

BAY REPORT

WINTER 2023

mybbnc.net



FEATURE STORY

LEADING WITH PURPOSE: BBNC'S PATH TO WORKPLACE EXCELLENCE

SAVE THE DATE

December 22

Christmas Eve observed
BBNC office closed

December 25

Christmas
BBNC office closed

December 29

New Year's Eve observed
BBNC office closed

January 1

New Year's Day
BBNC office closed

January 7

Orthodox Christmas

January 14

Orthodox New Year

January 15

Martin Luther King Jr. Day
BBNC office closed

February 15

Deadline for address or
banking changes for March
distribution

February 16

Elizabeth Peratrovich Day

March 1

BBNC Settlement Trust
distribution

March 11

BBNC office closed

April 5

BBF Higher Education and
Career Focused Vocational
Education scholarship
application deadlines



Published by Bristol Bay
Native Corporation

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BBNC received a Best Workplaces in Alaska Award by
Alaska Journal of Commerce and Peak 2 Peak Events

BBNC BOARD OF DIRECTORS

Russell S. Nelson
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Greta L. Goto
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Peter Andrew Jr.

Wassiliisia "DeeDee" R.
Bennis

Joseph L. Chythlook

Germaine Eningowuk

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Bristol Bay Native Corporation



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Mug Up With BBNC

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Fall arrived with force in Alaska this year. Halfway through November, Anchorage had already witnessed its snowiest November since recordkeeping began, some 70 years ago. Along the Richardson Highway, about 21 miles northeast of Thompson Pass, six feet of snow accumulated in a single day, coming close to the national record for snowfall in a 24-hour period. Before winter even officially began, we were looking at record snowfall in places all throughout the state. When it all falls at once, it can overwhelm. It's tough to dig out of, so schools, transit, and other essential services shut down, people lose power, and highways and passes close. It's a test of endurance and grit, and Alaskans always come through. We pitch in to help our neighbors, families, and communities when the going gets tough, making sure they're always taken care of.



Letter from the President

These hallmarks of a strong community—living our values, lending a hand, cooperating, embracing a can-do spirit, and innovating our way through challenges—have been on my mind. BBNC was recently honored as one of the 2023 Best Workplaces in Alaska by the Alaska Journal of Commerce and Peak 2 Peak Events, and I'm reminded yet again that the qualities that make a strong community also shape our greatest workplaces. We're honored, humbled, and proud to have received this designation, especially because it was BBNC's own employees who nominated us by participating in an anonymous survey that ranked how BBNC delivers on a variety of factors, including employee engagement and retention, culture and values, leadership, mentorship, support, and much more.

One of the things we strive for is to live, breathe, and model our values, purpose, and promises. That begins at the leadership level, but everyone who works alongside us at BBNC carries forth our mission, values, and strategy in their own way. It's natural to our corporate culture, and it guides the way we think, the ways

we innovate, and the way we relate to and treat one another as colleagues and peers. It gives us clarity in how we recruit new talent and retain the talent we have. And it's one of the ways we can continue to achieve a "Best Workplace in Alaska" status.

We hear all the time from our employees that they feel like they're part of something important, that they're doing something that matters. Whether preserving the cultures within the Bristol Bay region, standing beside our people, or protecting our lands and resources, the work we do has purpose, and is itself a promise to the people we serve.

You can read more about the 2023 Best Workplaces in Alaska award on page 2, but I'll close with this: we work hard to be a good employer and aspire to create a great place to work, and it's an honor to have that validated by our own team. Yet, we're always thinking about where we can do even better. Part of it is our unwavering commitment to the ongoing financial and strategic successes of BBNC. But in terms of purpose and progress, there are two areas of focus that have our

attention—taking strides toward ways that we can enroll descendants and looking for ways to form partnerships that further develop and bolster the local economy in Bristol Bay. Each of these is time-consuming and requires care and creative thinking. Yet both things are extremely important and we're working towards tangible results we hope to share sometime in the near term.

As we approach the holidays and another new year, remember to stay safe and look out for one another. As winter bears down, reach out to others when you're in need—if the power is out, your driveway isn't clear, if you're struggling to get groceries or gas or heating fuel—turn to your family, friends, and neighbors. We're in it together.

Finally, find joy and inspiration where you can and run with it.

Have a wonderful holiday and a happy New Year.

Jason Metrokin
President & CEO

SHAREHOLDER-OWNED BUSINESS HIGHLIGHT

BBNC shareholder Ashana Flippo, whose family is from Pedro Bay, has owned Color Me Fun since 2014. She provides professional face and body painting, airbrush tattoos, glitter tattoos, balloon twisting, and more in the Anchorage, Mat-Su Valley, and nearby areas. Her entertainers will come to you! Check out her website at: colormefunentertainment.com.





Leading with Purpose: BBNC's Path to Workplace Excellence

What makes a place a great place... to work? Strong leadership, pay and benefits, growth and learning opportunities, and work-life balance all factor into the mix. So do communication style, transparency, retention, and trustworthiness. And more and more, employees want to feel part of something, meaning factors like company culture, values, and social responsibility have taken on new importance as people evaluate what makes a workplace great.

It's no surprise that the Alaska Journal of Commerce (AJOC) and Peak 2 Peak Events looked through the lens of workplace culture as it assembled its 2023 Best Workplaces in Alaska criteria. Bristol Bay Native Corporation (BBNC) is thrilled to have been awarded this designation, along with eleven other Alaska-based companies and organizations. Alaskans statewide

had the opportunity to nominate their workplace and once a business was registered, employees of each nominee were surveyed on topics such as organizational health, leadership, employee engagement, and more. Throughout the survey, questions related to the company's culture provided a snapshot of how employees feel about the values held by their workplaces.

BBNC is proud and truly appreciative to have scored highly on all measurements captured by the survey, yet we're particularly grateful that individuals working with us at BBNC are aware of how we, as a company, live into our mission and our values. "This designation is a testament to our values-based leadership. We promote the respect of our people, our land, our resources. Our leadership lives it on a daily basis," says Tony Brothers, BBNC's Senior Vice President of Human Resources.



BBNC employees tie dye t-shirts together

"I've worked for a number of organizations throughout my career, but this is the first time I've felt we're truly making a difference and contributing to something more than the bottom line. [At BBNC] our mission, values, and certainly our business objectives are built around celebrating and appreciating and enriching our Native Way of Life."

There was widespread acknowledgment throughout the survey that employees feel motivated by our higher purpose—our dedication to enhancing the lives of our shareholders and their families and the care and

preservation of our Native cultures. Other revelations from the survey demonstrate that BBNC is valued as an engaging, positive, encouraging, and employee-centered place to work. And employees themselves feel seen, heard, and supported.

Of course, there is always work to do, and BBNC is committed to building upon our strengths so we can sustain the company as a great place to work long into our future. We'll never take our sights off our mission, values, and culture, and we'll continue to work hard to earn the accolades we were fortunate to receive in this year's Best Workplaces in Alaska survey. And we send gratitude and appreciation to all of our employees, each of whom contributes to making BBNC a great place to work.

STAFF ANNOUNCEMENTS

BBNC is pleased to announce three new hires and five promotions in our corporate office! BBNC shareholder Everette Anderson joins BBNC as Vice President, Director of Fisheries Policy, shareholder Megan Donhauser joins BBNC as Records Technician I, and Anais Oates joins BBNC as Communications Specialist.

NEW HIRES:



Everette Anderson



Megan Donhauser



Anais Oates

PROMOTIONS:

Romina Bentz - Senior Vice President, Government Contracting
 Tamrit Howell - Human Resources Manager
 Anna Johnson - Records Technician II
 Alexa Moore - Administrative Services Coordinator
 Polly Watson - Director of Government Contracting

CREATE/UPDATE YOUR STOCK WILL!

Did you know that by having a stock will on file, YOU choose where you want your shares to go instead of the state deciding? You'll also be entered to win up to \$500 every quarter!

You'll also be entered to win quarterly cash prizes by having direct deposit on file. **The next deadline to win is February 15!** Easily update your direct deposit and ensure you have a stock will on file that's been updated within the last five years by logging into your myBBNC account at mybbnc.net.

Questions or need to create or update your stock will? Contact Shareholder Services at shareholders@bbnc.net or (907) 278-3602.

Winter Direct Deposit Winners:

- \$500** - Constance R. Timmerman
- \$250** - Victor A. See
- \$250** - Barbara A. Moxie
- \$250** - Ward N. Blair
- \$250** - Bennett E. Alto
- \$100** - Robert J. Andrews
- \$100** - John S. Aure
- \$100** - Evangeline G. Dessert
- \$100** - Elaina N. Ryder
- \$100** - Nadia M. M. Kanulie

Winter Stock Will Winners:

- \$500** - Vince P. Gust
- \$250** - Karla R. Jensen
- \$250** - Samantha Burns
- \$250** - Alice J. Umstead
- \$250** - Jeffrey L. Elbie Jr.
- \$100** - Evan J. Wonhola
- \$100** - Francine S. Andrew
- \$100** - Catherine Wassillie
- \$100** - Bonnie M. Blue
- \$100** - Wassillie Gumlickpuk

BRISTOL BAY NATIVE PLACE NAMES VIDEO



Elder and shareholder Evelyn Yanez being featured in the film

BBNC's Land Department collaborated with filmmaker Mark Titus of August Island Pictures to produce a commemorative film, "Whispers of the Land: Journey into Bristol Bay's Native Place Names," that honors the two decades of accomplishments of the Bristol Bay Native Place Names Project.

The primary goal of this film is to inspire and educate the audience about the remarkable nature of this initiative and to pay tribute to the many individuals from the Bristol Bay region who transformed this vision into a reality. Check out the video on BBNC's YouTube channel!

TWOW PROGRAM

In September, BBNC hosted a Training Without Walls (TWOW) training in Dillingham, welcoming 13 new participants to the program. Content relating to board roles and responsibilities, board governance, aligning board service to one's values was presented, and participants heard from local leaders about their experiences serving on boards.

In addition, BBNC celebrated six graduates from the TWOW program! Congratulations to Amanda Aspelund, Germaine Eningowuk, Melanie Brown, Nicole Cabrera, Polly Watson, and Tina Barger Anderson!



Amanda Aspelund



Germaine Eningowuk



Melanie Brown



Nicole Cabrera



Polly Watson



Tina Barger Anderson

WELCOME NEW SHAREHOLDERS

Nathan M. J. Alexander, Kamal M. Alhindi, Edrina I. Andrew, Ethan L. Andrew, Everette J. Andrew, Brandon C. Angasan, David P. Angasan, Kyle A. Angasan, Peter L. Angasan Jr., Brielle F. Ayojiak, Cole T. J. Ayojiak, Amelia J. Baker, Ricky J. Bashore III, Emery L. Berlin, Giana G. Berlin, Everett J. Christopher, Gabriel M. Clark, Moriah M. Cox, Diamond S. Dehart, Kaden V. Ferguson, Kading G. Ferguson, Yarika S. M. T. Ferguson, Calla M. Flensburg, Kenneth M. Futch, Weston P. Geer, Maya S. Geltzer, Dominic C. Gloko, Roswitha E. Gross, Linda M. Hobson, Peter J. Hobson, Seth J. Hobson, Aureli J. Jeffries, Karina A. Jeffries, Andrea S. Larson, Freya D. Larson, Finn E. Larson, Arnold J. Lockuk, Herbert A. J. Lockuk III, Jenna N. L. M. Lockuk, Fusifou J. Mauigoa, Ana J. Mercedes, Britney A. J. Mochin, Lucas A. Nanalook, Julian A. Nanalook, Mary O. Nickolai, Amanda N. Palic, Anja A. Palic, David L. Parnell III, Elizabeth A. Parnell, Gabriel P. Parnell, Josiah P. Parnell, Amy C. Parnell, Angello C. Patterson, Hayzel J. A. M. E. Patterson, Sidney M. Pavian, Rhett Z. Roberts, Chelsea M. Sam, Kevin J. Santana, Rosa J. Schlosser, Skyler R. Schlosser, Breigh O. Sharp, Samuel B. Sharp, Erin A. Unsel, Eric B. Wassillie Jr., Don J. Webb, Anastasia M. Woods, Brandon E. Yagie, Judina G. Yukluk, and Graci I. B. Zackar.

RECIPE CORNER: KULICH (EASTER BREAD)

Ingredients:

4 c. boiling water
1 tbsp. salt
½ c. sugar or more to taste
1 can evaporated milk
½ stick butter or 2 tbsp. buttered Crisco
1 tbsp. lemon extract
1 (12 oz.) package of raisins
2 tsp. yeast
¼ c. lukewarm water
6 eggs
3 ½ c. flour or more to taste
3 ½ c. powdered sugar
1 tbsp. butter or buttered Crisco
6 tbsp. lemon extract
1 tsp. lemon extract
½ c. colorful sprinkles

Instructions:

1. Preheat the oven to 350° F.

2. In a large bowl, combine the boiling water with the salt, sugar, evaporated milk, butter, lemon, and raisins (optional: add walnuts or cut up dried fruit).

3. Let the liquid cool down (about 20 minutes).

4. In a small bowl, combine the yeast with the lukewarm water until it dissolves and add to large bowl.

5. In a small bowl, beat the eggs and stir in to large bowl.

6. Slowly knead in the flour until a soft dough has formed.

7. Fill four empty coffee cans half way with dough, cover, and let rise for 1 ½ hours or until dough reaches the top of cans.



8. Bake the bread for 45 minutes, or until it's golden brown.

9. Meanwhile, whisk together the powdered sugar, butter or Crisco, lemon extract, and hot water until it's a frosting consistency.

10. Let bread cool in coffee cans for a few minutes and turn out onto cooling racks. Once the bread has cooled, frost the top and sides of the bread and add sprinkles to the top of the bread.

Recipe from shareholder Angelina Shangin, from Anchorage, AK.

IN MEMORY

BBNC board and staff extend our sincere condolences to the family and friends of those who have passed on:

Ronald A. Abalama
63, Kodiak, AK

Danielle R. Dobkins
50, Naknek, AK

Thomas L. Monsen
68, Naknek, AK

Rosie Reyes
88, Seattle, WA

Dwayne E. Agli
52, Naknek, AK

Grant D. Downey
68, Yakima, WA

Daniel Nanalook Jr.
69, Togiak, AK

Roy F. Roehl
85, Fairbanks, AK

Carl L. Alexie
62, Anchorage, AK

Donna J. Hale
54, Anchorage, AK

Mary Napouk
75, Soldotna, AK

Ralph E. Sorensen
18, Dillingham, AK

Deloris J. Alexie
61, Anchorage, AK

Kelly R. Heyano
18, Dillingham, AK

Neil R. Nelson
36, Dillingham, AK

Phylicia J. Timmerman
37, Anchorage, AK

Eunice B. A. Alexie
41, Anchorage, AK

Arlen Heyano
43, Dillingham, AK

Mary Nelson
85, Kokhanok Bay, AK

Linda Wahl
75, Dillingham, AK

William J. Alvarado
50, Pilot Station, AK

Jennifer R. Holstrom
46, Anchorage, AK

David R. Nicholson
69, Dillingham, AK

Simeon T. Waskey
56, Anchorage, AK

Natalia Balluta Marttila
70, Nondalton, AK

Jason J. Hurley
48, Anchorage, AK

Jimmy D. Olsen
61, Anchorage, AK

Lynda L. Watts
55, Juneau, AK

Angela J. Carlson
34, Louisville, KY

Stacy L. Ilutsik
42, Dillingham, AK

Matthew J. Olsen
30, Koliganek, AK

Jennifer L. Williams
34, Togiak, AK

Mary A. Constantine
85, Anchorage, AK

Doreen C. Kelley
63, Haltom City, TX

Deborah F. Parr
74, Indianapolis, IN

Anuska Wonhola
74, New Stuyahok, AK

Autumn R. Coolidge
21, Dillingham, AK

Bradley J. Kesselring
53, St. Louis Park, MN

Patti B. Randall
54, Anchorage, AK

Hannah B. Young
41, Anchorage, AK

Linda E. Dishon
64, Bellingham, WA

Gusty Larson
65, Anchorage, AK

Denise M. Reid
45, Anchorage, AK

Curtis S. Zackar
50, Anchorage, AK

LAND DEPARTMENT PRIORITIZING NATIVE ALLOTMENTS FOR ACQUISITION

BBNC shareholders own thousands of allotments around the Bristol Bay region – parcels of land of up to 160 acres patented to individuals under various federal allotment statutes. Collectively, these allotments account for nearly 150,000 acres of privately-owned lands in the region.

While Native allotments are privately owned, the federal government retains trust obligations on behalf of the allotment owner. This affords the allotment owner with important benefits, but also complicates transactions - for example, earnings from the allotment are not subject to federal income taxes, but the federal government (through the Bureau of Indian Affairs (BIA)) is required to provide realty services. In most instances, BIA provides its realty services through Bristol Bay

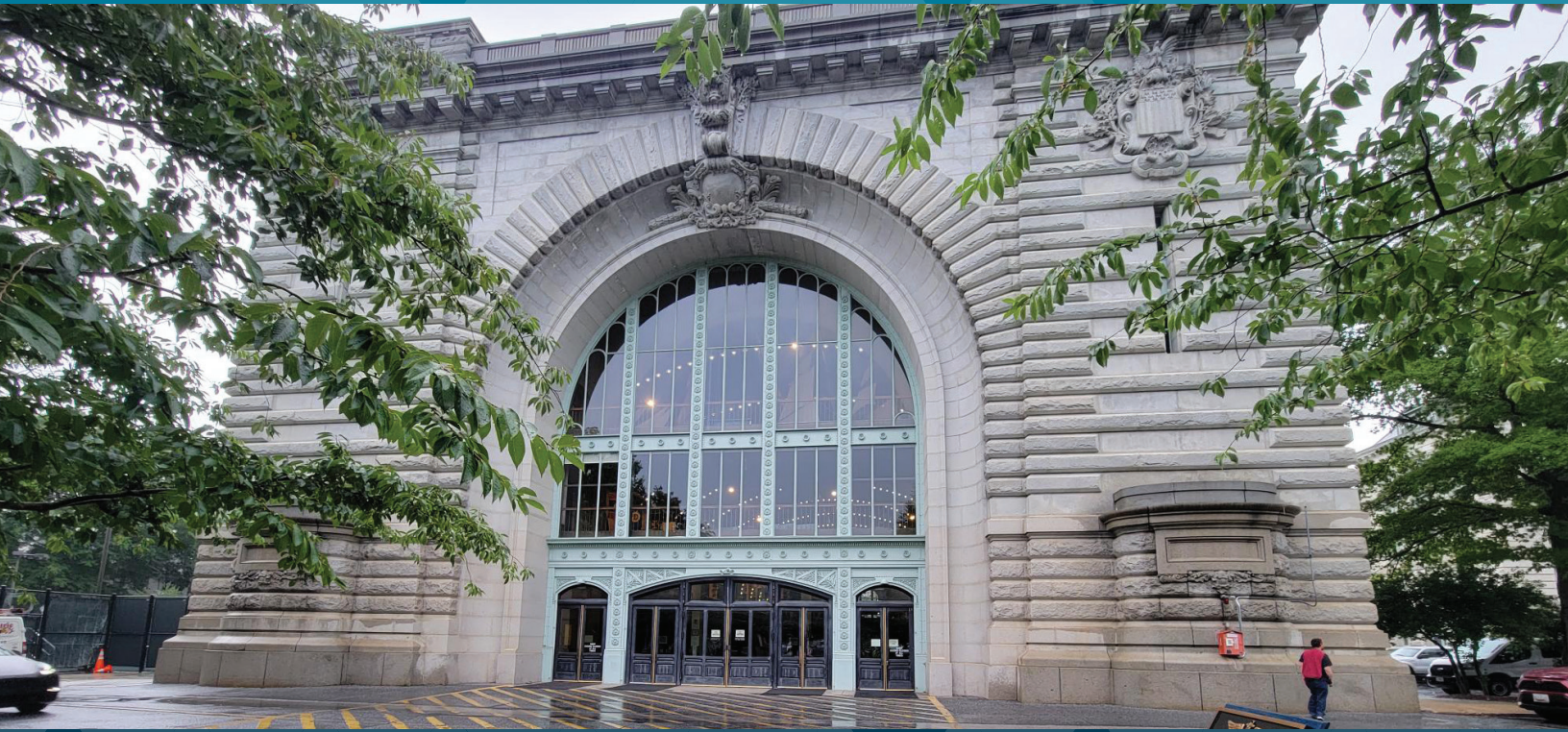
Native Association (BBNA) as the federal service provider.

BBNC's Land Department has been using Geographic Information System (GIS) tools to assess Native allotment parcels in Bristol Bay across a series of different metrics with the goal of prioritizing potential acquisition targets. The metrics being assessed are far reaching and include, but are not limited to, conservation values, economic development potential, presence of rock or gravel resources, waterfront acreage, access to subsistence resources, and other strategic importance. These scores enable the Land Department to identify specific allotments that would be promising acquisition targets. Equipped with this information, the Land Department can contact the current owners to assess their

interest in discussing a potential sale of the parcel. If there is mutual interest, the allotment owner can work with BBNA's land management office to begin the sale process. In many instances, a field appraisal or survey would be required - thus most transactions take 1-2 years to complete.

To date, BBNC has acquired six parcels, including two over the past few months – a 20-acre parcel north of Ekwok that was used as a trap-line and an 80-acre parcel on Amanka Lake that supports both conservation and economic development values.

Any Native Allotment owners from the Bristol Bay region can contact BBNC's Land Department with further questions or to discuss a potential acquisition transaction.



Bristol Alliance of Companies Project Highlight: Dahlgren Hall Kitchen Renovation

Bristol Alliance of Companies' subsidiary Bristol Prime Contractors, LLC, was contracted by the U.S. Naval Academy (USNA) to convert the existing Drydock Restaurant within Dahlgren Hall into a full-service catering kitchen to support USNA events.

Dahlgren Hall was originally designed in 1898 as an armory. Since then, the historic site has undergone multiple changes and repurposing based on the evolving needs of the Naval Academy. Uses over the years have included a

drill area for students, an ice rink, and a location for hosting dances, basketball games, and graduation ceremonies.

The \$6.4 million contract includes the complete replacement of the heating, ventilation, and air conditioning (HVAC) systems and controls, electrical replacement and modifications, fire alarm modifications and repairs, fire suppression system installation, and structural floor slab trenching and modifications.



The project is scheduled to be completed in March 2024. To learn more about the Bristol Alliance of Companies and their projects, visit: bristol-companies.com.

BRISTOL ALLIANCE OF COMPANIES HAS RECORD GOVERNMENT YEAR END

Bristol Alliance of Companies received a record number of contract awards in the months leading up to the federal government year end (August-September). Highlights include the award of three new term contracts in the construction business lines, which provides long-term financial stability. In addition, the newest subsidiary Bristol Building Constructors, LLC, received its first major contract award for work at Fort Wainwright in Fairbanks, Alaska!

KEY MILESTONE FOR VISTA GLOBAL SOLUTIONS

The Vista Global Solution (VGS) Contract Team achieved a key milestone in their support to the Defense Health Agency through the Ready Reliable Care contract. VGS was instrumental in developing a new introductory-level course for Ready Reliable Care now available through Joint Knowledge Online (JKO).



The course is designed to familiarize and orient Defense Health Agency health care professionals to Ready Reliable Care and Highly Reliable Organization (RRC/HRO) principles. The course will provide participants with a certification upon successful completion and will serve as a crucial knowledge baseline for Defense Health Agency (DHA) personnel as they continue to develop and implement their RRC/HRO initiatives.

BRISTOL BAY CONSTRUCTION HOLDINGS LLC ANNOUNCES NEW ONE CULTURE (1C) FRAMEWORK

Bristol Bay Construction Holdings LLC (BBCH) is pleased to announce the launch of its new One Culture (1C) framework. When BBCH announced that SES Group of Companies (SES) and CCI Alliance of Companies (CCI) would be integrated into the BBCH holding company to consolidate their construction line of business, BBCH leadership immediately recognized the importance of establishing a unifying cultural framework for all BBCH and subsidiary employees with a standard leadership model and supporting mission, vision, values, and desired business behaviors to unite all employees, influence decision-making, and inspire exceptional performance organization-wide.

“Developing and launching the BBCH cultural identity known internally as One Culture (1C) unites our employees and creates the highest potential for future success across the platform,” says Duncan Morrison, BBCH Chief Executive Officer.

The 1C framework was developed by a committee of nominees representing various groups across the organization tasked with creating the overarching framework by merging the common core values, mission, vision, and desired business behaviors of both companies.

The committee designed the framework graphic to represent a unified culture by using a combination of the previous SES and CCI values. The design also reflects the mountains to represent the cultural heritage of Alaska. The phrase “Guiding Our Path to Success,” emphasizes how living by these core values will lead to a successful future for our companies and employees. This graphic will aid employees in visualizing the values and desired business behaviors that will guide them



in living out the vision and mission for BBCH and its companies.

This framework is paramount to achieving the cultural unity necessary to realize BBCH’s bright future ahead and further support BBCH’s mission of enriching our Native way of life.

BBCH's Vision: We are best value companies and employers of choice, recognized for our dedication to our unity of purpose, values, employees, clients, and shareholders.

BBCH's Mission: To deliver competitive success through a mastery of performance, process discipline, trusted business relationships, and a commitment to excellence.



Second Quarter Fiscal Year (FY) 2024 MD&A & Financials

The Management Discussion and Analysis (MD&A) section is a narrative of Bristol Bay Native Corporation's (BBNC or the Corporation) financial condition from the management's perspective. The MD&A is intended to provide readers of the Corporation's financial statements with a clear understanding of how the Corporation has done over the reporting period and should be read together with the consolidated financial statements.

BUSINESS OVERVIEW

BBNC is an Alaska Native Regional Corporation created pursuant to the Alaska Native Claims Settlement Act (ANCSA) of 1971. Congress enacted ANCSA to resolve longstanding conflicts surrounding aboriginal land claims in Alaska and to open oilfield development. The Corporation was incorporated as a for-profit corporation to benefit Alaska Natives with ties to the Bristol Bay region. BBNC's assets have been allocated to a variety of businesses that operate throughout Alaska and across the U.S. The Corporation's assets are primarily allocated in two key areas: to a passive portfolio of investments (the Investment Portfolio) and to the operating subsidiary companies. The Corporation operates across five distinct business segments: Construction, Government Services, Industrial Services, Seafood, and Tourism. Additionally, the Corporation maintains an investment portfolio comprised of marketable securities, nonmarketable equity method investments, and other investments. Finally, the Corporation realizes earnings from natural resource activities, predominantly through Section 7(i) revenue-sharing payments received from other Alaska Native corporations, as stipulated under ANCSA.

RESULTS OF OPERATIONS

During the six months ended September 30, 2023, the Corporation achieved a robust revenue growth, earning a total of \$1.7 billion, which represents a significant \$246.2 million increase compared to the same period in the prior year. This growth was particularly pronounced in the Industrial Services and Construction segments. Net earnings attributable to the Corporation decreased by \$1.6 million, from \$39.3 million to \$37.8 million. This decline is attributable to various factors. First, there was a marked increase in costs from \$1.4 billion to \$1.6 billion, particularly in the Industrial Services and Construction business segments, reflecting the operational demands of these growing segments. Additionally, the Corporation experienced a \$5.1 million reduction in investment earnings from a \$4.9 million gain to a \$0.2 million loss. Finally, the decrease in Seafood revenue of \$6.2 million, without a corresponding decrease in expenses, and a \$5.4 million increase in interest cost, contributed to the reduced net earnings. Earnings before interest, taxes, depreciation, and amortization (EBITDA) increased by \$14.7 million, from \$85.3 million to \$100.0 million.

INDUSTRIAL SERVICES

The Industrial Services business segment experienced a revenue increase of \$186.9 million. A significant portion of this growth was as a result of acquisitions completed in the previous fiscal year. Compared to the same period in the prior year, earnings from operations and EBITDA in this segment increased by \$11.5 million and \$22.6 million, respectively. The Industrial Services business segment's EBITDA accounted for 67.9% of the total consolidated EBITDA, a substantial increase from 53.1% in the same period in the prior year.

CONSTRUCTION

During the six months ended September 30, 2023, the Construction business segment showed remarkable performance, with revenue increasing by \$71.1 million compared to the same period in the prior year. This strong performance came after a challenging FY2023, in which the Construction segment revenues were negatively impacted by project scheduling delays. Additionally, during the first half of the year, earnings from operations and EBITDA increased by \$4.8 million and \$5.8 million, respectively, relative to the same period in the previous year. The Construction business segment's EBITDA made up 12.3% of the total consolidated EBITDA, a substantial increase from 7.6% in the same period in the prior year.

GOVERNMENT SERVICES

During the six months ended September 30, 2023, the Government Services business segment demonstrated stability across the key financial indicators. Revenues in this segment saw a slight uptick, increasing by \$0.1 million, showcasing consistent performance. However, earnings from operations and EBITDA experienced a modest decrease, falling by \$0.3 million and \$0.2 million, respectively, a

minimal change that reflects a well-balanced operational framework. The Government Services business segment's EBITDA accounted for 24.8% of the total consolidated EBITDA, a reduction from 29.3% in the same period in the prior year.

SEAFOOD

During the six months ended September 30, 2023, the Seafood business segment experienced a decline, with revenue falling by \$6.2 million compared to the same period in the prior year. Earnings from operations and EBITDA decreased by \$11.7 million and \$8.3 million, respectively. The Seafood business segment's EBITDA accounted for 0.6% of the total consolidated EBITDA, a decline from 10.4% in the corresponding period in the prior year.

TOURISM

During the six months ended September 30, 2023, the Tourism business segment faced a decline in performance. Total revenues and earnings from operations dropped by \$1.4 million and \$0.5 million, respectively, but EBITDA remained consistent compared to prior year. The Tourism business segment's EBITDA accounted for 5.4% of the total consolidated EBITDA, a decline from 6.4% in the same period in the prior year.

INVESTMENT PORTFOLIO

The Corporation's investment portfolio is comprised of marketable securities, nonmarketable equity method investments, and other investments. As of September 30, 2023, the total market value of the Investment Portfolio was \$161.3 million, reflecting a \$8.9 million increase from \$152.4 million as of March 31, 2023. This growth in value was mainly driven by additional capital contributions to nonmarketable equity method investments and other investments. The nonmarketable equity method investments showed stable

performance, earning \$4.1 million, an increase of \$2.5 million compared with the prior year. In contrast, other investments experienced a \$0.2 million loss, marking a substantial decline of \$5.1 million from the prior year's gain of \$4.9 million. This shift in performance was partially driven by timing differences in underlying investment reporting and is expected to reverse in the fiscal year.

NATURAL RESOURCE MANAGEMENT

Natural Resource earnings are predominantly derived from income attributable to 7(i) revenue sharing, net of the 50% distribution to village corporations and at-large shareholders that the Corporation receives from other regional Alaska Native Corporations. Natural resources generated \$1.7 million in earnings during the six months ended September 30, 2023, a decrease of \$2.1 million from the same period in the prior year.

LIQUIDITY AND CASH FLOWS

As of September 30, 2023, the Corporation had \$39.4 million in cash and cash equivalents and \$18.9 million in marketable securities. The Corporation's principal source of liquidity is cash from operations. Additionally, the Corporation maintains two revolving credit facilities with various banks, collectively providing up to \$415 million in financing. These credit lines are available to support liquidity needs for both operating companies and general corporate purposes. As of September 30, 2023, the Corporation had \$71.9 million available to draw from the revolving lines of credit.

The Corporation's total liquidity decreased \$32.1 million from \$162.3 million as of March 31, 2023, to \$130.2 million as of September 30, 2023, primarily due to the working capital requirements and investment in property and equipment across all business segments.

BRISTOL BAY NATIVE CORPORATION AND SUBSIDIARIES

CONSOLIDATED BALANCE SHEETS (unaudited)

(\$ in thousands, except shares)

SEPTEMBER 30, 2023

MARCH 31, 2023

ASSETS

CURRENT ASSETS

Cash and Cash Equivalents	\$	39,407	54,043
Marketable Securities		18,888	22,828
Accounts Receivable, Net		438,718	351,607
Inventories		62,023	46,451
Contract Assets		44,260	42,991
Prepaid Expenses and Refundable Taxes		22,761	22,277
Assets Held for Sale		1,345	18,104
Due from Affiliates		437	232
Other Current Assets		21,413	6,090

TOTAL CURRENT ASSETS

649,252 564,623

Nonmarketable Equity Investments to Other Assets		43,941	37,750
Other Investments		98,430	91,821
Operating Lease Right-of-Use Assets		99,945	104,134
Property and Equipment, Net		329,035	317,310
Deferred Compensation Assets		20,780	17,631
Deferred Taxes		12	-
Intangible Assets, Net		246,716	250,728
Goodwill, Net		241,039	255,075
Other Assets		21,255	28,895

TOTAL ASSETS

\$ 1,750,405 1,667,967

LIABILITIES AND SHAREHOLDERS' EQUITY

CURRENT LIABILITIES

Accounts Payable	\$	187,351	138,477
Accrued Liabilities		121,077	122,023
Contract Liabilities		69,516	59,623
Due to Affiliates		-	-
Unclaimed Dividends		1,030	933
Operating Lease Liabilities, Current		8,879	9,401
Current Installments of Obligations Under Finance Leases		103	97
Income Tax Payable to Parent		-	-
Acquisition-Related Liabilities, Current		9,182	10,584
Current Portion of Long-Term Debt		15,524	4,021

TOTAL CURRENT LIABILITIES

412,662 345,159

Deferred Taxes		529	529
Operating Lease Liabilities, Less Current Portion		95,377	99,098
Long-Term Portion of Obligations Under Finance Leases		255	308
Acquisition-Related Liabilities, Less Current Portion		23,378	33,145
Long-Term Debt, Less Current Portion		349,660	344,404
Deferred Compensation Liabilities		21,343	18,047
Other Long-Term Liabilities		28,139	26,803

TOTAL LIABILITIES

931,343 867,493

SHAREHOLDERS' EQUITY

Class A Common Stock, No Par Value. Authorized 1,000,000 Shares; Issued and Outstanding, 488,400 Shares		29,571	29,571
Class B Common Stock, No Par Value. Authorized, 300,000 Shares; Issued and Outstanding, 51,600 Shares		3,124	3,124
Accumulated Other Comprehensive Income (Loss)		6,685	9,240
Retained Earnings		724,312	703,090

TOTAL SHAREHOLDERS' EQUITY ATTRIBUTABLE TO BRISTOL BAY NATIVE CORPORATION

763,692 745,025

Noncontrolling Interest		55,370	55,449
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TOTAL SHAREHOLDERS' EQUITY

819,062 800,474

Commitments and Contingencies

TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY

\$ 1,750,405 1,667,967

BRISTOL BAY NATIVE CORPORATION AND SUBSIDIARIES

CONSOLIDATED STATEMENT OF OPERATIONS (unaudited)

(\$ in thousands, except shares and per share data)

SIX MONTHS ENDED
SEPTEMBER 30, 2023 SEPTEMBER 30, 2022

		SEPTEMBER 30, 2023	SEPTEMBER 30, 2022
REVENUES AND GAINS			
Industrial Services	\$	1,118,299	931,415
Construction		300,915	229,808
Government Services		178,237	177,667
Seafood		41,818	48,027
Tourism		14,625	15,994
Equity in Earnings of Nonmarketable Equity Investments		4,062	1,516
Investment Earnings (Losses), Net		(165)	4,897
Natural Resources		1,738	3,813
Other		1,396	1,581
		1,660,925	1,414,718
COSTS AND EXPENSES			
Cost of Industrial Services		1,081,862	903,483
Cost of Construction		293,008	226,676
Cost of Government Services		156,572	155,678
Cost of Seafood		43,265	37,725
Cost of Tourism		10,492	11,380
Corporate General and Administrative Expense		20,543	17,955
Interest		8,211	2,785
Other		(5,448)	157
		1,608,505	1,358,839
EARNINGS FROM OPERATIONS		52,420	55,879
Income Tax Expense		(13,952)	(14,204)
NET EARNINGS		38,468	41,675
Less (Income) Attributable to Noncontrolling Interest		(746)	(2,351)
NET EARNINGS ATTRIBUTABLE TO BRISTOL BAY NATIVE CORPORATION	\$	37,722	39,324
Earnings Per Share	\$	69.86	72.81
Weighted Average Shares Outstanding		540,000	540,100

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Scholarship Program Associate

Miles King
BBTLC Experiential Learning Coordinator and Mentor

Bristol Bay Foundation (BBF)
111 West 16th Ave.
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Anchorage, AK 99501
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bbf@bristolbayfoundation.org
bristolbayfoundation.org

Camai,

As I write this letter, a hardworking crew is outside my window at the BBNC building assembling the iconic salmon lights that will lend some festive cheer as the nights grow longer here in Anchorage. The indigo-colored lights and fish will greet everyone driving on A and C Streets during the coming holiday weeks when the days are very short.

As we prepare for the holiday season, we know these months can be stressful for students and their families. We may struggle with too much to do. Exams, travel, sports, work, and seasonal illnesses can all pile up, particularly if they are coupled with life's hardships, like the loss of a loved one or an expected change in job. In those times, having someone to reach out and talk with can be critical.

The Bristol Bay Foundation (BBF) is committed to supporting Bristol Bay students to ensure their success by providing additional services beyond their scholarship awards. This month, we are announcing a new Mental Health Support program for all BBF student recipients. We've partnered with the Virtual Health Group to provide 24-hour mental health support for BBF students, including counseling, life coaching, and crisis intervention through a user-friendly app, web portal, or call center. Our aim is to connect students with licensed therapists, crisis counselors, and a wide network of accredited providers. This program is possible thanks to funding provided by the Alaska Mental Health Trust Authority. To learn more, please visit bristolbayfoundation.org/mentalhealthsupport.

Please help us share this resource with the BBF students in your life. If you should have additional questions, please contact Joanie Fullwood at (907) 265-7810 or joanie@bristolbayfoundation.org.

We're here to support all our BBF student recipients.

Aleesha Towns-Bain
Bristol Bay Foundation Executive Director



CULTURAL HERITAGE PROGRAM

BBF offers two grant programs that seek to preserve and promote the rich Alaska Native heritage of Bristol Bay: the Cultural Heritage (Piniq') and Native Place Names grant programs. Over the years, these two programs have supported 120 projects, with grant awards totaling over \$568,148.



If you are a tribal organization, school, or non-profit organization, we encourage you to apply for a Piniq' or Native Place Names grant. If you have any questions, please contact Kay Larson-Blair at kay@bristolbayfoundation.org or (907) 265-7852.

EDUCATION PROGRAM UPDATES

HIGHER EDUCATION SCHOLARSHIP

Applications are open for the 2024-25 BBF Higher Education (HE) scholarship!

BBNC shareholders AND direct lineal descendants who are pursuing a college or graduate-level degree are eligible to apply!

The application deadline is **Friday, April 5, 2024, at 5:00 p.m. Alaska time.** Award amounts vary annually and are dependent upon available funding and the number of scholarships awarded.

To learn more and/or apply for either of these scholarships, login or sign up for the myBBNC portal at myBBNC.net, and navigate to "Benefits" and click on "Bristol Bay Foundation". If you have any questions, please contact BBF at bbf@bristolbayfoundation.org or (907) 265-7810.

CAREER-FOCUSED VOCATIONAL EDUCATION SCHOLARSHIP

The Career-Focused Vocational Education (CFVE) program is designed to help BBNC shareholders and descendants achieve their career goals with specialized training in various fields like aviation, maritime, construction, information technology, dental health, and cosmetology licensing. This program offers scholarships for approved courses, enabling students to pursue rewarding careers in these industries.

Applications will open in early January, 2024 for the next deadline on **Friday, April 5, 2024.**

THE HOLIDAYS ARE A TIME OF GIVING!

As we enter the holiday season, it's a perfect time to make a meaningful difference in the lives of the students of Bristol Bay. Your contribution is tax-deductible, and every dollar counts. Make this holiday season special by supporting our students.

You can donate to BBF online by scanning the QR code to the right and selecting "DONATE NOW!" You can make a single gift or sign up for a recurring donation.



Scan the QR code to donate today!



NEW STAFF MEMBER MILES KING

BBF is excited to announce new staff member, Miles King, Bristol Bay Teaching and Learning Collaborative (BBTLC) Experiential Learning Coordinator and Mentor.

Miles states, "Born and raised in Naknek, Alaska, I've navigated two diverse worlds - the challenges of commercial fishing and the transformative power of education. Armed with a Bachelor of Inclusive Elementary Education from the University of Colorado and a Master of Organizational Leadership, I've dedicated the past five years to inspiring young minds and fostering a love for learning.

Now, as the BBTLC Experiential Learning Coordinator and Mentor for BBF, I have the privilege of blending my passion for education with my deep community ties. I'm committed to driving positive change in education, rooted in the values instilled by my hometown. Beyond work, I find joy in exploring new destinations with my loving wife, reminding me of the importance of diverse experiences and meaningful connections.

In all I do, I embrace determination, lifelong learning, and a love for both the challenges of the sea and the joys of education."





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QUYANAA, CHIN'AN, QUYANA, AND THANK YOU DONORS AND CONTRIBUTORS!



We would like to thank the many corporate business, foundation partners, and donors who have supported our mission throughout the year. These generous gifts make it possible for BBF students to reach and attain their education goals and support our cultural heritage work in Bristol Bay and beyond. We are thankful for all of your kindness!

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