U.S. dollars, except share and share amounts)

12. LEASE LIABILITIES

The following is the continuity of lease liabilities:

As at		**March 31, 2024**		December 31, 2023
Balance, beginning of period	**$**	**715,277**	$	617,926
Assumed on acquisition		**8,753**		49,916
Additions and modifications		**28,678**		145,327
Repayments		**(35,632)**		(131,360)
Financing costs		**9,667**		32,056
Foreign exchange		**(1,406)**		1,412
Balance, end of period	**$**	**725,337**	$	715,277
Current portion		**109,500**		107,727
	$	**615,837**	$	607,550

Lease expenses are presented in the consolidated statement of earnings as follows:

		Three months ended March 31,		
		2024		2023
Operating expenses	**$**	**2,952**	$	1,919
Depreciation of right of use assets		**29,659**		25,777
Finance costs		**9,667**		7,368

(thousands of U.S. dollars, except share and share amounts)

13. FINANCIAL INSTRUMENTS

Carrying value and estimated fair value of financial instruments

	Classification	Fair value hierarchy	**March 31, 2024** Carrying amount	**March 31, 2024** Fair value	December 31, 2023 Carrying amount	December 31, 2023 Fair value
Financial assets						
Cash	Amortized cost	n/a	**$ 16,380**	$ 16,380	$ 22,511	$ 22,511
Accounts receivable	Amortized cost	n/a	**139,196**	139,196	145,793	145,793
Long-term asset	FVTPL (1)	3	**8,000**	8,000	8,000	8,000
Financial liabilities						
Accounts payable and accrued liabilities	Amortized cost	n/a	**326,557**	326,557	339,823	339,823
Dividends payable	Amortized cost	n/a	**2,377**	2,377	2,435	2,435
Long-term debt	Amortized cost	n/a	**454,872**	442,299	421,705	409,212

(1) Fair Value Through Profit or Loss

For the Company's current financial assets and liabilities, including accounts receivable, accounts payable and accrued liabilities, and dividends payable, which are short term in nature and subject to normal trade terms, the carrying values approximate their fair value. The fair value of BGSI's long-term debt has been determined by calculating the present value of the interest rate spread that exists between the actual Term Loan A and the rate that would be negotiated with the economic conditions at the reporting date. As there is no ready secondary market for BGSI's other long-term debt and other long-term asset, the fair value has been estimated using the discounted cash flow method.

Collateral

The Company's syndicated loan facility is collateralized by a General Security Agreement. The carrying amount of the financial assets pledged as collateral for this facility at March 31, 2024 was approximately $155,576 (December 31, 2023 - $168,304).

14. SEASONALITY

BGSI's financial results for any individual quarter are not necessarily indicative of results to be expected for the full year. Interim period revenues, operating expenses and earnings are typically sensitive to regional and local weather, market conditions, and in particular, to cyclical variations in economic activity and market demand.

(thousands of U.S. dollars, except share and share amounts)

15. SEGMENTED REPORTING

BGSI has one reportable line of business, being automotive collision repair and related services, with all revenues relating to a group of similar services. In this circumstance, IFRS requires BGSI to provide geographical disclosure. For the periods reported, all of BGSI's revenues were derived within Canada or the United States of America. Reportable assets include property, plant and equipment, right of use assets, goodwill and intangible assets which are all located within these two geographic areas.

	Three months ended March 31,	
	2024	2023
Revenues		
Canada	**$ 62,954**	$ 56,711
United States	**723,593**	658,230
	$ 786,547	$ 714,941

Reportable Assets As at	**March 31, 2024**	December 31, 2023
Canada	**$ 214,570**	$ 220,786
United States	**1,911,511**	1,849,309
	$ 2,126,081	$ 2,070,095

16. EARNINGS PER SHARE

	Three months ended March 31,	
	2024	2023
Net earnings	**$ 8,381**	$ 20,823
Basic weighted average number of shares	**21,472,194**	21,472,194
Add:		
Stock option plan	**11,529**	—
Average number of shares outstanding - diluted basis	**21,483,723**	21,472,194
Basic earnings per share	**$ 0.39**	$ 0.97
Diluted earnings per share	**$ 0.39**	$ 0.97

For the three months ended March 31, 2024, the impact of the stock options issued in 2021, 2022 and 2023 were included in the diluted average number of shares outstanding. The stock options issued in 2024 could have potentially diluted the basic earnings per share, but their impact was anti-dilutive during this period.

For the three months ended March 31, 2023, the stock options issued in 2021, 2022 and 2023 could have potentially diluted basic earnings per share, but their impact was anti-dilutive during this period.

(thousands of U.S. dollars, except share and share amounts)

17. STOCK OPTION PLAN

During the first quarter of 2021, the Company instituted a stock option plan for senior management, which was approved by shareholders on May 12, 2021. The Company's stock option plan allows for the granting of options up to an amount of 250,000 Common shares under this plan. Each tranche of the options vests equally over two, three, four and five year periods. The term of an option shall be determined and approved by the People, Culture and Compensation Committee; provided that the term shall be no longer than ten years from the grant date.

The information on the outstanding options are as follows:

	Three months ended March 31,			
	2024		2023	
	Number of options	**Weighted average exercise price (C$)**	Number of options	Weighted average exercise price (C$)
Balance at the beginning of period	**54,559**	**$ 198.78**	31,113	$ 186.41
Granted during the period	**17,092**	**285.83**	28,292	211.26
Forfeited during the period	**(144)**	**218.83**	(179)	191.18
Balance at the end of period	**71,507**	**$ 219.55**	59,226	$ 198.27
Exercisable at the end of the period	**9,208**	**$ 196.34**	2,831	$ 219.21