

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
WASHINGTON, D.C. 20549**

FORM 10-Q

☐ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended June 30, 2025

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission file number: 001-41603

BRIDGER AEROSPACE GROUP HOLDINGS, INC.

(Exact name of registrant as specified in its charter)

Delaware
(State or Other Jurisdiction of
Incorporation or Organization)

90 Aviation Lane
Belgrade, MT
(Address of Principal Executive Offices)

88-3599336
(I.R.S. Employer
Identification No.)

59714
(Zip code)

(406) 813-0079

(Registrant's telephone number, including area code)

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading symbol(s)	Name of each exchange on which registered
Common Stock, \$0.0001 par value per share	BAER	The Nasdaq Stock Market LLC
Warrants, each whole warrant exercisable for one share of Common Stock at an exercise price of \$11.50 per share	BAERW	The Nasdaq Stock Market LLC

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days. Yes ☒ No ☐

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files). Yes ☐ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company," and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Large accelerated filer	<input type="checkbox"/>	Accelerated filer	<input type="checkbox"/>
Non-accelerated filer	<input type="checkbox"/>	Smaller reporting company	<input type="checkbox"/>
		Emerging growth company	<input type="checkbox"/>

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act). Yes ☐ No ☐

As of August 4, 2025, there were 55,527,652 shares of the registrant's common stock, par value \$0.0001 per share, issued and outstanding.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

BRIDGER AEROSPACE GROUP HOLDINGS, INC. **CONDENSED CONSOLIDATED BALANCE SHEETS** (Unaudited) (In thousands, except per share amounts)

	As of June 30, 2025	As of December 31, 2024
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 17,036	\$ 39,336
Restricted cash	13,837	13,747
Accounts receivable	18,325	5,945
Aircraft support parts	1,060	857
Prepaid expenses and other current assets	3,320	3,924
Total current assets	53,578	63,809
Property, plant, and equipment, net	181,775	183,769
Intangible assets, net	6,056	6,076
Goodwill	20,888	20,749
Other noncurrent assets ¹	16,741	16,406
Total assets	\$ 279,038	\$ 290,809
LIABILITIES, MEZZANINE EQUITY, AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable ²	\$ 6,705	\$ 5,330
Accrued expenses and other current liabilities	13,165	14,057
Operating right-of-use current liabilities ³	2,274	1,835
Current portion of long-term debt, net of debt issuance costs	2,504	2,170
Total current liabilities	24,648	23,392
Long-term accrued expenses and other noncurrent liabilities	4,140	5,388
Operating right-of-use noncurrent liabilities ⁴	6,849	6,083
Long-term debt, net of debt issuance costs	201,015	202,469
Total liabilities	236,652	237,332
COMMITMENTS AND CONTINGENCIES		
MEZZANINE EQUITY		
Series A Preferred Stock, \$0.0001 par value; 315,789.473684 shares authorized, issued and outstanding at June 30, 2025 and December 31, 2024	393,376	380,179
STOCKHOLDERS' DEFICIT		
Common Stock, \$0.0001 par value; 1,000,000,000 shares authorized; 55,491,476 shares issued and outstanding at June 30, 2025; 54,209,388 shares issued and outstanding at December 31, 2024	6	6
Additional paid-in capital	92,843	101,495
Accumulated deficit	(444,469)	(429,239)
Accumulated other comprehensive income	630	1,036
Total stockholders' deficit	(350,990)	(326,702)
Total liabilities, mezzanine equity and stockholders' deficit	\$ 279,038	\$ 290,809

¹ Includes related party operating lease right-of-use assets of zero and \$5.1 million as of June 30, 2025 and December 31, 2024, respectively.

² Includes related party accounts payable of zero and \$0.1 million as of June 30, 2025 and December 31, 2024, respectively.

³ Includes related party operating lease right-of-use current liabilities of zero and \$1.3 million as of June 30, 2025 and December 31, 2024, respectively.

⁴ Includes related party operating lease right-of-use noncurrent liabilities of zero and \$3.8 million as of June 30, 2025 and December 31, 2024, respectively.

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

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(Unaudited)
(In thousands, except per share amounts)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues ¹	\$ 30,751	\$ 13,014	\$ 46,397	\$ 18,521
Cost of revenues:				
Flight operations	7,856	5,106	14,108	10,115
Maintenance	10,844	4,761	21,799	8,958
Total cost of revenues	18,700	9,867	35,907	19,073
Gross income (loss)	12,051	3,147	10,490	(552)
Selling, general and administrative expense ²	6,524	7,902	15,114	19,512
Operating income (loss)	5,527	(4,755)	(4,624)	(20,064)
Interest expense ³	(5,737)	(5,854)	(11,472)	(11,777)
Other income	700	144	1,299	1,303
Income (loss) before income taxes	490	(10,465)	(14,797)	(30,538)
Income tax (expense) benefit	(182)	484	(433)	470
Net income (loss)	<u>\$ 308</u>	<u>\$ (9,981)</u>	<u>\$ (15,230)</u>	<u>\$ (30,068)</u>
Series A Preferred Stock – adjustment to maximum redemptions value	(6,636)	(6,196)	(13,197)	(12,385)
Loss attributable to Common stockholders - basic and diluted	<u>\$ (6,328)</u>	<u>\$ (16,177)</u>	<u>\$ (28,427)</u>	<u>\$ (42,453)</u>
Loss per share - basic and diluted	\$ (0.12)	\$ (0.33)	\$ (0.53)	\$ (0.89)
Weighted average Common Stock outstanding – basic and diluted	53,878,966	48,326,688	53,846,770	47,964,465

¹ Includes related party revenues of zero for the three and six months ended June 30, 2025, and \$0.1 million and \$0.2 million for the three and six months ended June 30, 2024, respectively.

² Includes related party cost of revenues of \$0.3 million and \$1.3 million for the three and six months ended June 30, 2025, respectively, and \$0.4 million and \$1.4 million for the three and six months ended June 30, 2024, respectively.

³ Includes related party interest expense of zero for the three and six months ended June 30, 2025, and \$0.3 million and \$0.6 million for the three and six months ended June 30, 2024, respectively.

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

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
(Unaudited)
(In thousands)

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 308	\$ (9,981)	\$ (15,230)	\$ (30,068)
Other comprehensive (loss) income, net of tax:				
Foreign currency translation adjustment	(63)	—	(95)	—
Unrealized (loss) gain on derivative instruments	(127)	(22)	(311)	94
Reclassification of realized loss on investments in marketable securities to earnings	—	—	—	30
Total other comprehensive (loss) income, net of tax	(190)	(22)	(406)	124
Comprehensive income (loss)	\$ 118	\$ (10,003)	\$ (15,636)	\$ (29,944)

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

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
For the Six Months Ended June 30, 2025
(Unaudited)
(In thousands, except share amounts)

	Series A Preferred Stock		Common Stock		Additional	Accumulated	Accumulated	Total
	Share	Value	Share	Value	Paid-in	Deficit	Other Comprehensive	Stockholders'
					Capital		Income	Deficit
Balance at December 31, 2024	315,789	\$ 380,179	54,209,388	\$ 6	\$ 101,495	\$ (429,239)	\$ 1,036	\$ (326,702)
Net loss	—	—	—	—	—	(15,538)	—	(15,538)
Foreign currency translation adjustment	—	—	—	—	—	—	(32)	(32)
Unrealized loss on derivative instruments	—	—	—	—	—	—	(184)	(184)
Series A Preferred Stock adjustment to maximum redemptions value	—	6,561	—	—	(6,561)	—	—	(6,561)
Repurchased shares for tax withholding	—	—	(226,860)	—	(342)	—	—	(342)
Stock-based compensation	—	—	760,118	—	1,991	—	—	1,991
Balance at March 31, 2025	315,789	\$ 386,740	54,742,646	\$ 6	\$ 96,583	\$ (444,777)	\$ 820	\$ (347,368)
Net income	—	—	—	—	—	308	—	308
Foreign currency translation adjustment	—	—	—	—	—	—	(63)	(63)
Unrealized loss on derivative instruments	—	—	—	—	—	—	(127)	(127)
Series A Preferred Stock adjustment to maximum redemptions value	—	6,636	—	—	(6,636)	—	—	(6,636)
Common Stock issued related to Ignis Acquisition	—	—	617,189	—	1,191	—	—	1,191
Repurchased shares for tax withholding	—	—	(16,909)	—	(32)	—	—	(32)
Stock-based compensation	—	—	148,550	—	1,737	—	—	1,737
Balance at June 30, 2025	315,789	\$ 393,376	55,491,476	\$ 6	\$ 92,843	\$ (444,469)	\$ 630	\$ (350,990)

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

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
For the Six Months Ended June 30, 2024
(Unaudited)
(In thousands, except share amounts)

	Series A Preferred Stock		Common Stock		Additional	Accumulated	Accumulated	Total
	Share	Value	Share	Value	Paid-in	Deficit	Other Comprehensive Income	Stockholders' Deficit
Balance at December 31, 2023	315,789	\$ 354,840	47,200,504	\$ 5	\$ 84,771	\$ (413,672)	\$ 987	\$ (327,909)
Net loss	—	—	—	—	—	(20,087)	—	(20,087)
Unrealized gain on derivative instruments	—	—	—	—	—	—	116	116
Reclassification of realized loss on investments in marketable securities to earnings	—	—	—	—	—	—	30	30
Series A Preferred Stock adjustment to maximum redemptions value	—	6,189	—	—	(6,189)	—	—	(6,189)
Sales of Common Stock through the at-the-market offering	—	—	33,798	—	168	—	—	168
Costs related to the at-the-market offering	—	—	—	—	(670)	—	—	(670)
Stock-based compensation	—	—	31,863	—	5,873	—	—	5,873
Balance at March 31, 2024	315,789	\$ 361,029	47,266,165	\$ 5	\$ 83,953	\$ (433,759)	\$ 1,133	\$ (348,668)
Net loss	—	—	—	—	—	(9,981)	—	(9,981)
Unrealized gain on derivative instruments	—	—	—	—	—	—	(22)	(22)
Series A Preferred Stock adjustment to maximum redemptions value	—	6,196	—	—	(6,196)	—	—	(6,196)
Sales of Common Stock through the registered direct offering	—	—	2,183,366	—	9,169	—	—	9,169
Costs related to offerings	—	—	—	—	(336)	—	—	(336)
Common Stock issued related to Ignis Acquisition	—	—	1,079,913	—	5,000	—	—	5,000
Common Stock issued related to FMS Acquisition	—	—	3,728,945	1	19,022	—	—	19,023
Repurchased shares for tax withholding	—	—	(114,196)	—	(466)	—	—	(466)
Cancellation of vested restricted stock units	—	—	(2,032,545)	—	—	—	—	—
Stock-based compensation	—	—	1,676,729	—	4,477	—	—	4,477
Balance at June 30, 2024	315,789	\$ 367,225	53,788,377	\$ 6	\$ 114,623	\$ (443,740)	\$ 1,111	\$ (328,000)

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

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
(Unaudited)
(In thousands)

	For the Six Months Ended June 30,	
	2025	2024
Cash Flows from Operating Activities:		
Net loss	\$ (15,230)	\$ (30,068)
Adjustments to reconcile net loss to net cash used in operating activities, net of acquisition:		
(Gain) loss on disposal of fixed assets	(136)	237
Depreciation and amortization	5,999	3,288
Stock-based compensation expense	3,728	10,350
Deferred tax benefit	—	(490)
Change in fair value of the Warrants	1,066	(2,132)
Amortization of debt issuance costs	501	442
Change in fair value of embedded derivative	—	(885)
Change in fair value of earnout consideration	(2,748)	207
Realized gain on investments in marketable securities	—	(16)
Changes in operating assets and liabilities		
Accounts receivable	(12,380)	(8,893)
Aircraft support parts	(203)	11
Prepaid expense and other current and noncurrent assets	2,257	1,245
Accounts payable, accrued expenses and other liabilities ¹	931	1,146
Net cash used in operating activities	(16,215)	(25,558)
Cash Flows from Investing Activities:		
Proceeds from sales and maturities of marketable securities	—	1,055
Purchases of property, plant and equipment	(4,237)	(1,948)
Expenditures for capitalized software	(626)	(756)
Cash acquired through acquisition	—	2,592
Proceeds from sales of property, plant and equipment	973	505
Collection of note receivable	—	3,000
Net cash (used in) provided by investing activities	(3,890)	4,448
Cash Flows from Financing Activities:		
Repayments on debt	(1,621)	(1,466)
Payment of issuance costs for Common Stock in offerings	—	(674)
Proceeds from issuance of Common Stock in the registered direct offering	—	9,169
Proceeds from issuance of Common Stock in the at-the-market offering	—	168
Payment of finance lease liability	(15)	(13)
Cash paid for taxes related to net share settlement of equity awards	(374)	(466)
Net cash (used in) provided by financing activities	(2,010)	6,718
Effects of exchange rate changes	(95)	—
Net change in cash, cash equivalents and restricted cash	(22,210)	(14,392)
Cash, cash equivalents and restricted cash – beginning of the period	53,083	36,937
Cash, cash equivalents and restricted cash – end of the period	\$ 30,873	\$ 22,545
Less: Restricted cash – end of the period	13,837	14,019
Cash and cash equivalents – end of the period	\$ 17,036	\$ 8,526

¹ Includes related party accounts payable of zero and \$0.1 million for the six months ended June 30, 2025 and 2024, respectively.

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

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
(Unaudited)

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION

Nature of Business

Bridger Aerospace Group Holdings, Inc. and its subsidiaries (“Bridger”, “the Company,” “we,” “us” or “our”) provide aerial wildfire surveillance, relief and suppression and aerial firefighting services using next-generation technology and environmentally friendly and sustainable firefighting methods primarily throughout the United States, as well as airframe modification and integration solutions for governmental and commercial customers.

As of June 30, 2025, the Company ownstwelve aircraft, including six Viking CL-415EAFs (“Super Scoopers”), four Daher Kodiak 100s (“Daher Kodiaks”), one Twin Commander surveillance platform and one Pilatus PC-12 (“Pilatus”).

Principles of Consolidation and Basis of Presentation

The Condensed Consolidated Financial Statements have been prepared in accordance with U.S. generally accepted accounting principles (“GAAP”). The Condensed Consolidated Financial Statements include the financial statements of the Company, all entities that are wholly-owned by the Company and all entities in which the Company has a controlling financial interest, for which all intercompany transactions have been eliminated upon consolidation. Certain amounts have been reclassified to conform to the current period's presentation.

The information as of June 30, 2025 and for the three and six months ended June 30, 2025 and 2024 is unaudited. The condensed consolidated balance sheet as of December 31, 2024 was derived from the Company's audited consolidated financial statements at that date. In the opinion of management, these unaudited condensed consolidated financial statements include all adjustments, consisting of normal recurring adjustments, except as otherwise disclosed, necessary for a fair presentation of the Company's financial position, results of operations and cash flows for the interim periods presented. Management also has evaluated the impact of events occurring after June 30, 2025 up to the date of issuance of these condensed financial statements, and these statements contain all necessary adjustments and disclosures resulting from that evaluation.

The results have been prepared in accordance with the instructions to Form 10-Q and do not necessarily include all information and footnotes necessary for presentation in accordance with GAAP, however, the Company believes that the disclosures are adequate to prevent the information presented from being misleading. Due to seasonal fluctuations and other factors, interim operating results are not necessarily indicative of operating results expected in subsequent periods or for the year as a whole. These unaudited condensed consolidated financial statements should be read in conjunction with the consolidated financial statements and the related notes included in the Company's audited annual consolidated financial statements for the fiscal year ended December 31, 2024, included in the Company's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the “SEC”) on March 14, 2025 (the “Form 10-K”).

Recent Activity

On May 23, 2025, the Company entered into a Purchase and Sale Agreement with an unrelated third party for the sale and leaseback of its hangar and office facilities at the Bozeman Yellowstone International Airport in Belgrade, Montana, with an aggregate preliminary purchase price of approximately \$46.0 million. The transaction is expected to close in the third quarter of 2025, and is subject to contractual terms, closing conditions and approvals that are standard and customary for this type of transaction. Concurrent with the closing of the transaction, the Company will enter into a 10-year market-based lease agreement with the third-party buyer for the hangar and office facilities, which the Company will continue to utilize as the main base for its operations. As of the date these condensed consolidated financial statements are issued, the transaction is not complete and is awaiting approvals that are more than perfunctory and administrative, and as such, the related assets have not been classified as held for sale for the quarter ended June 30, 2025.

Reverse Recapitalization

On January 24, 2023 (the “Closing Date”), Jack Creek Investment Corp (“JCIC”) completed the reverse recapitalization (the “Closing” and the “Reverse Recapitalization”) with the Company's predecessor, Bridger Aerospace Group Holdings, LLC and its subsidiaries (collectively, “Legacy Bridger”), which operated the majority of the historical business and was identified as the acquirer and predecessor upon the consummation of the transactions contemplated by the agreement and plan of merger (the “Transaction Agreements”) entered into on August 3, 2022. On the Closing Date, pursuant to the Transaction Agreements, JCIC and Legacy Bridger became wholly owned subsidiaries of a new public entity that was renamed Bridger Aerospace Group Holdings, Inc, and JCIC shareholders and Legacy Bridger equity holders converted their equity ownership in JCIC and Legacy Bridger, respectively, into equity ownership in Bridger.

Upon the consummation of the Reverse Recapitalization, Bridger issued Common Stock to the Legacy Bridger equity holders and Series A Preferred Stock (as defined below) as summarized below:

- the surrender and exchange of all 606,061 Legacy Bridger incentive units (“Incentive Units”) into 583,308 shares of Bridger’s common stock, par value \$0.0001, (“Common Stock”) at a deemed value of \$10.00 per share as adjusted by the per share Common Stock consideration of approximately 0.96246 (the “Exchange Ratio”), rounded down to the nearest share for each holder;
- the direct or indirect surrender and exchange of the remaining 40,000,000 issued and outstanding shares of Legacy Bridger common shares (excluding Incentive Units) into 38,498,436 shares of Common Stock at a deemed value of \$10.00 per share as adjusted by the Exchange Ratio, rounded down to the nearest share for each holder; and
- the surrender and exchange of all 315,789.473684 issued and outstanding Series C preferred shares of Legacy Bridger (the “Legacy Bridger Series C Preferred Shares”), which were surrendered and exchanged on a one-to-one basis in connection with the Reverse Recapitalization into 315,789.473684 shares of preferred stock of Bridger that have the rights, powers, designations, preferences and qualifications, limitations and restrictions set forth in Section 4.5 of the Amended and Restated Certificate of Incorporation (the “Series A Preferred Stock”). The Series A Preferred Stock are convertible at the election of the holders into shares of Common Stock, without the payment of additional consideration by the holders into such number of shares of Common Stock as determined by dividing the original issue price, plus accrued interest by a conversion price equal to \$11.00 at the time of conversion.

Other related events occurred in connection with the Reverse Recapitalization, are summarized below:

- the filing and effectiveness of the Amended and Restated Certificate of Incorporation of Bridger and the effectiveness of the Amended and Restated Bylaws of Bridger, each of which occurred immediately prior to the Closing;
- the adoption and assumption of the Bridger Aerospace Group Holdings, Inc. 2023 Omnibus Incentive Plan (the “Omnibus Plan”) and any grants or awards issued thereunder and adoption of the 2023 Employee Stock Purchase Plan upon the Closing to grant equity awards to Bridger employees; and
- during the period from the Closing until five years following the Closing, JCIC subjected 20% of JCIC’s issued and outstanding common stock (“Sponsor Earnout Shares”), comprised of two separate tranches of 50% of the Sponsor Earnout Shares per tranche, to potential forfeiture to Bridger for no consideration until the occurrence (or deemed occurrence) of certain triggering events.

Immediately after giving effect to the Transaction Agreements, the following were outstanding:

- 43,769,290 shares of Common Stock;
- 315,789.473684 shares of Bridger Series A Preferred Stock;
- 9,400,000 private placement warrants (“Private Placement Warrants”) to purchase shares of Common Stock at an exercise price of \$1.50 per share;
- 17,250,000 public warrants (“Public Warrants”) to purchase shares of Common Stock at an exercise price of \$1.50 per share; and
- 6,581,497 restricted stock units issued to the executives and senior management of the Company.

The Sponsor Earnout Shares are determined to be equity classified instruments of Bridger and the Public Warrants and Private Placement Warrants are determined to remain liability classified instruments upon the Closing.

On January 25, 2023, shares of the Company’s Common Stock began trading on the Nasdaq Global Market under the ticker symbol “BAER.”

Immaterial Restatement of Prior Period Financial Statements

Subsequent to the issuance of the Company’s financial statements for the nine months ended September 30, 2024, the Company’s management identified an error in the classification of cash collected for a note receivable that had previously been included in operating activities but should have been included in investing activities within the Condensed Consolidated Statements of Cash Flows. As a result, the accompanying Condensed Consolidated Statements of Cash Flows for the six months ended June 30, 2024 has been restated from amounts previously reported. The Company will also correct previously reported financial information for such immaterial errors in future filings, as applicable. Management determined that the error was not material to previously issued financial statements.

The following table presents the effects of the correction on all affected line items of the Company's previously reported Condensed Consolidated Financial Statements presented in this Quarterly Report on Form 10-Q:

\$s in thousands	For the six months ended June 30, 2024		
	As Previously Reported	Impact of Restatement	As Restated
Statements of Cash Flows:			
Cash Flows from Operating Activities:			
Accounts receivable	\$ (5,893)	\$ (3,000)	\$ (8,893)
Net cash used in operating activities	(22,558)	(3,000)	(25,558)
Cash Flows from Investing Activities:			
Collection of note receivable	\$ —	\$ 3,000	\$ 3,000
Net cash provided by investing activities	1,448	3,000	4,448

NOTE 2 – SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Variable Interest Entities

The Company follows ASC 810-10-15, *Consolidation*, guidance with respect to accounting for variable interest entities ("VIE"). These entities do not have sufficient equity at risk to finance their activities without additional subordinated financial support from other parties or whose equity investors lack any of the characteristics of a controlling financial interest. A variable interest is an investment or other interest that will absorb portions of a VIE's expected losses or receive portions of its expected returns and are contractual, ownership or pecuniary in nature and that change with changes in the fair value of the entity's net assets. A reporting entity is the primary beneficiary of a VIE and must consolidate it when that party has a variable interest, or combination of variable interests, that provide it with a controlling financial interest. A party is deemed to have a controlling financial interest if it meets both of the power and loss/benefits criteria. The power criterion is the ability to direct the activities of the VIE that most significantly impact its economic performance. The losses/benefits criterion is the obligation to absorb losses from, or right to receive benefits from, the VIE that could potentially be significant to the VIE. The VIE model requires an ongoing reconsideration of whether a reporting entity is the primary beneficiary of a VIE due to changes in the facts and circumstances.

Northern Fire Management Services, LLC ("NFMS, LLC"): The Company assisted in designing and organizing NFMS, LLC with a business purpose of employing Canadian aviation professionals to provide services to the Company. A master services agreement exists between NFMS, LLC, the Company, and Bridger Air Tanker, LLC, a wholly-owned subsidiary of the Company, to transfer all annual expenses incurred to the Company in exchange for the Canadian employees to support the Company's water scooper aircraft. NFMS, LLC is 50% owned by a Canadian citizen, and 50% owned by Bridger Aerospace Group, LLC. NFMS, LLC was determined to be a VIE primarily due to the entity's lack of sufficient equity investment at risk and the Company was determined to be the primary beneficiary of the VIE primarily attributable to the Company's responsibility for all decisions related to NFMS, LLC's expenditures. Accordingly, NFMS, LLC has been consolidated by the Company for the three and six months ended June 30, 2025 and 2024 and the year ended December 31, 2024, and all intercompany expenses associated with NFMS, LLC and its service agreement have been eliminated in consolidation. As of June 30, 2025 and December 31, 2024, NFMS, LLC's assets and liabilities were immaterial to the Company's Condensed Consolidated Financial Statements.

Bridger Aerospace Europe, S.L.U. (“BAE”) and MAB Funding, LLC (“MAB”): On November 17, 2023, we entered into a series of agreements designed to facilitate the purchase and return to service of four Canadair CL-215T Amphibious Aircraft (the “Spanish Scoopers”) originally awarded to our wholly-owned subsidiary, BAE, in September 2023 via a public tender process from the Government of Spain for €40.3 million. Under the terms of the agreements, we agreed to sell the entire outstanding equity interest in BAE to MAB and purchase \$4.0 million of non-voting Class B units of MAB. We also entered into a services agreement with MAB whereby we will manage the return to service upgrades of the Spanish Scoopers through our wholly-owned Spanish subsidiary, Albacete Aero, S.L., while they are owned and funded by MAB. The service agreement also provides that we have the right, but not the obligation, to acquire each Spanish Scooper as it is ready to be contracted and returned to service. The Company assessed both MAB and BAE for variable interest entity accounting under ASC 810-10-15 and determined that MAB is a voting interest entity and BAE is a variable interest entity. However, neither entity is consolidated in the Condensed Consolidated Financial Statements as the Company does not have a controlling financial interest in MAB and the Company is not the primary beneficiary of BAE. Accordingly, neither of these entities have been consolidated in the Condensed Consolidated Financial Statements of the Company for the three and six months ended June 30, 2025 and 2024 and the year ended December 31, 2024. Refer to “*Note 16 – Commitments and Contingencies*” included in this Quarterly Report on Form 10-Q for additional details.

Use of Estimates

The preparation of financial statements in conformity with GAAP, requires management to make assumptions and estimates that affect the reported amounts of assets and liabilities, disclosure of gain or loss contingencies as of the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Such estimates and assumptions include: (a) excess and aging aircraft support parts reserves, (b) allowance for doubtful accounts, (c) useful lives of property, plant and equipment, net, (d) allocation of the purchase price to the fair value of assets acquired and liabilities assumed, (e) impairment of long-lived assets, goodwill and other intangible assets, (f) disclosure of fair value of financial instruments, (g) variable interest entities, (h) accounting for Series A Preferred Stock, (i) revenue recognition, (j) estimates and assumptions made in determining the carrying values of goodwill, other intangible assets, and contingent consideration and (k) Public Warrants and Private Placement Warrants. In the future, the Company may realize actual results that differ from the current reported estimates and if the estimates that the Company has used change in the future, such changes could have a material impact on the Company’s condensed consolidated financial position, results of operations and cash flows.

Accounts Receivable

Accounts receivable consist of amounts due from our customers. The Company maintains an allowance for doubtful accounts equal to the estimated losses expected to be incurred based upon a review of the outstanding accounts receivable, historical collection information and existing economic conditions. For the three and six months ended June 30, 2025 and 2024, the Company did not record any bad debt expense as accounts receivables have historically been collected in accordance with the policy and there is no history of write-offs.

Deferred Offering Costs

Deferred offering costs primarily consist of capitalized legal, accounting and other third-party costs incurred that are related to the Reverse Recapitalization and subsequent securities offerings. As of June 30, 2025 and December 31, 2024, the Company recorded \$19.6 million to Stockholders’ deficit in the Condensed Consolidated Balance Sheets.

Revenue Recognition

Aerial firefighting revenues

The Company enters into short, medium and long-term contracts with customers, primarily with government agencies during the firefighting season, to perform aerial firefighting services (fire suppression and aerial surveillance). The Company recognizes revenue under ASC 606, *Revenue from Contracts with Customers* (“ASC 606”).

The majority of the Company’s aerial firefighting contracts have a single performance obligation as the promise to transfer the individual goods or services is not separately identifiable from other promises in the contracts and, therefore, are not distinct. The Company primarily performs the following activities on contracts as part of a stand-ready obligation: (i) providing our aircraft, pilot, and field maintenance personnel necessary to operate the aircraft and (ii) performing the services required on the contract, whether it be fire suppression or aerial surveillance services. The integrated firefighting services that we perform under each contract represent a single performance obligation satisfied over time, as a series of distinct time increments.

Our firefighting contracts generally provide for payment on a day rate basis. Such activities consist of standby and flight time. Standby rates are charged daily when aircraft is available for use at a fire base, awaiting request from the customer for flight deployment. Flight time is charged hourly when the engines of the aircraft are started and stopped upon request of the customer. The amounts billed to the customer are determined based on varying rates applicable to the specific activities performed on a daily basis. Such consideration is allocated to the distinct daily increment it relates to within the contract and therefore, recognized as we perform the daily firefighting services on the contract.

We measure progress in a manner that depicts the performance of transferring control to the customer. As such, we utilize the output method to recognize revenue over time as this depicts the Company's performance toward complete satisfaction of the performance obligation. As the Company has a right to consideration from customers in an amount that corresponds directly with the value to the customer of the Company's performance completed to date, the Company has applied the practical expedient to recognize revenue in the amount to which we have the right to invoice. We have elected to exclude from the transaction price all taxes assessed by governmental and foreign authorities.

Maintenance, Repair and Overhaul ("MRO") revenues

Maintenance repair revenue consists of maintenance repair and return-to-service work performed on customer aircraft. The Company commonly contracts with third-parties to perform certain repair and return-to-service work. The Company considers itself the principal in these arrangements as we control the timing and nature of the services ultimately provided by the third-party to the customer.

Each maintenance contract consists of integrated repair and return-to-service activities that are highly interdependent, and therefore, represent a single performance obligation. For contracts with multiple performance obligations, the Company allocates the contract's transaction price to each performance obligation using the best estimate of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate standalone selling price is the expected-cost-plus-margin approach, under which the Company forecasts the expected costs of satisfying a performance obligation and then adds an appropriate margin for that distinct good or service.

The Company satisfies the underlying performance obligations over time as either the customer obtains control or receives benefits as work is performed on the contract, or the products we are building are assets with no alternative use and we have an enforceable right to payment. As a result, under ASC 606, revenue is recognized over time using the cost-to-cost method (cost incurred relative to total estimated cost at completion).

Contract estimates

Actual revenues and project costs may vary from previous estimates due to changes in a variety of factors. The cost estimation process is based upon the professional knowledge and experience of our engineers, project managers and financial professionals. Factors that are considered in estimating the work to be completed and ultimate contract recovery include the availability and productivity of labor, the nature and complexity of the work to be performed, the availability of materials, and the effect of any delays on our project performance. We periodically review our job performance, job conditions, estimated profitability and final contract settlements, including our estimate of total costs and make revisions to costs and income in the period in which the revisions are probable and reasonably estimable. We bear the risk of cost overruns in most of our contracts, which may result in reduced profits. Whenever revisions of estimated contract costs and contract values indicate that the contract costs will exceed estimated revenues, thus creating a loss, a provision for the total estimated loss is recorded in that period. Contracts can be modified to account for changes in contract specifications and requirements. Contract modifications are considered to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the Company's contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price, and the measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis. Total cumulative catch-up adjustments were not material for the three and six months ended June 30, 2025.

Other revenues

Other revenues primarily consists of training services and lease revenue when we lease our owned aircraft to third parties, typically on an hourly or daily basis. We had training services and lease revenue of \$3.3 million and \$3.6 million for the three and six months ended June 30, 2025, respectively, and \$0.2 million and \$0.8 million for the three and six months ended June 30, 2024, respectively.

Contract assets & liabilities

The timing of revenue recognition, customer billings, and cash collections results in a contract asset or contract liability at the end of each reporting period. For instances where we recognize revenue prior to having an unconditional right to payment, we record a contract asset. When amounts are dependent on factors other than the passage of time in order for payment from a customer to be due, we record a contract asset which consists of costs incurred where revenue recognized over time using the cost-to-cost model exceeds the amounts billed to customers. Contract assets are recorded within Accounts receivable in the Condensed Consolidated Balance Sheets. Contract liabilities include advance payments and billings in excess of revenue recognized. Contract liabilities are recorded as deferred revenue within Accrued expenses and other current liabilities in the Condensed Consolidated Balance Sheets. Certain customers make advance payments prior to the satisfaction of our performance obligations on the contract. These amounts are recorded as contract liabilities until such performance obligations are satisfied over time as costs are incurred. Contract assets and contract liabilities are determined on a contract-by-contract basis.

Payment terms vary by customer and type of revenue contract. The Company generally expects that the period of time between payment and transfer of promised goods or services will be less than one year. In such instances, the Company has elected the practical expedient to not evaluate whether a significant financing component exists.

Net contract (liabilities) assets are as follows:

\$s in thousands	As of June 30, 2025	As of December 31, 2024	Net Change
Contract assets	\$ 284	\$ 1,746	\$ (1,462)
Contract liabilities	1,165	858	307
Net contract (liabilities) assets	\$ (881)	\$ 888	\$ (1,769)

Changes in the balances of the Company's contract assets and liabilities primarily result from timing differences between revenue recognition and customer billings and/or payments. There were no significant impairment losses related to any receivables or contract assets arising from the Company's contracts with customers during the six months ended June 30, 2025 and 2024.

For the six months ended June 30, 2025, the Company recognized revenues of \$0.8 million that was previously included in the contract liabilities that existed at December 31, 2024.

Remaining performance obligations

The Company calculates revenues from remaining performance obligations as the dollar value of the remaining performance obligations on executed contracts. As of June 30, 2025, the Company has remaining unsatisfied performance obligations of \$9.4 million, of which 82% is expected to be recognized as revenue in the next twelve months and 18% thereafter.

Contract costs

The Company has not incurred incremental costs for obtaining contracts with customers. In addition, the Company evaluates whether or not it should capitalize the costs of fulfilling a contract. Such costs would be capitalized when they are not within the scope of other standards and: (1) are directly related to a contract; (2) generate or enhance resources that will be used to satisfy performance obligations; and (3) are expected to be recovered. The Company has elected to use the practical expedient detailed in ASC 340-40, *Other Assets and Deferred Costs-Contracts with Customers*, to expense any costs to fulfill a contract as they are incurred when the amortization period would be one year or less.

Revenue Disaggregation

The following table presents the disaggregation of revenue by service:

\$s in thousands	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Fire suppression	\$ 18,075	\$ 7,466	\$ 23,858	\$ 11,347
Aerial surveillance	4,023	3,514	5,734	4,097
MRO	5,356	1,817	13,246	2,245
Other services	3,297	217	3,559	832
Total revenues	\$ 30,751	\$ 13,014	\$ 46,397	\$ 18,521

Certain amounts have been reclassified to conform to the current period's presentation.

The following table presents the disaggregation of revenue by geographic area:

\$s in thousands	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
United States	\$ 25,669	\$ 11,197	\$ 35,406	\$ 15,676
Spain	5,082	1,817	10,991	2,845
Total revenues	\$ 30,751	\$ 13,014	\$ 46,397	\$ 18,521

Concentration Risk

The Company had three customers who individually accounted for 51%, 23% and 17% of total revenues for the three months ended June 30, 2025, and three customers who individually accounted for 47%, 24% and 17% of total revenues for the six months ended June 30, 2025. The Company had three customers who individually accounted for 61%, 20% and 14% of total revenues for the three months ended June 30, 2024, and three customers who individually accounted for 63%, 16% and 15% of total revenues for the six months ended June 30, 2024. As of June 30, 2025, two customers accounted for 57% and 12% of trade accounts receivable. As of December 31, 2024, two customers accounted for 42% and 17% of trade accounts receivable, respectively.

Business Combinations

The Company records tangible and intangible assets acquired and liabilities assumed in business combinations under the acquisition method of accounting in accordance with ASC 805, *Business Combinations*. Under the acquisition method of accounting, amounts paid for the acquisition are allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition inclusive of identifiable intangible assets. Acquisition consideration includes contingent consideration with payment terms based on the achievement of certain targets of the acquired business. The estimated fair value of identifiable assets and liabilities, including intangibles, are based on valuations that use information and assumptions available to management. The Company allocates any excess purchase price over the fair value of the tangible and identifiable intangible assets acquired and liabilities assumed to goodwill. Significant management judgments and assumptions are required in determining the fair value of assets acquired and liabilities assumed, particularly acquired intangible assets, including estimated useful lives. The valuation of purchased intangible assets is based upon estimates of the future performance and discounted cash flows of the acquired business. Each asset acquired or liability assumed is measured at estimated fair value from the perspective of a market participant.

Contingent consideration represents an obligation of the acquirer to transfer additional assets or equity interests to the seller if future events occur or conditions are met, and is recognized when probable and reasonably estimable. Contingent consideration is first assessed as either an equity or liability depending on the nature of the consideration. All contingent considerations is classified as a liability. Contingent consideration recognized is included in the initial cost of the assets acquired and recorded in Accrued expenses and other current liabilities and Long-term accrued expenses and other noncurrent liabilities within the Condensed Consolidated Balance Sheets. Subsequent changes in the estimated fair value of contingent consideration are recognized as Selling, general and administrative expenses within the Condensed Consolidated Statements of Operations.

Income Taxes

For periods prior to the Reverse Recapitalization, Bridger Aerospace Group Holdings, LLC was a partnership for federal income tax purposes. Consequently, federal income taxes were not payable or provided for by Legacy Bridger. Members were taxed individually on their pro rata ownership share of the Legacy Bridger's earnings. Legacy Bridger's net income or loss was allocated among the members in accordance with the Company's operating agreement.

Subsequent to the Reverse Recapitalization, Bridger Aerospace Group Holdings, Inc. became the successor of Legacy Bridger as discussed in "Note 1 – Organization and Basis of Presentation" included in this Quarterly Report on Form 10-Q. Bridger is subject to U.S. federal income taxes, in addition to state and local income taxes, with respect to net taxable income or loss and any related tax credits of the Company. Bridger is also subject to taxes in foreign jurisdictions in which it operates.

The Company provides for income taxes and the related accounts under the asset and liability method. Income tax benefit, deferred tax assets and liabilities and reserves for unrecognized tax benefits reflect management's best assessment of estimated current and future taxes to be paid. The Company is subject to income taxes predominantly in the U.S. These tax laws are often complex and may be subject to different interpretations.

Deferred income taxes arise from temporary differences between the financial statement carrying amount and the tax basis of assets and liabilities and are measured using the enacted tax rates expected to be in effect during the year in which the basis difference reverses. In evaluating the ability to recover its deferred tax assets within the jurisdiction from which they arise, the Company considers all available positive and negative evidence. If based upon all available positive and negative evidence, it is more likely than not that the deferred tax assets will not be realized, a valuation allowance is established. The valuation allowance may be reversed in a subsequent reporting period if the Company determines that it is more likely than not that all or part of the deferred tax asset will become realizable.

Hedging Transactions and Derivative Financial Instruments

The Company is directly and indirectly affected by changes in certain market conditions. These changes in market conditions may adversely impact the Company's financial performance and are referred to as "market risks." The Company, when deemed appropriate, uses derivatives as a risk management tool to mitigate the potential impact of certain market risks. The Company manages interest rate risk through the use of derivative instruments, such as swap agreements. A swap agreement is a contract between two parties to exchange cash flows based on specified underlying notional amounts, assets and/or indices. The Company does not enter into derivative financial instruments for trading purposes.

The accounting for gains and losses that result from changes in the fair values of derivative instruments depends on whether the derivatives have been designated and qualify as hedging instruments and the type of hedging relationships. The changes in fair values of derivatives that have been designated and qualify as cash flow hedges are recorded in Accumulated other comprehensive income and are reclassified into the line item on the Condensed Consolidated Statements of Comprehensive Income (Loss) in which the hedged items are recorded in the same period the hedged items affect earnings. In addition, settlements on cash flow hedges are recorded in the same section of the Condensed Consolidated Statements of Cash Flows as the underlying nature of the hedged item.

The Company formally assesses whether the financial instruments used in hedging transactions are effective at offsetting changes in either the fair values or cash flows of the related underlying exposures. Any ineffective portion of a financial instrument's change in fair value is immediately recognized into earnings. The fair value is based on prevailing market data and using standard valuation models based on reasonable estimates about future relevant market conditions. Refer to "Note 15 – Long-Term Debt" included in this Quarterly Report on Form 10-Q for additional details. The notional amounts of the derivative financial instruments do not necessarily represent amounts exchanged by the parties and, therefore, are not a direct measure of the Company's exposure to the financial risks described above.

Warrant Liabilities

The Company accounts for the Public Warrants and Private Placement Warrants (collectively, the "Warrants") in accordance with ASC 480, *Distinguishing Liabilities from Equity* and ASC 815-40, *Derivatives and Hedging—Contracts in Entity's Own Equity*, under which the Warrants do not meet the criteria for equity treatment and must be recorded as liabilities. Accordingly, the Company classifies the Warrants as liabilities at their fair value and adjusts the Warrants to fair value at each reporting period. The warrant liabilities are subject to remeasurement at each balance sheet date until exercised. Refer to "Note 12 – Accrued Expenses and Other Liabilities" included in this Quarterly Report on Form 10-Q for additional information.

Stock-Based Compensation

The Company accounts for its stock-based compensation in accordance with ASC 718, *Compensation-Stock Compensation*.

The Company along with the Board established and approved and assumed the Omnibus Plan which allowed the Company to grant restricted stock units (“RSUs”) to Bridger employees (the “Participants”). Upon satisfying the vesting conditions, each RSU provides the Participants the right to receive one share of Common Stock. The fair value of RSUs is determined based on the number of shares granted and the quoted market price of the Common Stock on the date of grant. Compensation cost for the RSUs is recognized as the performance condition of the Closing of the transaction was met and over the requisite service period based on the graded-vesting method. The Company accounts for forfeitures as they occur. Stock-based compensation is included in both Cost of revenues and Selling, general and administrative expense in the Condensed Consolidated Statements of Operations.

Loss Per Share

Basic loss per share is based on the weighted average number of shares of Common Stock outstanding during the period. Diluted loss per share is based on the weighted average number of shares of Common Stock used for the basic loss per share calculation, adjusted for the dilutive effect of RSUs, Warrants and Incentive Units, if any, using the “treasury stock” method, the Series A Preferred Stock that is convertible into shares of Common Stock and the Sponsor Earnout Shares that will fully vest upon certain stock price metrics being achieved. In addition, loss for diluted loss per share is adjusted for the after-tax impact of changes to the fair value of the Warrants, to the extent they are dilutive. Loss per share is calculated based on the weighted average number of shares of Common Stock outstanding.

Recent Accounting Pronouncements

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures*. This update enhances annual and interim disclosures, in the notes to financial statements, of specified information about certain costs and expenses. This new guidance is effective for the Company for its fiscal years beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027. Early adoption is permitted. The Company is currently evaluating the impact of adopting the new accounting guidance on the Company’s Consolidated Financial Statements.

In December 2023, the FASB issued ASU No. 2023-09, *Income Taxes (Topic 740): Improvements to Income Tax Disclosures*. This update enhances the transparency and decision usefulness of income tax disclosures to provide investors information to better assess how an entity’s operations and related tax risks and tax planning and operational opportunities affect its tax rate and prospects for future cash flows. ASU 2023-09 will be effective for annual periods beginning January 1, 2025 and will be applied on a prospective basis with the option to apply the standard retrospectively. The Company is evaluating the disclosure impact of ASU 2023-09; however, the standard will not have a material impact on the Company’s condensed consolidated financial position, results of operations and/or cash flows.

NOTE 3 – SUPPLEMENTAL CASH FLOW INFORMATION

\$s in thousands	For the Six Months Ended June 30,	
	2025	2024
Cash paid for interest	\$ 11,247	\$ 11,626
Non-cash investing and financing activities:		
Series A Preferred Stock - adjustment to maximum redemption value	13,197	12,385
Recognition of new right-of-use asset and corresponding operating lease liability	2,217	—
Recognition of new right-of-use asset and corresponding financing lease liability	69	—
Right-of-use assets disposed or adjusted modifying finance lease liabilities	13	—
Fixed assets in accounts payable	—	27
Purchase consideration of FMS acquisition paid in Common Stock	—	19,023
Purchase consideration of Ignis acquisition paid in Common Stock (Note 12)	1,191	5,000
Offering costs included in accounts payable, accrued expense and other liabilities	—	332

NOTE 4 – CASH EQUIVALENTS

Cash equivalents consist of the following:

	As of June 30, 2025		As of December 31, 2024	
(\$s in thousands)	Carrying Value			
Cash equivalents:				
Money market fund	\$	14,046	\$	36,305
Restricted cash:				
Money market fund	\$	13,837	\$	13,747

The proceeds from sales of available-for-sale securities and gross realized gains included in earnings for the six months ended June 30, 2025 are zero. The proceeds from sales of available-for-sale securities and gross realized gains included in earnings for the six months ended June 30, 2024 are \$1.1 million and \$16,000, respectively. The Company determines gains and losses using the first-in first-out method. For the three and six months ended June 30, 2024, the Company reclassified out of Accumulated other comprehensive income a loss of zero and \$30,000, respectively.

NOTE 5 – ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

\$s in thousands	As of June 30, 2025	As of December 31, 2024
Unbilled receivable	\$ 11,898	\$ —
Trade accounts receivable	3,843	3,213
Foreign tax receivable	2,300	986
Contract assets	284	1,746
Total accounts receivable	\$ 18,325	\$ 5,945

Substantially all accounts receivable as of June 30, 2025 and December 31, 2024, are expected to be collected in 2025. The Company does not believe it has significant exposure to credit risk, as accounts receivable is primarily from contracts associated with the U.S. Government. Unbilled receivable consists of earned revenue that has not yet been billed on the Company's contracts. Foreign tax receivable consists primarily of value-added taxes charged by the Spanish government. Refer to "Note 2 – Summary of Significant Accounting Policies" for further discussion on Contract assets.

NOTE 6 – AIRCRAFT SUPPORT PARTS

Aircraft support parts consist of the following:

\$s in thousands	As of June 30, 2025	As of December 31, 2024
Repairables and expendables	\$ 578	\$ 593
Other	482	264
Total aircraft support parts	<u>\$ 1,060</u>	<u>\$ 857</u>

NOTE 7 – PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of the following:

\$s in thousands	As of June 30, 2025	As of December 31, 2024
Prepaid insurance	\$ 1,836	\$ 1,472
Prepaid subscriptions	1,130	1,229
Deposits	124	1,044
Other	230	179
Total prepaid expenses and other current assets	<u>\$ 3,320</u>	<u>\$ 3,924</u>

NOTE 8 – PROPERTY, PLANT AND EQUIPMENT, NET

Property, plant and equipment, net consist of the following:

\$s in thousands	As of June 30, 2025	As of December 31, 2024
Aircraft	\$ 187,086	\$ 185,877
Less: Accumulated depreciation	(41,069)	(38,210)
Aircraft, net	<u>146,017</u>	<u>147,667</u>
Leasehold improvements	35,504	35,504
Vehicles and equipment	6,562	5,921
Buildings	1,186	1,054
Licenses	235	235
Finance lease right-of-use asset	117	101
Capitalized software and development costs	37	35
Construction-in-progress - leasehold improvements	5	5
Less: Accumulated depreciation	<u>(7,888)</u>	<u>(6,753)</u>
Leasehold improvements and equipment, net	<u>35,758</u>	<u>36,102</u>
Total property, plant and equipment, net	<u>\$ 181,775</u>	<u>\$ 183,769</u>

For the three and six months ended June 30, 2025, the Company recorded \$3.3 million and \$4.6 million of depreciation expense in Cost of revenues, respectively, and \$0.3 million and \$0.7 million of depreciation expense in Selling, general and administrative expense, respectively. For the three and six months ended June 30, 2024, the Company recorded \$1.6 million and \$2.5 million of depreciation expense in Cost of revenues, respectively, and \$0.3 million and \$0.7 million of depreciation expense in Selling, general and administrative expense, respectively.

Asset groups are evaluated for impairment whenever events or changes in circumstances indicate that the carrying amount of an asset or asset group may not be recoverable. For the three and six months ended June 30, 2025 and 2024, the Company recorded no impairment charges.

For the three and six months ended June 30, 2025, the Company recorded a gain on disposal of assets of zero and \$0.1 million in Selling, general and administrative expense in the Condensed Consolidated Statements of Operations. For the three and six months ended June 30, 2024, the Company recorded losses on disposal of assets of zero and \$0.2 million, respectively, in Selling, general and administrative expense in the Condensed Consolidated Statements of Operations.

NOTE 9 – ACQUISITION ACTIVITY

2024 Acquisition Activity

On June 28, 2024, the Company completed the acquisition of all the outstanding equity interests of Flight Test & Mechanical Solutions, Inc. (“FMS” and the “FMS Acquisition”), a turn-key provider of integration solutions for government and commercial customers including instrumentation, flight testing and airworthiness certification, for total initially estimated fair value consideration of \$21.2 million, payable in unregistered shares of Bridger’s Common Stock, with \$19.0 million fair value of Common Stock consideration paid at closing and upon settlement of certain post-closing purchase price adjustments to the former stockholders of FMS (consisting of 3,867,289 restricted shares of Common Stock determined based upon a volume-weighted average per-share price (“VWAP”) of the Common Stock for the 90 consecutive trading days ended June 27, 2024). The shares issued at close were issued at the fair value upon the closing date. The remaining \$2.2 million of fair value Common Stock consideration is contingent upon the achievement of certain earnout conditions and, assuming achievement of such conditions, will be issued to the former stockholders of FMS in 2025 and 2026 with the price per share determined based upon a trailing 90-day VWAP of the Common Stock at the time of each issuance. During the measurement period, the Company revised the total purchase consideration of the FMS Acquisition due to changes in working capital adjustments, closing price adjustments and a deferred tax liability adjustment. As a result, total consideration decreased by \$4.8 million. These adjustments resulted in a corresponding decrease in goodwill of \$3.9 million. The maximum number shares of Common Stock issuable to the former FMS stockholders as contingent earnout consideration will not exceed 5,754,165 shares in the aggregate. All of the shares of Common Stock to be issued in the FMS Acquisition will be subject to transfer restrictions for an 18-month period after each issuance, with the transfer restrictions expiring with respect to 1/18th of the total shares of Common Stock each month over the 18-month period following such issuance.

None of the shares of Common Stock issued or issuable in connection with the FMS Acquisition were registered under the Securities Act of 1933, as amended (the “Securities Act”), on the FMS Acquisition date in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act. Recipients of shares of Common Stock in connection with the FMS Acquisition will have customary resale registration rights with respect to such shares of Common Stock pursuant to the terms and conditions of the FMS Acquisition.

The Company accounted for the FMS Acquisition under the acquisition method of accounting and has reported the results of operations of the FMS Acquisition as of the respective date of the FMS Acquisition. The Company based the estimated fair values of intangible assets on an income approach utilizing the relief from royalties and excess earnings methods. The income approach utilizes management’s estimates of future operating results and cash flows using a weighted average cost of capital that reflects market participant assumptions. For all other assets acquired and liabilities assumed, the fair value reflects the carrying value of the asset or liability due to their short maturity. The Company recorded the excess of the fair value of the consideration transferred in the FMS Acquisition over the fair value of net assets acquired as goodwill. The goodwill reflects our expectations of favorable future growth opportunities.

The Company has not presented pro forma combined results for the FMS Acquisition because the impact on previously reported statements of operations was not material.

As of March 31, 2025, the Company finalized the purchase accounting for the FMS Acquisition. The following table summarizes the final purchase price allocation:

\$s in thousands	As of March 31, 2025
Common Stock	\$ 13,061
Working Capital Excess Shares	174
Closing Cash Shares Adjustment	143
Accrued Dividends Payable Adjustment	800
Earnout Shares	2,164
Total purchase price	<u>\$ 16,342</u>

\$s in thousands	As of December 31, 2024	Adjustments	As of March 31, 2025
Cash and cash equivalents	\$ 2,592	\$ —	\$ 2,592
Accounts receivable ¹	2,701	—	2,701
Aircraft support parts	265	—	265
Prepaid expenses and other current assets	124	—	124
Intangible assets	3,900	—	3,900
Property, plant and equipment	1,014	—	1,014
Other noncurrent assets	1,854	—	1,854
Accounts payable	(259)	—	(259)
Dividends payable	(800)	—	(800)
Deferred revenue	(180)	—	(180)
Accrued expenses and other current liabilities	(170)	(139)	(309)
Operating right-of-use current liability	(56)	—	(56)
Operating right-of-use noncurrent liability	(960)	—	(960)
Deferred tax liability	(1,269)	—	(1,269)
Total identifiable net assets	8,756	(139)	8,617
Goodwill	7,586	139	7,725
Total purchase price	<u>\$ 16,342</u>	<u>\$ —</u>	<u>\$ 16,342</u>

¹ Balance includes \$1.0 million in unbilled receivable. Fair value of accounts receivable approximates the contractual amount.

The purchase price allocation adjustment related to pre-acquisition income tax payable.

Goodwill of \$7.7 million arising from the FMS Acquisition is primarily attributable to the assembled workforce of FMS and expected synergies from combining operations. None of the acquired goodwill is expected to be deductible for income tax purposes. Acquired intangible assets consist of the following:

- **Trade name:** expected to be amortized over its useful life of 9.5 years as of the date of the FMS Acquisition. The fair value of the trade name was determined using the relief from royalty method.
- **Customer relationships:** expected to be amortized over its useful life of 3.5 years as of the date of the FMS Acquisition. The fair value of the customer relationships were determined using the multi-period excess earnings method.
- **Contracts:** expected to be amortized over its useful life of 5.5 years when placed into service. The fair value of the contracts were determined using the multi-period excess earnings method.

The transaction costs related to the acquisition were not material. The operating results of the acquisition have been included in the Company's results of operations from the effective date of the acquisition.

NOTE 10 – GOODWILL AND INTANGIBLE ASSETS, NET

As of June 30, 2025 and December 31, 2024, goodwill was \$20.9 million and \$20.7 million, respectively. There were no impairment charges recorded for goodwill for the three and six months ended June 30, 2025 and 2024, respectively.

Changes in the carrying amount of goodwill for the six months ended June 30, 2025 and the year ended December 31, 2024 were as follows:

\$s in thousands	Goodwill
As of December 31, 2023	\$ 13,163
Addition from FMS Acquisition	11,578
Measurement period adjustment	(3,992)
As of December 31, 2024	\$ 20,749
Measurement period adjustment	139
As of June 30, 2025	\$ 20,888

Intangible assets consisted of the following:

\$s in thousands	Estimated Life (Years)	As of June 30, 2025		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
In-process research and development (“IPR&D”)	5	\$ 3,408	\$ (549)	\$ 2,859
Contracts	5.5	3,400	(618)	2,782
Trade name	9.5	300	(32)	268
Internal-use software	3	297	(297)	—
Customer relationships	3.5	200	(57)	143
Licenses	10	68	(64)	4
Total intangible assets		\$ 7,673	\$ (1,617)	\$ 6,056

\$s in thousands	Estimated Life (Years)	As of December 31, 2024		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
Contracts	5.5	\$ 3,400	\$ (309)	\$ 3,091
IPR&D	5	2,783	(260)	2,523
Trade name	9.5	300	(16)	284
Internal-use software	3	297	(297)	—
Customer relationships	3.5	200	(29)	171
Licenses	10	68	(61)	7
Total intangible assets		\$ 7,048	\$ (972)	\$ 6,076

IPR&D is the historical know-how, software, formula protocols, designs and procedures expected to be needed to complete the development of the technology asset and receive regulatory approval. The Company expects to amortize the IPR&D over its useful life of five years when placed into service. For the six months ended June 30, 2025 and 2024, the Company capitalized costs of \$0.6 million and \$0.8 million related to IPR&D, respectively.

Amortization expense for intangible assets and other noncurrent assets was \$0.3 million and \$0.6 million for the three and six months ended June 30, 2025, respectively, and \$0.1 million for the three and six months ended June 30, 2024. Amortization expense is included in Selling, general and administrative expense in the Condensed Consolidated Statements of Operations.

NOTE 11 – OTHER NONCURRENT ASSETS

Other noncurrent assets consisted of the following:

\$s in thousands	As of June 30, 2025	As of December 31, 2024
Operating lease right-of-use asset	\$ 9,094	\$ 7,951
Investment in MAB	4,000	4,000
Prepaid subscriptions	1,236	1,543
Investment in Overwatch Imaging, Inc.	1,000	1,000
Interest rate swap	764	1,075
Other	647	837
Total other noncurrent assets	<u>\$ 16,741</u>	<u>\$ 16,406</u>

NOTE 12 – ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses and other liabilities consisted of the following:

\$s in thousands	As of June 30, 2025	As of December 31, 2024
Accrued interest expense	\$ 6,356	\$ 6,487
Contingent consideration	2,280	6,219
Deferred revenue	1,165	858
Warrant liabilities	2,132	1,066
Accrued salaries, wages and bonuses	1,758	1,635
Deferred underwriting fee payable	1,500	1,500
Accrued foreign tax	925	925
Finance right-of-use liability	107	37
Other	1,082	718
Total accrued expenses and other liabilities	<u>17,305</u>	<u>19,445</u>
Less: Current accrued expenses and other current liabilities	<u>(13,165)</u>	<u>(14,057)</u>
Total long-term accrued expenses and other noncurrent liabilities	<u>\$ 4,140</u>	<u>\$ 5,388</u>

Warrant Liabilities

The warrant liabilities consist of the following Warrants issued by the Company in connection with the Reverse Recapitalization:

Public Warrants

The Company previously issued Public Warrants to purchase 17,250,000 shares of Common Stock at an exercise price of \$11.50 per share in exchange for the 17,250,000 JCIC warrants originally issued by JCIC in its initial public offering. The Warrants may only be exercised for a whole number of shares of Common Stock. The exercise price and number of shares of Common Stock issuable upon exercise of the Warrants may also be adjusted in certain circumstances including in the event of a share dividend, recapitalization, reorganization, merger or consolidation. In no event will the Company be required to net cash settle any Warrant.

The Warrants became exercisable 30 days following the Reverse Recapitalization and will expire January 24, 2028.

Under certain circumstances, the Company may elect to redeem the Public Warrants at a redemption price of \$0.01 per Public Warrant at any time during the term of the warrant in which the Common Stock trading price has been at least \$18.00 per share for 20 trading days within the 30 trading-day period ending on the third trading day prior to the date on which the Company sends the notice of redemption to the Warrant holders. If the Company elects to redeem the Public Warrants, it must notify the Public Warrant holders in advance, who would then have at least 30 days from the date of notification to exercise their respective warrants. If the warrant is not exercised within that 30-day period, it will be redeemed pursuant to this provision. The Company may also elect to redeem the outstanding Warrants at a redemption price of \$0.10 per Warrant at any time during the term of the Warrant in which the Common Stock trading price is between \$10.00 per share and \$18.00 per share (as adjusted for share splits, share dividends, rights issuances, subdivisions, reorganization, recapitalizations and the like) for any 20 trading days within the 30 trading-day period ending on the third trading day prior to the date on which the Company sends the notice of redemption to the Warrant holders. In such case, the Warrant holders will be able to exercise their Warrants on a cashless basis prior to the redemption for a number of shares of our Common Stock determined based on the redemption date and the fair market value of the Common Stock.

As of June 30, 2025 and December 31, 2024, 17,249,874 Public Warrants remain outstanding. The Public Warrants are liability-classified with a balance of \$1.4 million and \$0.7 million, respectively, and a fair value of \$0.08 and \$0.04 per warrant as of June 30, 2025 and December 31, 2024, respectively.

Private Placement Warrants

The Company issued Private Placement Warrants to purchase 9,400,000 shares of Common Stock at an exercise price of \$1.50 per share in exchange for the 9,400,000 JCIC warrants originally purchased in a private placement by JCIC Sponsor, LLC ("JCIC Sponsor") contemporaneously with JCIC's initial public offering. JCIC Sponsor, or its permitted transferees, has the option to exercise the Private Placement Warrants on a cashless basis. If the Private Placement Warrants are held by holders other than JCIC Sponsor or its permitted transferees, the Private Placement Warrants will be redeemable by the Company in all redemption scenarios and exercisable by the holders on the same basis as the Public Warrants.

As of June 30, 2025 and December 31, 2024, the Company had 9,400,000 outstanding Private Placement Warrants to purchase 9,400,000 shares of Common Stock. The Private Placement Warrants are liability-classified with a balance of \$0.8 million and \$0.4 million, respectively, and a fair value of \$0.08 and \$0.04 per warrant as of June 30, 2025 and December 31, 2024, respectively.

Contingent Consideration

The Company assumed contingent consideration as part of prior year acquisition activity. The Company is required to make contingent payments to the sellers based on the achievement of certain operational milestones or certain earnout conditions. The fair value of the liability for the contingent payments was recognized upon acquisition as part of the purchase accounting opening balance sheet. The initial cost was recognized at fair value on the closing date with subsequent changes in estimated fair value recognized as Selling, general and administrative expenses in the Condensed Consolidated Statements of Operations.

As part of the 2023 Ignis Acquisition, the Company agreed to pay contingent consideration based on the achievement of certain operational milestones. The final milestone was completed during 2024, which triggered a series of three annual contingent consideration payments. The first payment was made as of the quarter ended June 30, 2024. During the second quarter of 2025, the Company issued 617,189 restricted shares of Common Stock to the Ignis shareholders (determined based upon a trailing 120-day volume-weighted average per-share price "VWAP" of the Common Stock for the 120 consecutive trading days ended June 30, 2025). The shares were issued at fair value, resulting in a total issuance value of approximately \$1.2 million. This amount was previously recognized as part of the contingent consideration liability as of March 31, 2025, and the issuance did not result in any additional expense during the period. The remaining \$1.9 million of Common Stock consideration will be issued to the Ignis shareholders in 2026, with the price per share determined based upon a trailing 120-day VWAP of the Common Stock at the time of such issuance. The liability for the remaining contingent consideration has been recorded at fair value and is classified as a current liability on the condensed consolidated balance sheet.

Pursuant to the agreement, the maximum number of shares of Common Stock issuable to the Ignis shareholders as contingent earnout consideration will not exceed 8,399,198 shares in the aggregate.

All of the shares of Common Stock to be issued in the Ignis Acquisition will be subject to transfer restrictions for a 12-month period after each issuance, with 1/12th of the total shares of Common Stock vesting each month over the one-year period after each issuance. None of the shares of Common Stock issued or issuable in connection with the Ignis Acquisition were registered under the Securities Act on the Ignis Acquisition date in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act. Recipients of shares of Common Stock in connection with the Ignis Acquisition will have customary resale registration rights with respect to such shares of Common Stock pursuant to the terms and conditions of the Ignis Acquisition.

In addition, as it relates to the 2024 FMS Acquisition and the related earnout, during the current period, based on revised forecasts and updated expectations regarding the acquired business's performance against the applicable earn-out metrics, the Company has reduced the fair value of the contingent consideration liability by \$2.1 million during the six months ended June 30, 2025.

As of June 30, 2025 and December 31, 2024, the Company had \$1.9 million and \$3.4 million, respectively, in Accrued expenses and other current liabilities and \$0.4 million and \$2.8 million, respectively, in Long-term accrued expenses and other noncurrent liabilities in the Condensed Consolidated Balance Sheets.

The change in contingent consideration for the six months ended June 30, 2025 and year ended December 31, 2024 was as follows:

\$s in thousands	2025	2024
As of Contingent consideration, beginning of period	\$ 6,219	\$ 8,486
Addition of contingent consideration from FMS Acquisition	—	2,164
Change in fair value of contingent consideration	(2,748)	(393)
Settlement of contingent consideration	(1,191)	(4,038)
As of Contingent consideration, end of period	\$ 2,280	\$ 6,219

NOTE 13 – INTEREST RATE SWAP

The Company assesses interest rate cash flow risk by continually identifying and monitoring changes in interest rate exposures that may adversely affect expected future cash flows and by evaluating hedging opportunities.

The Company entered an interest rate swap with Rocky Mountain Bank, now known as Citywide Banks (“CWB”) on March 12, 2020 to reduce risk related to variable-rate debt from the term loan, which was subject to changes in market rates of interest as discussed in “Note 15 – Long-Term Debt” included in this Quarterly Report on Form 10-Q. The interest rate swap is designated as a cash flow hedge. The Company records its corresponding derivative asset on a gross basis in Other noncurrent assets at fair value on the Condensed Consolidated Balance Sheets.

Each month, the Company made interest payments to CWB under its loan agreement. Effective July 1, 2023, LIBOR was replaced by 1-month CME Term Secured Overnight Financing Rate (“SOFR”) plus 0.11448% tenor spread adjustment plus the 2.5% contractual SOFR margin then in effect with respect to the term loan. At the end of each calendar month, the Company receives or makes payments on the interest rate swap difference, if any, based on the received interest rate set forth in the table below. Interest payments on the Company’s term loan and payments received or made on the interest rate swap are reported net on the Condensed Consolidated Statements of Operations as interest expense.

The Company had the following interest rate swap designated as a cash flow hedge (\$s in thousands):

As of June 30, 2025					
Effective Date	Maturity Date	Notional Amount	Fair Value	Pay Fixed	Receive Rate
4/15/2020	3/15/2030	\$9,500	\$764	3.887%	1 Month SOFR + 2.61448%
As of December 31, 2024					
Effective Date	Maturity Date	Notional Amount	Fair Value	Pay Fixed	Receive Rate
4/15/2020	3/15/2030	\$9,822	\$1,075	3.887%	1 Month SOFR + 2.61448%

The Company accounts for the interest rate swap as a cash flow hedge for accounting purposes under GAAP. The Company reflects the effect of this hedging transaction in the Condensed Consolidated Financial Statements. The unrealized (loss) gain is reported in Other comprehensive (loss) income. If the Company terminates the interest rate swap agreement, the cumulative change in fair value at the date of termination would be reclassified from Accumulated other comprehensive income, which is classified in Stockholders' deficit, into earnings.

NOTE 14 – FAIR VALUE MEASUREMENTS

Long-term debt

As of June 30, 2025 and December 31, 2024, the Company has \$160.1 million and \$160.2 million of fixed rate debt outstanding, respectively, and \$46.6 million and \$48.3 million of variable rate debt outstanding, respectively. The Company estimated the fair value of the fixed rate debt using quoted market prices (Level 2 inputs) within the fair value hierarchy. When valuing fixed rate debt, the fair value is capped at par value. The variable rate debt approximates fair value based on the closing or estimated market prices of similar securities comparable to the Company's debts as of June 30, 2025 and December 31, 2024. Debt financing activities and loan agreements are further described in "Note 15 – Long-Term Debt" included in this Quarterly Report on Form 10-Q for additional details.

Recurring Fair Value Measurement

Our cash and cash equivalents, accounts receivable, accounts payable, accrued expenses and other current assets and liabilities (excluding derivative instruments) are carried at amounts which reasonably approximate their fair values due to their short-term nature.

The following tables summarize the Company's assets and liabilities that are measured at fair value on a recurring basis, by level, within the fair value hierarchy:

Ss in thousands	As of June 30, 2025		
	Level 1	Level 2	Level 3
Assets			
Cash	\$ 17,036	\$ —	\$ —
Restricted cash:			
Money market fund	13,837	—	—
Total restricted cash	13,837	—	—
Interest rate swap	—	764	—
Total assets	\$ 30,873	\$ 764	\$ —
Liabilities			
Warrant liabilities – Public Warrants	\$ 1,380	\$ —	\$ —
Warrant liabilities – Private Placement Warrants	—	752	—
Contingent consideration	—	—	2,280
Total liabilities	\$ 1,380	\$ 752	\$ 2,280

\$s in thousands	As of December 31, 2024		
	Level 1	Level 2	Level 3
Assets			
Cash	\$ 39,336	\$ —	\$ —
Restricted cash:			
Money market fund	13,747	—	—
Total restricted cash	13,747	—	—
Interest rate swap	—	1,075	—
Total assets	\$ 53,083	\$ 1,075	\$ —
Liabilities			
Warrant liabilities – Public Warrants	\$ 690	\$ —	\$ —
Warrant liabilities – Private Placement Warrants	—	376	—
Contingent consideration	—	—	6,219
Total liabilities	\$ 690	\$ 376	\$ 6,219

Interest Rate Swap

The Company's derivative financial instruments are measured at fair value on a recurring basis based on quoted market prices or using standard valuation models as described in "Note 13 – Interest Rate Swap" included in this Quarterly Report on Form 10-Q.

The notional amounts of the derivative financial instruments do not necessarily represent amounts exchanged by the parties and, therefore, are not a direct measure of our exposure to the financial risks described in "Note 2 – Summary of Significant Accounting Policies" included in this Quarterly Report on Form 10-Q.

The fair value of the Company's interest rate swap agreement was determined based on the present value of expected future cash flows using discount rates appropriate with the terms of the swap agreement. The fair value indicates an estimated amount the Company would be required to receive if the contracts were canceled or transferred to other parties. The Company calculates the fair value of the interest rate swap agreement quarterly based on the quoted market price for the same or similar financial instruments.

Warrant Liabilities

The Company classifies the Warrants as liabilities at their fair value and adjusts the Warrants to fair value at each reporting period. The warrant liabilities are subject to remeasurement at each balance sheet date until exercised, and any change in fair value are recorded in earnings through Selling, general and administrative expense on the Condensed Consolidated Statements of Operations included in this Quarterly Report on Form 10-Q.

The Public Warrants are publicly traded under the symbol "BAERW," and the fair value of the Public Warrants at a specific date is determined by the closing price of the Public Warrants as of that date. Therefore, the Public Warrants are classified as Level 1 of the fair value hierarchy. The Public Warrants are redeemable at any time during the term of the warrant in which the Common Stock share trading price has been at least \$18.00 per share for 20 trading days within the 30 trading-day period. JCIC Sponsor can redeem both the Private Placement Warrants and the Public Warrants when the stock price is between \$ 10.00 to \$18.00. As such, it is economically beneficial for the Company to redeem the Private Placement Warrants any time before the stock price crosses the \$18.00 threshold. Therefore, the Warrants have similar economic value, hence Private Placement Warrants are deemed to have the same value as the Public Warrants and are classified Level 2 of the fair value hierarchy. Refer to "Note 12 – Accrued Expenses and Other Liabilities" included in this Quarterly Report on Form 10-Q for additional details.

Contingent Consideration

In connection with prior year acquisition activity, the Company is required to make contingent payments to the sellers based on the achievement of certain operational milestones or based on the achievement of certain earnout conditions. The fair value of the contingent consideration was determined using the Monte-Carlo simulation-based model discounted to present value. Assumptions used in this calculation are equity volatility, estimated future stock prices and various probability factors, including management's estimate of the likelihood of meeting certain operational milestones and earnout conditions. The ultimate settlement of the contingent consideration could deviate from current estimates based on the actual results of these financial measures. This liability is considered to be a Level 3 financial liability that is remeasured each reporting period. Changes in estimated fair value of contingent consideration are recognized as Selling, general and administrative expenses within the Condensed Consolidated Statements of Operations. Refer to "Note 12 – Accrued Expenses and Other Liabilities" included in this Quarterly Report on Form 10-Q for additional details.

Non-Recurring Fair Value Measurements

The Company measures certain assets at fair value on a non-recurring basis, including long-lived assets and goodwill and cost method investments, which are evaluated for impairment. Long-lived assets include property, plant and equipment, net and certain intangible assets. The inputs used to determine the fair value of long-lived assets are considered Level 3 measurements due to their subjective nature.

As of June 30, 2025, the Company did not have any significant assets or liabilities that were remeasured at fair value on a non-recurring basis in periods subsequent to initial recognition.

NOTE 15 – LONG-TERM DEBT

Long-term debt consisted of the following:

\$s in thousands	As of June 30, 2025	As of December 31, 2024
Taxable industrial revenue bonds, dated July 21, 2022, 11.5% interest rate, maturing September 1, 2027 ¹	\$ 160,000	\$ 160,000
Permanent loan agreement, dated October 1, 2020, greater of Prime +1.5% or 4.75% interest rate, maturing October 1, 2035 ²	17,115	17,604
Permanent loan agreement, dated August 21, 2020, greater of Prime +1.5% or 4.75% interest rate, maturing August 21, 2035 ²	17,039	17,532
Term loan agreement dated September 30, 2019, SOFR +2.61448% interest rate, maturing March 15, 2030 ³	9,500	9,822
Term loan agreement dated February 3, 2020, SOFR +2.61448% interest rate, maturing February 3, 2027 ⁴	2,976	3,255
Various term loan agreements, earliest start at September 9, 2021, 3.89%-5.5% interest rates, latest maturation on November 17, 2027	136	174
Loans payable	206,766	208,387
Less: noncurrent debt issuance costs	(2,245)	(2,746)
Less: current debt issuance costs	(1,002)	(1,002)
Less: current portion of long-term debt, net of debt issuance costs	(2,504)	(2,170)
Total long-term debt, net of debt issuance costs	\$ 201,015	\$ 202,469

1. On July 21, 2022, the Company closed on the Series 2022 Bonds, upon which the Company received aggregate proceeds of \$135.0 million on July 21, 2022 and \$25.0 million on August 10, 2022. The proceeds were designated to redeem in full the 2021 Bonds and the Series A Preferred shares, to finance the construction and equipping of the Company's third aircraft hangar in Belgrade, Montana and to fund the purchase of additional Super Scoopers. The Series 2022 Bonds mature on September 1, 2027, with an annual interest rate of 11.5% payable semiannually on March 1 and September 1 of each year, commencing on September 1, 2022. Debt issuance costs for the Series 2022 Bonds were \$4.2 million. The Series 2022 Bonds are subject to redemption or prepayment prior to maturity, as follows: (a) optional redemption in whole or in part, on any day thereafter at par plus accrued interest, and on certain dates, a premium; (b) mandatory redemption at par plus any premium applicable to optional redemptions and a 3% premium if such redemptions are made prior to September 1, 2025, in whole or in part, in the event of the occurrence of certain events; and (c) extraordinary redemption at par plus accrued interest due to the occurrence of certain casualty, condemnation, or other unexpected events. Optional redemptions are subject to 3%, 2%, and 0% premiums if redemptions are made on or after September 1, 2025, September 2026, and September 2027, respectively. At the Company's direction, the Series 2022 Bonds may be redeemed by Gallatin County at any time, at a redemption price equal to 100% of the principal amount plus accrued interest upon the occurrence of certain events.
2. In 2020, the Company entered into two separate credit facilities brokered through Live Oak Bank ("LOB") and backed by the U.S. Department of Agriculture for the completed purchase of the Company's first two Super Scoopers. The Company issued two \$19.0 million promissory notes to LOB, established as 15-year maturity, first two years interest only payments monthly, then 13-year term principal plus interest due monthly at the rate of the greater of prime plus 1.5% or 4.75% per annum. The first of these notes was issued on August 21, 2020 and the second was issued October 1, 2020 to BAT1, LLC and BAT2, LLC, respectively. Debt issuance costs for BAT1 and BAT2 were \$1.0 million and \$0.9 million, respectively.
3. On September 20, 2019, the Company entered into a credit facility with CWB for \$12.9 million, established as a 10-year maturity, 6-month draw period, first 6 months interest only payments monthly, then 10-year term principal plus interest due monthly on a 20-year amortization at the rate of 1 month SOFR plus 2.61448%. Debt issuance costs for this loan were \$0.1 million.
4. On February 3, 2020, the Company entered into a credit facility with CWB to finance in part the purchase of four Daher Kodiaks. A promissory note was issued for \$5.6 million, established as a 7-year maturity, first 8 months interest only payments monthly, 60 day draw period, then 76-month term plus principal interest due monthly on a 10-year amortization at the rate of 1 month SOFR plus 2.61448%. Debt issuance costs for this loan were \$0.1 million.

The Series 2022 Bonds are subject to financial covenants requiring the Company to maintain a debt service coverage ratio ("DSCR") that exceeds 1.25x each fiscal quarter, operate in such a manner to produce gross revenues so as to be at all relevant times in compliance with the DSCR covenant and to maintain liquidity of \$8.0 million in the form of unrestricted cash or investments (excluding margin accounts and retirement accounts) at all times and to be reported.

The Company is in compliance with the DSCR covenant as of June 30, 2025 and management anticipates the Company will remain in compliance with the DSCR covenant at future quarterly measurement periods in the next 12 months. The Company is in compliance with the \$8.0 million minimum liquidity requirement as of June 30, 2025.

The Series 2022 Bonds agreements provide that, with regard to covenant violations, other than non-payment of principal or interest, no event of default shall be deemed to have occurred so long as a reasonable course of action to remedy a violation commences within 30 days of non-compliance and management diligently prosecutes the remediation plan to completion.

The LOB loans are subject to financial covenants requiring the Company to maintain a DSCR, generally calculated as the ratio of the net cash flow (as defined in the applicable note agreements) to the amount of interest and servicing fees required to be paid over the succeeding 12 months on the principal amount of the note, as applicable, that will be outstanding on the payment date following such date of determination, that exceeds 1.25x at the aircraft or entity level and for the Company's debt to worth ratio to not exceed 5.00x at the aircraft or entity level. The Company is in compliance with such financial covenants as of June 30, 2025.

Both of the loans with CWB are subject to financial covenants requiring the Company to maintain a DSCR, calculated as the ratio of adjusted EBITDA (as defined in the applicable note agreements) to the amount of interest and principal payments for the fiscal year ending on the compliance date, that exceeds 1.25x for the Company. These notes are also subject to financial covenants requiring the Company to maintain a Senior Leverage Ratio on a quarterly basis not to exceed 6.00 to 1.00 through September 30, 2025 and 5.00 to 1.00 thereafter. This is calculated as Total Funded Senior Debt (as defined in the applicable note agreements) less municipal debt, divided by adjusted EBITDA (as defined in the applicable note agreements). The Company is in compliance with such financial covenants as of June 30, 2025.

Amortization of debt issuance costs was \$0.2 million and \$0.5 million for the three and six months ended June 30, 2025, respectively, and \$0.3 million and \$0.4 million for the three and six months ended June 30, 2024, respectively.

NOTE 16 – COMMITMENTS AND CONTINGENCIES

Legal Matters

From time to time, the Company is subject to various litigation and other claims in the normal course of business. No amounts have been accrued in the Condensed Consolidated Financial Statements with respect to any matters.

Due to the nature of our business, we may become, from time to time, involved in routine litigation or subject to disputes or claims related to our business activities. In the opinion of our management, there are no pending litigation, disputes or claims against us which, if decided adversely, will have a material adverse effect on our financial conditions, cash flows or results of operations. In the ordinary course of its operations, the Company will continue to vigorously enforce its legal and contractual rights to ensure that its business and operations continue on an unimpaired basis.

Contingencies

On November 17, 2023, the Company entered into a series of agreements with MAB and its subsidiary designed to facilitate the purchase and return to service of four Spanish Scoopers originally awarded to the Company in September 2023 via a public tender process from the Government of Spain. The terms of the agreements provide that the Company will manage the return to service upgrades of the Spanish Scoopers while they are owned and funded by MAB. The Company has the right, but not the obligation, to acquire each plane as it is ready to be contracted and returned to service. In the event that Bridger does not purchase the aircraft within the time periods set forth in the agreements, then either party may initiate a sales process for the sale of all aircraft that have not been purchased by the Company, which sales process the Company will oversee and manage. If the aircraft are sold to a third party through such process, then the Company must pay MAB's subsidiary a cash fee equal to the amount, if any, by which the aggregate price of the Company's purchase options for such aircraft exceeds the consideration paid by the third-party purchaser for the same aircraft, not to exceed \$15.0 million in aggregate. If the aircraft are not sold to a third party and MAB's subsidiary has not otherwise entered into an operating lease with a third party for the aircraft, then the Company must pay MAB's subsidiary \$15.0 million. As of May 30, 2025, the Company has initiated the sales process and continues the return to service work on the remaining Spanish Scoopers. As of the quarter ended June 30, 2025, no sale has been completed, and the process remains ongoing. Because the sale price and outcome remain uncertain, the Company is unable to reasonably estimate a potential loss, if any, related to this contingency. Accordingly, no liability has been recorded in the condensed consolidated financial statements as of June 30, 2025. The Company will continue to monitor the situation and assess the need for recognition or further disclosure in future periods.

NOTE 17 – MEZZANINE EQUITY

The Company's shares of Series A Preferred Stock are convertible at the election of the holders into shares of Common Stock, without the payment of additional consideration by the holders into such number of shares of Common Stock as determined by dividing the original issue price, plus accrued interest by a conversion price equal to \$11.00 per share at the time of conversion.

Shares of Series A Preferred Stock are mandatorily redeemable by the Company on April 25, 2032 at a redemption amount that is equal to the stated value, plus accrued but unpaid interest. Accrued interest for the Series A Preferred Stock was \$ 13.2 million and \$12.4 million for the six months ended June 30, 2025 and 2024, respectively. Shares of Series A Preferred Stock are also redeemable upon certain triggering events outside of the control of the Company, including that shares of Series A Preferred Stock may be redeemed by the Company (a) on or after April 25, 2027 or (b) in connection with the consummation of a fundamental change in the Company's voting and governance structure such as the sale of the Company or its subsidiaries representing more than 50% of the Company's voting stock or a similar liquidity event. Shares of Series A Preferred Stock may be redeemed by the holder upon the consummation of a fundamental change, such as the sale of the Company or a similar liquidity event.

Given the conversion feature is considered substantive, the mandatory redemption on April 25, 2032 is not certain and accordingly, the Series A Preferred Stock are classified as mezzanine equity.

As of June 30, 2025, it is probable that the Series A Preferred Stock may become redeemable on April 25, 2032. The Company has elected to recognize changes in redemption value immediately, adjusting the preferred stock to the maximum redemption value at each reporting date. Upon Closing, the Series A Preferred Stock had both a carrying value and redemption value of \$332.7 million, the 50% multiplier, valued at \$156.4 million, was removed. As of June 30, 2025 and December 31, 2024, the Series A Preferred Stock had both a carrying value and redemption value of \$393.4 million and \$380.2 million, respectively. Refer to the table below.

As of June 30, 2025 and December 31, 2024, the fair value of the embedded derivative related to an event of default is zero, as there have been no triggering events.

The Company determined the fair value of the other features requiring bifurcation, both individually and in the aggregate were immaterial at June 30, 2025 and December 31, 2024. The fair value of these features will be assessed at each reporting date and will be recognized and remeasured at fair value, if material.

\$s in thousands	Redeemable Series A Preferred Stock	
	Shares	Amounts
Balance as of December 31, 2024	315,789.473684	\$ 380,179
Adjustment to maximum redemptions value	—	13,197
Balance as of June 30, 2025	315,789.473684	\$ 393,376
Balance as of December 31, 2023	315,789.473684	\$ 354,840
Adjustment to maximum redemptions value	—	12,385
Balance as of June 30, 2024	315,789.473684	\$ 367,225

NOTE 18 – STOCKHOLDERS' DEFICIT

Common Stock

In connection with the Reverse Recapitalization, the Company issued 43,769,290 shares of Common Stock, of which 39,081,744 shares were issued to Legacy Bridger Common shareholders, 2,084,357 shares were issued to the public shareholders of JCIC and 2,603,189 shares were issued to JCIC Sponsor and independent directors of JCIC upon Closing. Of the shares issued to Legacy Bridger Common shareholders and JCIC Sponsor, 233,323 and 855,000 shares are subject to continuing vesting conditions, respectively.

Restricted Stock Units

In January 2023, in connection with the Closing, the Company and its Board established and approved and assumed the Omnibus Plan, which allowed the Company to grant RSUs to Bridger employees (the "Participants"). RSUs are settled in shares of Common Stock as the RSUs vest. The RSUs accrue dividend equivalents associated with the underlying shares of Common Stock as the Company declares dividends. Dividends are paid to holders of RSUs in cash upon the vesting date of the associated RSU and are forfeited if the RSU does not vest. For the purposes of calculating compensation expense, the fair value of RSUs is the closing stock price on the date of grant. Generally, RSUs vest over a period of four to six years, subject to the Participant's continued employment. Upon vesting of each RSU, the Company will issue one share of Common Stock to the RSU holder.

RSU activity for the six months ended June 30, 2025 and 2024 is as follows:

	Number of Awards	Weighted average grant date fair value
Outstanding as of December 31, 2024	4,472,950	\$ 6.94
Granted	778,000	3.07
Vested	(908,668)	5.84
Forfeited/Cancelled	(372,910)	4.10
Outstanding as of June 30, 2025	3,969,372	\$ 6.70
Outstanding as of December 31, 2023	6,624,459	\$ 8.30
Granted	1,088,329	5.26
Vested	(1,708,592)	9.30
Forfeited/Cancelled	(1,673,738)	8.29
Outstanding as of June 30, 2024	4,330,458	\$ 7.14

The total fair value of RSUs vested during the six months ended June 30, 2025 and 2024 was \$1.5 million and \$9.3 million, respectively, based on the closing stock price on the date of vesting.

For the three and six months ended June 30, 2025, the Company recorded stock-based compensation expense related to RSUs of \$0.3 million and \$0.6 million, respectively, within Total cost of revenues and \$1.4 million and \$3.1 million, respectively, within Selling, general and administrative expense on the Condensed Consolidated Statements of Operations. For the three and six months ended June 30, 2024, the Company recorded stock-based compensation expense related to RSUs of \$0.4 million and \$0.7 million, respectively, within Total cost of revenues and \$4.1 million and \$9.6 million, respectively, within Selling, general and administrative expense on the Condensed Consolidated Statements of Operations.

As of June 30, 2025, there was \$12.3 million of unrecognized total compensation expense related to unvested RSUs, which is expected to be recognized over a weighted-average period of 2.5 years.

Incentive Units

Prior to the adoption of the Omnibus Plan, during the year ended December 31, 2022, the Company granted Incentive Units to selected board members and executives. Within each grant, 80% of the Incentive Units vested annually over a four year period subject to continued service by the grantee (the “Time-Vesting Incentive Units”), and the remaining 20% of the Incentive Units vest upon a qualifying change of control event (the “Exit-Vesting Incentive Units”). For the Time-Vesting Incentive Units, compensation cost was recognized over the requisite service period on a straight-line basis. For the Exit-Vesting Incentive Units, expense will be recognized when a qualifying change of control event is considered probable, which has not occurred as of June 30, 2025. As of June 30, 2025, 40,404 Exit-Vesting Incentive Units with a weighted-average grant date fair value of \$0.01 remain outstanding. Upon vesting of each Incentive Unit, the Company will issue 0.96246 shares of Common Stock to the Incentive Unit holder.

2024 At-the-Market (“ATM”) Offering

On January 26, 2024, the Company entered into a sales agreement (“2024 ATM Agreement”) with Stifel, Nicolaus & Company, Incorporated (“Stifel”) and Virtu Americas LLC (together with Stifel, the “2024 Agents”) under which we could offer and sell, from time to time, shares of our Common Stock having an aggregate offering price of up to \$100.0 million through the 2024 Agents in negotiated transactions that are deemed to be an “at the market offering.” In connection with the Company’s entry into the 2025 ATM Agreement (as defined below) on March 18, 2025, the Company terminated the 2024 ATM Agreement.

The ATM offering was registered under the Securities Act, pursuant to our shelf registration statement on Form S-3 (Registration Statement No. 333-276721), as previously filed with the SEC and declared effective on February 6, 2024.

The 2024 ATM Agreement contained customary representations, warranties and agreements by the Company, and customary indemnification and contribution rights and obligations of the parties. The Company agreed to pay the 2024 Agents an aggregate commission of up to 3.0% of the aggregate gross proceeds from each sale of shares of Common Stock under the 2024 ATM Agreement. The Company also agreed to reimburse the 2024 Agents for certain specified expenses in connection with entering into the 2024 ATM Agreement.

During 2024, the Company sold an aggregate of 33,798 shares of Common Stock at a weighted-average price of \$5.13 per share for net proceeds of \$0.2 million, net of fees of \$5,000 under the 2024 ATM Agreement. No additional shares of Common Stock were sold under the 2024 ATM Agreement during 2025.

2025 ATM Offering

On March 18, 2025, the Company entered into a sales agreement (“2025 ATM Agreement”) with Stifel and Canaccord Genuity LLC (together with Stifel, the “2025 Agents”) under which we may offer and sell, from time to time, shares of our Common Stock (the “2025 ATM Shares”) having an aggregate offering price of up to \$100.0 million through the 2025 Agents in negotiated transactions that are deemed to be an “at the market offering” (the “2025 ATM Offering”).

The ATM offering was registered under the Securities Act, pursuant to our shelf registration statement on Form S-3 (Registration Statement No. 333-276721), as previously filed with the SEC and declared effective on February 6, 2024, under which the Company filed a new prospectus supplement with the SEC with respect to the 2025 ATM Offering on March 19, 2025.

Under the 2025 ATM Agreement, the 2025 Agents may sell the 2025 ATM Shares by any method permitted by law and deemed to be an “at the market offering” as defined in Rule 415 promulgated under the Securities Act, including sales made directly on or through the Nasdaq Global Market, or any other existing trading market for the 2025 ATM Shares or in negotiated transactions at market prices prevailing at the time of sale or at prices related to such prevailing market prices. Actual sales will depend on a variety of factors to be determined by the Company from time to time, including, among other things, market conditions, the trading price of the Common Stock, capital needs and determinations by the Company of the appropriate sources of funding for the Company.

The Company is not obligated to make any sales of the 2025 ATM Shares under the 2025 ATM Agreement. The offering of the 2025 ATM Shares pursuant to the 2025 ATM Agreement will terminate upon the termination of the 2025 ATM Agreement by the 2025 Agents or us, as permitted therein.

The 2025 ATM Agreement contains customary representations, warranties and agreements by the Company, and customary indemnification and contribution rights and obligations of the parties. The Company agreed to pay the 2025 Agents an aggregate commission of up to 3.0% of the aggregate gross proceeds from each sale of the 2025 ATM Shares. The Company also agreed to reimburse the 2025 Agents for certain specified expenses in connection with entering into the 2025 ATM Agreement.

During the six months ended June 30, 2025, the Company did not sell any shares of Common Stock under the 2025 ATM Agreement.

NOTE 19 – RELATED PARTY TRANSACTIONS

As of May 28, 2025, Mr. Timothy Sheehy, the Company's founder and former Chief Executive Officer, President and director, has placed his ownership interests in the Company into an independently managed blind trust. Blind trusts are governed by legal agreements that assign full investment and voting discretion to independent trustees who are neither affiliated with the Company nor under the influence or control of the beneficiaries.

In accordance with ASC 850, the Company evaluated whether the beneficiaries of the blind trusts retain the ability to exercise significant influence over the Company through their ownership or other means. Based on the structure of the blind trusts, including the absence of decision-making authority or access to information regarding trust-held assets, management has concluded that such trusts do not meet the criteria of a related party under GAAP.

Accordingly, no related party transactions or balances were identified with respect to these blind trusts after the transfer date. Transactions with the Company prior to the transfer are included in these related party disclosures for the periods presented.

For the three and six months ended June 30, 2025 and 2024, the Company incurred zero and \$0.6 million in training expenses provided by an entity in which Mr. Timothy Sheehy has a partial ownership with zero and \$0.1 million in related outstanding accounts payable as of June 30, 2025 and December 31, 2024, respectively. The Company earned revenues related to charter rentals of the Company's aircraft by the U.S. Senate campaign of Mr. Timothy Sheehy of zero for the three and six months ended June 30, 2025 and \$0.1 million and \$0.2 million for the three and six months ended June 30, 2024, respectively.

On November 17, 2023, the Company entered into a series of agreements designed to facilitate the purchase and return to service of the Spanish Scoopers originally awarded to our wholly-owned subsidiary, BAE, in September 2023 via a public tender process from the Government of Spain for €40.3 million. Under the terms of the agreements, we agreed to sell the entire outstanding equity interest in BAE to MAB and purchase \$4.0 million of non-voting Class B units of MAB. ASSF Holdings LP ("Avenue Investor") made capital contributions totaling \$13.0 million in exchange for 13,031 voting Class A Units of MAB. Avenue Investor holds approximately 10% of Bridger's outstanding convertible Series A Preferred Stock.

On July 10, 2023, the Company entered into two operating lease agreements, each for a Pilatus under the ownership of Mr. Timothy Sheehy. The Company incurred lease expense of approximately \$0.3 million and \$0.7 million for the three and six months ended June 30, 2025, respectively, and \$0.4 million and \$0.8 million for the three and six months ended June 30, 2024, respectively. The Company recorded approximately \$5.1 million of right-of-use assets, \$1.3 million of right-of-use current liabilities, and \$3.8 million of right-of-use noncurrent liabilities as of December 31, 2024.

On July 21, 2022, the Company closed on the Series 2022 Bonds, upon which the Company received aggregate proceeds of \$135.0 million on July 21, 2022 and \$25.0 million on August 10, 2022. In connection with the original issuance, three senior executives of the Company purchased approximately \$10.0 million of the Series 2022 Bonds, which purchases were entered into on an arm's length basis during the public offering for the Series 2022 Bonds, and on the same terms and conditions that were offered to all Bond purchasers. One of the related parties of the Company left the Company during the three months ended June 30, 2024 and was no longer deemed a related party following his departure. The two other related parties of the Company disposed of their holdings as of October 1, 2024. The Company paid approximately zero and \$0.6 million in interest to these bond holders during the three and six months ended June 30, 2024, respectively, and incurred approximately \$0.3 million and \$0.6 million in interest for the three and six months ended June 30, 2024, respectively. Refer to "Note 15 – Long-Term Debt" included in this Quarterly Report for additional information on the Series 2022 Bonds.

NOTE 20 – INCOME TAXES

As a result of the Business Combination, the Company became the successor of Legacy Bridger, as discussed in “*Note 1 – Organization and Basis of Presentation*” included in this Quarterly Report on Form 10-Q, which is treated as a partnership for U.S. federal income tax purposes. As a partnership, Legacy Bridger’s net income or loss is allocated among the members in accordance with the Company’s operating agreement, and federal income taxes are not payable or provided for by Legacy Bridger. Members are taxed individually on their pro rata ownership share of the Legacy Bridger’s earnings. Bridger is subject to U.S. federal income taxes, in addition to state and local income taxes, with respect to net taxable income or loss and any related tax credits of the Company. Bridger is also subject to taxes in foreign jurisdictions in which it operates.

For the three and six months ended June 30, 2025, the Company recorded tax expense of \$0.2 million and \$0.4 million, respectively. The effective tax rate for the three and six months ended June 30, 2025 was (1.3)% and (2.9)%, respectively. The effective tax rate differs from the statutory rate primarily as a result of having a full valuation allowance in the U.S., a state tax expense accrual in separate company filings with forecasted income, and the impact of forecasted loss in the foreign jurisdiction in which the Company conducts business.

For the three and six months ended June 30, 2024, the Company recorded income tax benefit of \$0.5 million. The effective tax rate for the three and six months ended June 30, 2024 was 1.6%.

The Company has assessed the realizability of the net deferred tax assets and in that analysis has considered the relevant positive and negative evidence available to determine whether it is more likely than not that some portion or all of the deferred tax assets will be realized.

The Company’s income tax filings will be subject to audit by various taxing jurisdictions. The Company will monitor the status of U.S. federal, state and local income tax returns that may be subject to audit in future periods. No U.S. federal, state and local income tax returns are currently under examination by the respective taxing authorities.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act (“OBGBA”). Among other things, OBGBA makes permanent key elements of the Tax Cuts and Jobs Act, including 100% bonus depreciation, domestic research cost expensing, and the business interest expense limitation. Refer to “*Note 23 – Subsequent Events*” included in this Quarterly Report for additional information on the Company’s consideration of the OBGBA.

NOTE 21 – LOSS PER SHARE

Loss per share of Common Stock is calculated in accordance with ASC 260, *Earnings per share*. Loss per share – basic is calculated by dividing Loss attributable to Common Stockholders - basic and diluted by the Weighted average Common Stock outstanding - basic.

Loss per share – diluted is based on the weighted average number of shares of Common Stock used for the Loss per share - basic calculation, adjusted for the weighted-average number of common share equivalents outstanding for the period determined using the treasury stock method and if-converted method, as applicable. Loss attributable to Common Stockholders – basic and diluted is adjusted for the impact of changes in the fair value of the Public Warrants and Private Placement Warrants, to the extent they are dilutive.

The following table sets forth the computation of the Company’s Loss per share:

Ss in thousands, except per share amounts	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Net income (loss)	\$ 308	\$ (9,981)	\$ (15,230)	\$ (30,068)
Adjustments to Net income (loss):				
Series A Preferred Stock—adjustment to maximum redemptions value	(6,636)	(6,196)	(13,197)	(12,385)
Loss attributable to Common stockholders – basic and diluted	<u>\$ (6,328)</u>	<u>\$ (16,177)</u>	<u>\$ (28,427)</u>	<u>\$ (42,453)</u>
Weighted average Common Stock outstanding - basic and diluted	53,878,966	48,326,688	53,846,770	47,964,465
Loss per share - basic and diluted	\$ (0.12)	\$ (0.33)	\$ (0.53)	\$ (0.89)

The following table summarizes the potentially dilutive common shares that were excluded from diluted Loss per share - diluted computations because the effect would have been anti-dilutive:

	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Series A Preferred Stock	35,761,440	33,384,123	35,761,440	33,384,123
Unvested Restricted Stock Units	3,969,372	4,330,458	3,969,372	4,330,458
Public Warrants	17,249,874	17,249,874	17,249,874	17,249,874
Private Placement Warrants	9,400,000	9,400,000	9,400,000	9,400,000
Unvested Legacy Bridger Incentive Units	40,404	40,404	40,404	40,404
Sponsor Earnout Shares	855,000	855,000	855,000	855,000

NOTE 22 – SEGMENT AND GEOGRAPHIC INFORMATION

The Company operates as a single operating segment. Our revenues are primarily derived from aerial wildfire management, relief and suppression and the delivery of specialty aviation services. The Company's Chief Executive Officer is the Company's Chief Operating Decision Maker ("CODM"), who reviews the financial performance of the Company on a consolidated basis. The CODM uses consolidated revenues and Adjusted EBITDA to assess financial performance and allocate resources. These financial metrics are used by the CODM to make key operating decisions, such as the determination of the rate at which the Company seeks to grow revenues and operating margin and the allocation of budget between cost of revenues and selling, general & administrative expenses.

The following table presents selected financial information with respect to the Company's single operating segment for the three and six months ended June 30, 2025 and 2024:

(\$s in thousands)	For the Three Months Ended June 30,		For the Six Months Ended June 30,	
	2025	2024	2025	2024
Revenues	\$ 30,751	\$ 13,014	\$ 46,397	\$ 18,521
Cost of revenues:				
Flight operations	7,856	5,106	14,108	10,115
Maintenance	10,844	4,761	21,799	8,958
Total cost of revenues	18,700	9,867	35,907	19,073
Gross income (loss)	12,051	3,147	10,490	(552)
Selling, general and administrative expense	6,524	7,902	15,114	19,512
Operating income (loss)	5,527	(4,755)	(4,624)	(20,064)
Interest expense	(5,737)	(5,854)	(11,472)	(11,777)
Other income	700	144	1,299	1,303
Income (loss) before income taxes	490	(10,465)	(14,797)	(30,538)
Income tax (expense) benefit	(182)	484	(433)	470
Net income (loss)	\$ 308	\$ (9,981)	\$ (15,230)	\$ (30,068)

See the Condensed Consolidated Financial Statements for other financial information regarding the Company's operating segment.

The CODM evaluates the Company's financial performance based on key metrics, including revenue growth, operating income, and Adjusted EBITDA. These metrics are reviewed regularly to assess the efficiency and profitability of the Company's operations. Additionally, significant expenses, such as cost of revenues and selling, general and administrative expenses, are closely monitored as part of the performance evaluation and resource allocation process.

Total United States revenues were \$25.7 million and \$35.4 million for the three and six months ended June 30, 2025, respectively, and \$11.2 million and \$15.7 million for the three and six months ended June 30, 2024, respectively. Refer to “*Note 2 – Summary of Significant Accounting Policies*” included in this Quarterly Report on Form 10-Q for additional information about revenue by geographic location. The Company had three customers who individually accounted for 51%, 23% and 17% of total revenues for the three months ended June 30, 2025, and three customers who individually accounted for 47%, 24% and 17% of total revenues for the six months ended June 30, 2025. The Company had three customers who individually accounted for 61%, 20% and 14% of total revenues for the three months ended June 30, 2024, and three customers who individually accounted for 63%, 16% and 15% of total revenues for the six months ended June 30, 2024.

The Company's long-lived tangible assets, as well as the Company's operating lease right-of-use assets recognized on the Condensed Consolidated Balance Sheets were located as follows:

(\$s in thousands)	As of June 30, 2025	As of December 31, 2024
United States	\$ 188,771	\$ 190,560
Spain	2,098	2,017

NOTE 23 – SUBSEQUENT EVENTS

On July 4, 2025, President Trump signed into law the OBBBA. Among other things, the OBBBA makes permanent key elements of the Tax Cuts and Jobs Act, including 100% bonus depreciation, domestic research cost expensing, and the business interest expense limitation. ASC740, “Income Taxes”, requires the effects of changes in tax rates and laws on deferred tax balances to be recognized in the period in which the legislation is enacted. Consequently, as of the date of enactment, and during the period ended September 30, 2025, the Company will evaluate all deferred tax balances under the newly enacted tax law and identify any other changes required to its financial statements as a result of the OBBBA. The Company is still evaluating the impact of the OBBBA and the results of such evaluations will be reflected on the Company's Form 10-Q for the quarter ending September 30, 2025.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS.

The following discussion and analysis is intended to help you understand our business, financial condition, results of operations, liquidity and capital resources. The discussion and analysis should be read together with the Condensed Consolidated Financial Statements as of June 30, 2025 and December 31, 2024, for the three and six months ended June 30, 2025 and 2024, and the related notes thereto, that are included elsewhere in this Quarterly Report on Form 10-Q (this "Quarterly Report"). This discussion and analysis should also be read together with the historical audited annual Consolidated Financial Statements as of and for the years ended December 31, 2024 and 2023, included in the Annual Report on Form 10-K (the "Annual Report"). This discussion and analysis contains forward-looking statements based upon our current expectations, estimates and projections that involve risks and uncertainties. Actual results could differ materially from those anticipated in these forward-looking statements due to, among other considerations, the matters discussed in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements."

BUSINESS OVERVIEW

Bridger provides aerial wildfire surveillance, relief and suppression and aerial firefighting services using next-generation technology and environmentally friendly and sustainable firefighting methods primarily throughout the United States, as well as airframe modification and integration solutions for governmental and commercial customers. Our mission is to save lives, property and habitats threatened by wildfires, leveraging our high-quality team, specialized aircraft and innovative use of technology and data. We are meeting an underserved and growing need for next-generation full-service aerial firefighting platforms.

Our portfolio is organized across three core offerings:

- **Fire Suppression:** Consists of deploying specialized Viking CL-415EAF ("Super Scooper") aircraft to drop large amounts of water quickly and directly on wildfires.
- **Aerial Surveillance:** Consists of providing aerial surveillance via manned ("Air Attack") aircraft for fire suppression aircraft over an incident and providing tactical coordination with the incident commander.
- **Maintenance, Repair and Overhaul ("MRO"):** Consists of maintenance and repair services for return-to-service upgrades of certain Canadair CL-215T Amphibious ("Spanish Scoopers") aircraft as well as airframe modification and integration solutions for governmental and commercial customers.

We manage our operations as a single segment for purposes of assessing performance, making operating decisions and allocating resources.

We have made and will continue to make significant investments in capital expenditures to build and expand our integrated response solutions. We expect that our existing cash and cash equivalents as well as cash generated from our operations will be sufficient to meet our current working capital and capital expenditure requirements for a period of at least 12 months from the date of this Quarterly Report.

The Reverse Recapitalization

On January 24, 2023 (the "Closing Date"), Jack Creek Investment Corp ("JCIC") completed the reverse recapitalization (the "Closing" and the "Reverse Recapitalization") with the Company's predecessor, Bridger Aerospace Group Holdings, LLC and its subsidiaries (collectively, "Legacy Bridger"). As a result of the Reverse Recapitalization, JCIC and Legacy Bridger each became wholly-owned subsidiaries of a new public company that was renamed Bridger Aerospace Group Holdings, Inc. and JCIC shareholders and Legacy Bridger equity holders converted their equity ownership in JCIC and Legacy Bridger, respectively, into equity ownership in Bridger. Legacy Bridger was determined to be the accounting acquirer as of the Closing Date with respect to the Reverse Recapitalization, which has been accounted for as a reverse recapitalization, with no goodwill or other intangible assets recorded, in accordance with GAAP.

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We are exposed to certain risks inherent to an aerial firefighting business. These risks are further described in the section entitled "Risk Factors" in the Annual Report on Form 10-K, filed with the SEC on March 14, 2025.

Seasonality Due to the North American Fire Season

Because wildfires occur at different times in different parts of the country, our operations now operate on a year-round basis. However, historically the majority of wildfires occur in the second and third quarters, so the demand for our services has generally been higher in the second and third quarters of each fiscal year due to the timing and duration of the North American fire season. As a result, seasonal fluctuations in the need to fight wildfires based upon location and the varying intensity of the fire season have and may continue to lead our operating results to fluctuate significantly from quarter to quarter and year to year.

Weather Conditions and Climate Trends

Our business is highly dependent on the needs of government agencies to surveil and suppress fires. As such, our financial condition and results of operations are significantly affected by the weather, as well as environmental and other factors affecting climate change, which impact the number and severity of fires in any given period. The intensity and duration of the North American fire season is affected by multiple factors, some of which, according to a 2023 article by Climate Central, a nonprofit climate science news organization, are weather patterns including warmer springs and longer summers, decreasing relative humidity which lead to drier soils and vegetation and frequency of lightning strikes. Based on the climate change indicators published by the Environmental Protection Agency (“EPA”), these factors have shown year over year increases linked to the effects of climate change and the overall trend in increased temperatures. We believe that rising global temperatures have been, and in the future are expected to be, one factor contributing to increasing rates and severity of wildfires. Historically, our revenue has been higher in the summer season of each fiscal year due to weather patterns which are generally correlated to a higher prevalence of wildfires in North America. Larger wildfires and longer seasons are expected to continue as droughts increase in frequency and duration, according to a 2024 article by the EPA.

Per the 2024 National Centers for Environmental Information annual report, approximately 8.8 million acres of U.S. land burned in 2024, 25.7% above the 2001-2020 annual average and the total number of wildfires during 2024 was approximately 90.0% of the 2001-2020 annual average with approximately 61,000 wildfires reported. Additionally, according to data from the National Interagency Coordination Center, the national wildland fire preparedness level reached Level 5 in 2024 and Level 4 in 2023.

Limited Supply of Specialized Aircraft and Replacement and Maintenance Parts

Our results of operations are dependent on sufficient availability of aircraft, raw materials and supplied components provided by a limited number of suppliers. Our reliance on limited suppliers exposes us to volatility in the prices and availability of these materials which may lead to increased costs and delays in operations.

Economic and Market Factors

Our operations, supply chain, partners and suppliers are subject to various global macroeconomic factors. We expect to continue to remain vulnerable to a number of industry-specific and global macroeconomic factors that may cause our actual results of operations to differ from our historical results of operations or current expectations. The factors and trends that we currently believe are or will be most impactful to our results of operations and financial condition include, but are not limited to, the impact on us of significant operational challenges by third parties on which we rely, inflationary pressures, short-term and long-term weather patterns, potential labor and supply chain shortages affecting us and our partners, volatile fuel prices, aircraft delivery delays and changes in general economic conditions in the markets in which we operate.

Historically, our results of operations have not been materially impacted by other factors. We continue to monitor the potential favorable or unfavorable impacts of these and other factors on our business, operations, financial condition and future results of operations, which are dependent on future developments. Our future results of operations may be subject to volatility and our growth plans may be delayed, particularly in the short term, due to the impact of the above factors and trends. However, we believe that our long-term outlook remains positive due to the increasing demand for our services and our ability to meet those demands consistently, despite adverse market factors. We believe that this expected long-term increase in demand will offset increased costs and that the operational challenges we may experience in the near term can be managed in a manner that will allow us to support increased demand, though we cannot provide any assurances.

On July 4, 2025, President Trump signed into law the One Big Beautiful Bill Act (“OBBBA”). Among other things, the OBBBA makes permanent key elements of the Tax Cuts and Jobs Act, including 100% bonus depreciation, domestic research cost expensing, and the business interest expense limitation. We are currently evaluating the impact of the OBBBA on our business and financial statements.

KEY COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenues

Our primary source of revenues is from providing services, which are disaggregated into fire suppression, aerial surveillance, MRO and other services. Revenues and growth for our fire suppression and aerial surveillance services are driven by climate trends, specifically the intensity and timing of the North American fire season. MRO includes revenue from return-to-service and maintenance and repair services performed externally for third parties. Other services primarily consist of extraneous fulfillment of contractual services such as extended availability and mobilizations.

Cost of Revenues

Cost of revenues includes costs incurred directly related to flight operations including expenses associated with operating the aircraft on revenue generating contracts. These include labor, depreciation, fees, travel and fuel. Cost of revenues also includes routine aircraft maintenance expenses and repairs, including maintenance and modification repair work for third-party aircraft, consisting primarily of labor, parts, consumables and travel unique to each airframe.

Selling, General and Administrative Expense

Selling, general and administrative expenses include all costs that are not directly related to satisfaction of customer contracts. Selling, general and administrative expenses include costs for our administrative functions, such as finance, legal, human resources, and IT support, and business development costs that include contract procurement, public relations and business opportunity advancement. These functions include costs for items such as salaries, benefits, stock-based compensation and other personnel-related costs, maintenance and supplies, professional fees for external legal, accounting, and other consulting services, insurance, intangible asset amortization and depreciation expense. Selling, general and administrative expenses also include gains or losses on the disposal of fixed assets.

Interest Expense

Interest expense consists of interest costs related to our Gallatin municipal bond issuances by Legacy Bridger that closed in July and August 2022 (the “Series 2022 Bonds”), our permanent and term loan agreements, and the net effect of our interest rate swap. Interest expense also includes amortization of debt issuance costs associated with our loan agreements. Refer to “*Liquidity and Capital Resources—Indebtedness*” included in this Quarterly Report for a discussion of our loan commitments.

RESULTS OF OPERATIONS

Comparison of the Three Months Ended June 30, 2025 to the Three Months Ended June 30, 2024

The following table sets forth our Condensed Consolidated Statements of Operations information for the three months ended June 30, 2025 and 2024 and should be reviewed in conjunction with the financial statements and notes included elsewhere in this Quarterly Report.

\$s in thousands	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Period Over Period Change (\$)	Period Over Period Change (%)
Revenues	\$ 30,751	\$ 13,014	\$ 17,737	136%
Cost of revenues:				
Flight operations	7,856	5,106	2,750	54%
Maintenance	10,844	4,761	6,083	128%
Total cost of revenues	18,700	9,867	8,833	90%
Gross income	12,051	3,147	8,904	283%
Selling, general and administrative expense	6,524	7,902	(1,378)	(17%)
Operating income (loss)	5,527	(4,755)	10,282	(216%)
Interest expense	(5,737)	(5,854)	117	(2%)
Other income	700	144	556	386%
Income (loss) before income taxes	490	(10,465)	10,955	(105%)
Income tax (expense) benefit	(182)	484	(666)	(138%)
Net income (loss)	<u>\$ 308</u>	<u>\$ (9,981)</u>	<u>\$ 10,289</u>	<u>(103%)</u>

Revenues

Revenues increased by \$17.7 million, or 136%, to \$30.8 million for the three months ended June 30, 2025, from \$13.0 million for the three months ended June 30, 2024.

Revenues by service offering for the three months ended June 30, 2025 and 2024 were as follows:

\$s in thousands	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Period Over Period Change (\$)	Period Over Period Change (%)
Fire suppression	\$ 18,075	\$ 7,466	\$ 10,609	142%
Aerial surveillance	4,023	3,514	509	14%
MRO	5,356	1,817	\$ 3,539	195%
Other services	3,297	217	3,080	1,419%
Total revenues	\$ 30,751	\$ 13,014	\$ 17,737	136%

Fire suppression revenue increased by \$10.6 million, or 142%, to \$18.1 million for the three months ended June 30, 2025, from \$7.5 million for the three months ended June 30, 2024. The increase was primarily driven by increased utilization for our Super Scoopers for the three months ended June 30, 2025 compared to the three months ended June 30, 2024.

Aerial surveillance increased by \$0.5 million, or 14%, to \$4.0 million for the three months ended June 30, 2025, from \$3.5 million for the three months ended June 30, 2024. The increase was primarily driven by increased utilization for our Pilatus aircraft for the three months ended June 30, 2025 compared to the three months ended June 30, 2024.

Maintenance repair increased by \$3.5 million, or 195%, to \$5.4 million for the three months ended June 30, 2025, compared to \$1.8 million for the three months ended June 30, 2024. The increase was primarily due to the return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement, and the revenues from maintenance and repair work performed by FMS, which was acquired in June 2024. Refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional details.

Other services revenue increased by \$3.1 million, or 1,419%, to \$3.3 million for the three months ended June 30, 2025, from \$0.2 million for the three months ended June 30, 2024. The increase was primarily due to an increase in third-party training and flight operations services utilizing our aircraft for the three months ended June 30, 2025 compared to the three months ended June 30, 2024.

Revenues by geographic area for the three months ended June 30, 2025 and 2024 were as follows:

\$s in thousands	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Period Over Period Change (\$)	Period Over Period Change (%)
United States	\$ 25,669	\$ 11,197	\$ 14,472	129%
Spain	5,082	1,817	3,265	180%
Total revenues	\$ 30,751	\$ 13,014	\$ 17,737	136%

United States revenue increased by \$14.5 million, or 129%, to \$25.7 million for the three months ended June 30, 2025, from \$11.2 million for the three months ended June 30, 2024. The increase for the three months ended June 30, 2025 compared to the three months ended June 30, 2024, was primarily driven by increased utilization of our aircraft and maintenance and repair work performed by FMS, which was acquired in June 2024.

Spain revenue increased by \$3.3 million, or 180% to \$5.1 million for the three months ended June 30, 2025, from \$1.8 million for the three months ended June 30, 2024. The increase is due to the return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement. Refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional details.

Cost of Revenues

Total cost of revenues increased by \$8.8 million, or 90%, to \$18.7 million for the three months ended June 30, 2025, from \$9.9 million for the three months ended June 30, 2024.

Flight Operations

Flight operations expenses increased by \$2.8 million, or 54%, to \$7.9 million for the three months ended June 30, 2025, from \$5.1 million for the three months ended June 30, 2024. The increase was primarily attributable to an increase in depreciation expense of \$1.5 million, an increase in salaries and wages expense of \$0.6 million, an increase in travel expenses of \$0.4 million, an increase in training expenses of \$0.1 million, an increase in aircraft license expenses of \$0.1 million, and an increase in aircraft lease expense of \$0.1 million, in each case for the three months ended June 30, 2025 compared to the three months ended June 30, 2024.

Maintenance

Maintenance expenses increased by \$6.1 million, or 128%, to \$10.8 million for the three months ended June 30, 2025, from \$4.8 million for the three months ended June 30, 2024. The increase was primarily driven by an increase in aircraft maintenance and modification expense of \$5.4 million due to the return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement and maintenance and repair work performed by FMS, which was acquired in June 2024. Refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional details. The increase was partially driven by an increase in salaries and wages expense of \$0.7 million for the three months ended June 30, 2025 compared to the three months ended June 30, 2024.

Selling, General and Administrative Expense

Selling, general and administrative expense decreased by \$1.4 million, or 17%, to \$6.5 million for the three months ended June 30, 2025, from \$7.9 million for the three months ended June 30, 2024. The decrease was primarily attributable to a decrease in the market value of contingent consideration of \$2.8 million, a decrease in stock-based compensation of \$2.7 million associated with restricted stock units (“RSUs”) issued to senior management and employees of Bridger, partially offset by an increase in the market value of the Public Warrants and Private Placement Warrants (collectively, the “Warrants”) of \$2.6 million, an increase in professional services expenses of \$0.6 million, an increase in amortization expense of \$0.4 million, and an increase in contractor labor expense of \$0.3 million for the three months ended June 30, 2025 compared to the three months ended June 30, 2024.

Interest Expense

Interest expense decreased by \$0.1 million, or 2%, to \$5.7 million for the three months ended June 30, 2025, from \$5.9 million for the three months ended June 30, 2024. The decrease was driven by lower interest rates for the Live Oak Bank Loans. Refer to “*Note 15 – Long-Term Debt*” of the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report for additional details.

Other Income

Other income increased by \$0.6 million, or 386%, to \$0.7 million for the three months ended June 30, 2025, from \$0.1 million for the three months ended June 30, 2024. The increase was primarily driven by a currency gain of \$0.5 million and an increase in dividend income on cash equivalents of \$0.1 million for the three months ended June 30, 2025 compared to the three months ended June 30, 2024.

Income Tax (Expense) Benefit

Income tax expense increased by \$0.7 million to \$0.2 million for the three months ended June 30, 2025, from an income tax benefit of \$0.5 million for the six months ended June 30, 2024. The increase was due primarily to a discrete income tax benefit generated from the FMS Acquisition during 2024.

Comparison of the Six Months Ended June 30, 2025 to the Six Months Ended June 30, 2024

The following table sets forth our unaudited condensed consolidated statements of operations information for the six months ended June 30, 2025 and 2024 and should be reviewed in conjunction with the financial statements and notes included elsewhere in this Quarterly Report.

\$s in thousands	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024	Period Over Period Change (\$)	Period Over Period Change (%)
Revenues	\$ 46,397	\$ 18,521	\$ 27,876	151%
Cost of revenues:				
Flight operations	14,108	10,115	3,993	39%
Maintenance	21,799	8,958	12,841	143%
Total cost of revenues	35,907	19,073	16,834	88%
Gross income (loss)	10,490	(552)	11,042	(2000%)
Selling, general and administrative expense	15,114	19,512	(4,398)	(23%)
Operating loss	(4,624)	(20,064)	15,440	(77%)
Interest expense	(11,472)	(11,777)	305	(3%)
Other income	1,299	1,303	(4)	—%
Loss before income taxes	(14,797)	(30,538)	15,741	(52%)
Income tax (expense) benefit	(433)	470	(903)	(192)%
Net loss	\$ (15,230)	\$ (30,068)	\$ 14,838	(49%)

Revenues

Revenues increased by \$27.9 million, or 151%, to \$46.4 million for the six months ended June 30, 2025, from \$18.5 million for the six months ended June 30, 2024.

Revenues by service offering for the six months ended June 30, 2025 and 2024 were as follows:

\$s in thousands	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024	Period Over Period Change (\$)	Period Over Period Change (%)
Fire suppression	\$ 23,858	\$ 11,347	\$ 12,511	110%
Aerial surveillance	5,734	4,097	1,637	40%
MRO	13,246	2,245	11,001	490%
Other services	3,559	832	2,727	328%
Total revenues	\$ 46,397	\$ 18,521	\$ 27,876	151%

Fire suppression revenue increased by \$12.5 million, or 110%, to \$23.9 million for the six months ended June 30, 2025, from \$11.3 million for the six months ended June 30, 2024. The increase was primarily driven by increased utilization for our Super Scoopers for the six months ended June 30, 2025 compared to the six months ended June 30, 2024.

Aerial surveillance revenue increased by \$1.6 million, or 40%, to \$5.7 million for the six months ended June 30, 2025, from \$4.1 million for the six months ended June 30, 2024. The increase was primarily driven by increased utilization for our Pilatus aircraft operating for the six months ended June 30, 2025 compared to the six months ended June 30, 2024.

Maintenance repair revenue increased by \$11.0 million, or 490%, to \$13.2 million for the six months ended June 30, 2025, compared to \$2.2 million for the six months ended June 30, 2024. This amount is primarily due to the return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement and the new revenues from maintenance and repair work performed by FMS. Refer to "Note 2 – Summary of Significant Accounting Policies" of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional details.

Other services revenue increased by \$2.7 million, or 328%, to \$3.6 million for the six months ended June 30, 2025, from \$0.8 million for the six months ended June 30, 2024. The increase was primarily due to third-party training and flight operations services utilizing our aircraft for the six months ended June 30, 2025 compared to the six months ended June 30, 2024.

Revenues by geographic area for the six months ended June 30, 2025 and 2024 were as follows:

\$s in thousands	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024	Period Over Period Change (\$)	Period Over Period Change (%)
United States	\$ 35,406	\$ 15,676	\$ 19,730	126%
Spain	10,991	2,845	8,146	286%
Total revenues	\$ 46,397	\$ 18,521	\$ 27,876	151%

United States revenue increased by \$19.7 million, or 126%, to \$35.4 million for the six months ended June 30, 2025, from \$15.7 million for the six months ended June 30, 2024. The increase for the six months ended June 30, 2025 compared to the six months ended June 30, 2024, was primarily driven by increased utilization of our aircraft and maintenance and repair work performed by FMS, which was acquired in June 2024.

Spain revenue increased by \$8.1 million, or 286% to \$11.0 million for the six months ended June 30, 2025, from \$2.8 million for the six months ended June 30, 2024. The increase is due to the return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement. Refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional details.

Cost of Revenues

Total cost of revenues increased by \$16.8 million, or 88%, to \$35.9 million for the six months ended June 30, 2025, from \$19.1 million for the six months ended June 30, 2024.

Flight Operations

Flight operations expenses increased by \$4.0 million, or 39%, to \$14.1 million for the six months ended June 30, 2025, from \$10.1 million for the six months ended June 30, 2024. The increase was primarily attributable to an increase in depreciation expense of \$1.6 million, an increase in salaries and wages expense of \$1.3 million, an increase in travel expenses of \$0.5 million, an increase in aircraft lease expense of approximately \$0.2 million, an increase in contractor labor expense of \$0.2 million, an increase in training costs of \$0.1 million, and an increase in aircraft license expenses of \$0.1 million, in each case for the six months ended June 30, 2025 compared to the six months ended June 30, 2024.

Maintenance

Maintenance expenses increased by \$12.8 million, or 143%, to \$21.8 million for the six months ended June 30, 2025, from \$9.0 million for the six months ended June 30, 2024. The increase was primarily driven by an increase in aircraft maintenance and modification expense of \$10.8 million due to the return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement and maintenance and repair work performed by FMS, which was acquired in June 2024. Refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional details. The increase was partially driven by an increase in salaries and wages of \$2.0 million, in each case for the six months ended June 30, 2025 compared to the six months ended June 30, 2024.

Selling, General and Administrative Expense

Selling, general and administrative expense decreased by \$4.4 million, or 23%, to \$15.1 million for the six months ended June 30, 2025, from \$19.5 million for the six months ended June 30, 2024. The decrease was primarily attributable to the decrease in stock-based compensation of \$6.5 million associated with RSUs issued to senior management and employees of Bridger and a decrease in the market value of the contingent consideration of \$3.0 million. The decrease is partially offset by an increase in the market value of the Warrants of \$3.2 million, and an increase in amortization expense of \$0.8 million, an increase in professional services expenses of \$0.6 million, in each case for the six months ended June 30, 2025 compared to the six months ended June 30, 2024.

Interest Expense

Interest expense decreased by \$0.3 million, or 3%, to \$11.5 million for the six months ended June 30, 2025, from \$11.8 million for the six months ended June 30, 2024. The decrease was driven by lower interest rates for the Live Oak Bank Loans. Refer to “*Note 15 – Long-Term Debt*” of the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report for additional details.

Other Income

Other income of \$1.3 million for the six months ended June 30, 2025 primarily consisted of dividend income on cash equivalents of \$0.6 million and a currency gain of \$0.5 million. Other income of \$1.3 million for the six months ended June 30, 2024 consisted of interest income for the embedded derivative of Legacy Bridger Series C Preferred Shares of \$0.8 million and a currency gain of \$0.4 million. Refer to “*Note 17 – Mezzanine Equity*” of the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report for additional details.

Income Tax (Expense) Benefit

Income tax expense increased by \$0.9 million, or 192%, to \$0.4 million for the six months ended June 30, 2025, primarily from an income tax benefit of \$0.5 million for the six months ended June 30, 2024. The increase was driven by a discrete benefit generated from the FMS Acquisition during 2024.

NON-GAAP FINANCIAL MEASURES

Although we believe that net income or loss, as determined in accordance with GAAP, is the most appropriate earnings measure, we use EBITDA and Adjusted EBITDA as key profitability measures to assess the performance of our business. We believe these measures help illustrate underlying trends in our business and use the measures to establish budgets and operational goals, and communicate internally and externally, in managing our business and evaluating its performance. We also believe these measures help investors compare our operating performance with its results in prior periods in a way that is consistent with how management evaluates such performance.

Each of the profitability measures described below is not recognized under GAAP and does not purport to be an alternative to net income or loss determined in accordance with GAAP as a measure of our performance. Such measures have limitations as analytical tools, and should not be considered in isolation or as substitutes for our results as reported under GAAP. EBITDA and Adjusted EBITDA exclude items that can have a significant effect on our profit or loss and should, therefore, be used only in conjunction with our GAAP profit or loss for the period. Our management compensates for the limitations of using non-GAAP financial measures by using them to supplement GAAP results to provide a more complete understanding of the factors and trends affecting the business than GAAP results alone. Because not all companies use identical calculations, these measures may not be comparable to other similarly titled measures of other companies.

EBITDA and Adjusted EBITDA

EBITDA is a non-GAAP profitability measure that represents net income or loss for the period before the impact of the interest expense, income tax expense (benefit) and depreciation and amortization of property, plant and equipment and intangible assets. EBITDA eliminates potential differences in performance caused by variations in capital structures (affecting financing expenses), the cost and age of tangible assets (affecting relative depreciation expense) and the extent to which intangible assets are identifiable (affecting relative amortization expense).

Adjusted EBITDA is a non-GAAP profitability measure that represents EBITDA before certain items that are considered to hinder comparison of the performance of our businesses on a period-over-period basis or with other businesses. During the periods presented, we exclude from Adjusted EBITDA certain costs that are required to be expensed in accordance with GAAP, including non-cash stock-based compensation, business development and integration expenses, offering costs, non-cash adjustments to the fair value of earnout consideration, and non-cash adjustments to the fair value of Warrants issued in connection with the Reverse Recapitalization. Our management believes that the inclusion of supplementary adjustments to EBITDA applied in presenting Adjusted EBITDA are appropriate to provide additional information to investors about certain material non-cash items and about unusual items that we do not expect to continue at the same level in the future.

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The reconciliation of Net income (loss), the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA for the three months ended June 30, 2025 and 2024 is as follows:

\$s in thousands	Three Months Ended June 30, 2025	Three Months Ended June 30, 2024	Period Over Period Change (\$)	Period Over Period Change (%)
Net income (loss)	\$ 308	\$ (9,981)	\$ 10,289	(103%)
Income tax expense (benefit)	182	(484)	666	(138%)
Depreciation and amortization	4,019	1,998	2,021	101%
Interest expense	5,737	5,854	(117)	(2%)
EBITDA	10,246	(2,613)	12,859	(492%)
Stock-based compensation ¹	1,737	4,477	(2,740)	(61)%
Business development & integration expenses ²	355	149	206	138%
Change in fair value of earnout consideration ³	(2,597)	192	(2,789)	(1,453%)
Change in fair value of Warrants ⁴	799	(1,865)	2,664	(143%)
Offering costs ⁵	279	(149)	428	(287%)
Adjusted EBITDA	\$ 10,819	\$ 191	\$ 10,628	5,564%
Net income (loss) margin ⁶	1%	(77%)		
Adjusted EBITDA margin ⁶	35%	1%		

¹ Represents non-cash stock-based compensation expense associated with employee and non-employee equity awards.

² Represents expenses related to integration costs for completed acquisitions and expenses related to potential acquisition targets and additional business lines.

³ Represents non-cash fair value adjustment for earnout consideration issued in connection with the acquisitions of Ignis Technologies, Inc. and Flight Test & Mechanical Solutions, Inc.

⁴ Represents the non-cash fair value adjustment for Warrants issued in connection with the Reverse Recapitalization.

⁵ Represents one-time costs for professional service fees related to the preparation for potential offerings that have been expensed during the period.

⁶ Net income (loss) margin calculated as Net income (loss) divided by Total revenue and Adjusted EBITDA margin calculated as Adjusted EBITDA divided by Total revenue.

The reconciliation of Net loss, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA for the six months ended June 30, 2025 and 2024 is as follows:

	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024	Period Over Period Change (\$)	Period Over Period Change (%)
Net loss	\$ (15,230)	\$ (30,068)	\$ 14,838	(49%)
Income tax expense (benefit)	433	(470)	903	(192%)
Depreciation and amortization	5,999	3,288	2,711	82%
Interest expense	11,472	11,777	(305)	(3%)
EBITDA	2,674	(15,473)	18,147	(117%)
Stock-based compensation ¹	3,728	10,350	(6,622)	(64)%
Business development & integration expenses ²	587	460	127	28%
Change in fair value of earnout consideration ³	(2,748)	207	(2,955)	(1,428%)
Change in fair value of Warrants ⁴	1,066	(2,132)	3,198	(150%)
Offering costs ⁵	437	(149)	586	(393%)
Adjusted EBITDA	\$ 5,744	\$ (6,737)	\$ 12,481	(185%)
Net loss margin ⁶	(33%)	(162%)		
Adjusted EBITDA margin ⁶	12%	(36%)		

¹ Represents non-cash stock-based compensation expense associated with employee and non-employee equity awards.

² Represents expenses related to integration costs for completed acquisitions and expenses related to potential acquisition targets and additional business lines.

³ Represents non-cash fair value adjustment for earnout consideration issued in connection with the acquisitions of Ignis Technologies, Inc. and Flight Test & Mechanical Solutions, Inc.

⁴ Represents the non-cash fair value adjustment for Warrants issued in connection with the Reverse Recapitalization.

⁵ Represents one-time costs for professional service fees related to the preparation for potential offerings that have been expensed during the period.

⁶ Net loss margin calculated as Net loss divided by Total revenue and Adjusted EBITDA margin calculated as Adjusted EBITDA divided by Total revenue.

LIQUIDITY AND CAPITAL RESOURCES

Cash and Marketable Securities

As of June 30, 2025, our principal sources of liquidity were cash and cash equivalents of \$17.0 million which were held for working capital purposes and restricted cash of \$13.8 million. Restricted cash consists primarily of cash reserved for debt servicing on the Series 2022 Bonds. From time to time, the Company invests its excess cash in highly rated available-for-sale securities, with the primary objective of minimizing the potential risk of principal loss.

We may receive up to \$306.5 million from the exercise of the 9,400,000 private placement warrants and 17,249,874 public warrants of the Company outstanding, assuming the exercise in full of all the Warrants for cash, but not from the sale of the shares of Common Stock issuable upon such exercise. On June 30, 2025, the closing price of our Common Stock was \$1.93 per share. For so long as the market price of our Common Stock is below the exercise price of our Warrants (\$11.50 per share), our Warrants remain “out-of-the money,” and holders of our Warrants are unlikely to cash exercise their Warrants, resulting in little or no cash proceeds to us. There can be no assurance that our Warrants will be in the money prior to their January 24, 2028 expiration date, and therefore, we may not receive any cash proceeds from the exercise of our Warrants to fund our operations. Accordingly, we have not relied on the receipt of proceeds from the exercise of our Warrants in assessing our capital requirements and sources of liquidity.

We may in the future seek to raise additional funds through various potential sources, such as equity and debt financing for general corporate purposes or for specific purposes, including in order to pursue growth initiatives. Based on our unrestricted cash and cash equivalents balance as of June 30, 2025, and our projected cash use, we would anticipate the need to raise additional funds through equity or debt financing (or the issuance of stock as acquisition consideration) to pursue any significant acquisition opportunity, at the time of such acquisition opportunity. Our ability to generate proceeds from equity financings will significantly depend on the market price of our Common Stock.

Indebtedness

Series 2022 Bonds

On July 21, 2022, we closed our Series 2022 Bond Offering in a taxable industrial development revenue bond transaction with Gallatin County, Montana for \$160.0 million (the “Series 2022 Bond Offering”). Pursuant to the Series 2022 Bond Offering, Gallatin County issued \$135.0 million of bonds on July 21, 2022 and an additional \$25.0 million of bonds on August 10, 2022. The proceeds from the offering, together with cash on hand, were used to redeem the capital contributions plus accrued interest for all of the remaining Legacy Bridger Series A-1 preferred shares and Legacy Bridger Series A-2 preferred shares totaling \$134.0 million, the principal plus accrued interest for the Series 2021 Gallatin County municipal bond, totaling \$7.7 million, to finance the construction and equipping of the Company’s third aircraft hangar in Belgrade, Montana and to fund the purchase of additional Super Scooper aircraft. The Series 2022 Bonds mature on September 1, 2027, with an annual interest rate of 11.5%. Interest is payable semiannually on March 1 and September 1 of each year until maturity and commenced on September 1, 2022. Debt issuance costs for the Series 2022 Bonds was \$4.2 million.

Optional Redemption—We may redeem the Series 2022 Bonds (i) during the period beginning on September 1, 2025 through August 31, 2026, at a redemption price equal to 103% of the principal amount plus accrued interest; (ii) during the period beginning on September 1, 2026 through August 31, 2027, at a redemption price equal to 102% of the principal amount plus accrued interest; and (iii) on or after September 1, 2027, at a redemption price equal to 100% of the principal amount plus accrued interest. At our direction, the Series 2022 Bonds may be redeemed by Gallatin County at any time, at a redemption price equal to 100% of the principal amount plus accrued interest upon the occurrence of certain events set forth in that certain Amended and Restated Trust Indenture, dated as of June 1, 2022 (the “Indenture”), between Gallatin County and U.S. Bank Trust Company, National Association, Salt Lake City, Utah.

Mandatory and Extraordinary Redemptions—Subject to the terms of the Indenture, the Series 2022 Bonds must be redeemed, including, among other things, (i) from all the proceeds of the sale of any Super Scooper, (ii) in an amount equal to (a) 50% of our operating revenues less the portion used to pay or establish reserves for all our expenses, debt payments, capital improvements, replacements, and contingencies (“Excess Cash Flow”) or (b) 100% of Excess Cash Flow, in each case, in the event we fall below certain debt service coverage ratio (“DSCR”) requirements set forth in the Indenture, and (iii) upon a change of control (each a “Mandatory Redemption”). For each Mandatory Redemption, the Series 2022 Bonds will be redeemed in whole or in part, at a redemption price equal to 100% of the principal amount of each Series 2022 Bond redeemed plus any premium that would be applicable to an optional redemption of the Series 2022 Bonds on such date (and if such redemption occurs prior to September 1, 2025, the applicable premium shall be three percent (3%)) and accrued interest. Furthermore, subject to the terms of the Indenture, at our direction, the Series 2022 Bonds may be redeemed by Gallatin County at any time, at a redemption price equal to 100% of the principal amount plus accrued interest upon the occurrence of certain events, including, among other things, casualty, condemnation, or other unexpected events set forth in the Indenture.

Financial Covenants— In connection with the Series 2022 Bonds, we are a party to certain loan agreements that contain customary representation and warranties, negative covenants, including, limitations on indebtedness, reduction of liquidity below certain levels, and asset sales, merger and other transactions, and remedies on and events of default.

Under the terms of such loan agreements, we are subject to certain financial covenants, that require, among other things, that we operate in a manner and to the extent permitted by applicable law, to produce sufficient gross revenues so as to be at all relevant times in compliance with the terms of such covenants, including that we maintain (i) beginning with the fiscal quarter ended December 31, 2023, a minimum DSCR (generally calculated as the aggregate amount of our total gross revenues, minus operating expenses, plus interest, depreciation and amortization expense, for any period, over our maximum annual debt service requirements, as determined under such loan agreement) that exceeds 1.25x and (ii) beginning with the fiscal quarter ended September 30, 2022, a minimum liquidity of not less than \$8 million in the form of unrestricted cash and cash equivalents, plus liquid investments and unrestricted marketable securities at all times.

Subject to the terms of the loan agreements, in the event we are unable to comply with the terms of the financial covenants, we may be required (among other potential remedial actions) to engage an independent consultant to review, analyze and make recommendations with respect to our operations or in some instances, this could result in an event of default and/or the acceleration of our debt obligations under the loan agreements. In addition, the acceleration of our debt obligations may in some instances (as set forth in our Amended and Restated Charter) result in an increase in the dividend rate of the Series A Preferred Stock by 2.00% per annum from the dividend rate otherwise in effect at such time.

The Company is in compliance with the DSCR covenant as of June 30, 2025 and management anticipates the Company will remain in compliance with the DSCR covenant at future quarterly measurement periods in the next 12 months. The Company is in compliance with the \$8.0 million minimum liquidity requirement as of June 30, 2025.

The Series 2022 Bonds agreements provide that, with regard to covenant violations, other than non-payment of principal or interest, no event of default shall be deemed to have occurred so long as a reasonable course of action to remedy a violation commences within 30 days of non-compliance and management diligently prosecutes the remediation plan to completion.

Live Oak Bank Loans

Our loans with Live Oak Bank are subject to financial covenants requiring the Company to maintain a debt service coverage ratio, generally calculated as the ratio of the net cash flow (as defined in the applicable note agreements) to the amount of interest and servicing fees required to be paid over the succeeding 12 months on the principal amount of the note, as applicable, that will be outstanding on the payment date following such date of determination, that exceeds 1.25x at the aircraft or entity level and for the Company's debt to worth ratio to not exceed 5.00x at the aircraft or entity level. The Company is in compliance with such financial covenants as of June 30, 2025.

Citywide Banks Loans

Through certain of our subsidiaries, we entered into two credit facilities with Citywide Banks (formerly known as Rocky Mountain Bank) to finance in part (i) the construction of airplane hangars on September 30, 2019 and (ii) the purchase of four Quest Kodiak aircraft on February 3, 2020. In connection with such credit facilities, we also entered into various term loan and other long-term debt agreements which contain certain financial covenants, including, that we maintain (i) a debt service coverage ratio that exceeds 1.25x (generally calculated as the ratio of the net operating income over the debt service payments made or as the ratio of adjusted EBITDA over the aggregate amount of interest and principal payments, in each case, as determined in the applicable agreement) and (ii) certain senior leverage ratios that do not exceed 6.00x through the third quarter of 2025, or 5.00x thereafter (generally calculated as the ratio of the senior funded debt over EBITDA, as determined in the applicable agreement). The Company is in compliance with such financial covenants as of June 30, 2025.

Mezzanine and Permanent Equity

Preferred Shares

The Company's shares of Series A Preferred Stock are convertible at the election of the holders into shares of Common Stock, without the payment of additional consideration by the holders into such number of shares of Common Stock as determined by dividing the original issue price, plus accrued interest by a conversion price equal to \$11.00 per share at the time of conversion. The Series A Preferred Stock will continue to accrue interest daily at 7% per annum for the first six years, 9% per annum for the seventh year, and 11% per annum thereafter. Accrued interest for the Series A Preferred Stock was \$13.2 million for the six months ended June 30, 2025.

As of June 30, 2025, it was probable that the Series A Preferred Stock may become redeemable at the holder's option on or after March 29, 2027. We have elected to recognize changes in redemption value immediately, adjusting the preferred shares to the maximum redemption value at each reporting date. As of June 30, 2025, Series A Preferred Stock had a carrying value and redemption value of \$393.4 million.

Historical Cash Flows

Our consolidated cash flows from operating, investing and financing activities for the six months ended June 30, 2025 and 2024 were as follows:

\$s in thousands	Six Months Ended June 30, 2025	Six Months Ended June 30, 2024
Net cash used in operating activities	\$ (16,215)	\$ (25,558)
Net cash (used in) provided by investing activities	(3,890)	4,448
Net cash (used in) provided by financing activities	(2,010)	6,718
Effects of exchange rate changes	(95)	—
Net change in cash and cash equivalents	\$ (22,210)	\$ (14,392)

Operating Activities

Net cash used in operating activities was \$16.2 million for the six months ended June 30, 2025, compared to Net cash used in operating activities of \$25.6 million for the six months ended June 30, 2024. Net cash used in operating activities reflects Net loss of \$15.2 million for the six months ended June 30, 2025 compared to Net loss of \$30.1 million for the six months ended June 30, 2024. Net cash used in operating activities for the six months ended June 30, 2025 reflects add-backs to Net loss for non-cash charges totaling \$8.4 million, primarily attributable to depreciation and amortization expense of \$6.0 million and stock-based compensation expense of \$3.7 million, and partially offset by change in fair value of earnout consideration of \$2.7 million net of changes in working capital. Net cash used in operating activities for the six months ended June 30, 2024 reflects add-backs to Net loss for non-cash charges totaling \$11.0 million, primarily attributable to stock-based compensation expense of \$10.4 million and partially attributable to depreciation and amortization expense of \$3.3 million, and partially offset by change in fair value of Warrants of \$2.1 million net of changes in working capital.

Investing Activities

Net cash used in investing activities was \$3.9 million for the six months ended June 30, 2025, compared to Net cash provided by investing activities of \$4.4 million for the six months ended June 30, 2024. Net cash used in investing activities for the six months ended June 30, 2025 reflects purchases of property, plant and equipment of \$4.2 million, expenditures for capitalized software of \$0.6 million and partially offset by sales of property, plant and equipment of \$1.0 million. Net cash provided by investing activities for the six months ended June 30, 2024 reflects the collection of note receivable of \$3.0 million, cash acquired through FMS Acquisition of \$2.6 million, proceeds from sales, and maturities of marketable securities of \$1.1 million partially offset by purchases of property, plant and equipment of \$1.9 million.

Financing Activities

Net cash used in financing activities was \$2.0 million for the six months ended June 30, 2025, compared to Net cash provided by financing activities of \$6.7 million for the six months ended June 30, 2024. Net cash used in financing activities for the six months ended June 30, 2025 primarily reflects repayments on debt of \$1.6 million and restricted stock units settled in cash of \$0.4 million. Net cash provided by financing activities for the six months ended June 30, 2024 primarily reflects proceeds from issuance of Common Stock in the registered direct offering of \$9.2 million, partially offset by repayments of debt of \$1.5 million.

Contractual Obligations

On March 18, 2025, the Company entered into a sales agreement (“2025 ATM Agreement”) under which we may offer and sell, from time to time, shares of our Common Stock having an aggregate offering price of up to \$100.0 million in negotiated transactions that are deemed to be an “at the market offering.” As of August 4, 2025, \$100.0 million remains available for potential future sales under the 2025 ATM Agreement, which may be utilized for future financings under our effective shelf registration statement. Refer to “*Note 18 – Stockholders’ Deficit*” of the Notes to Consolidated Financial Statements included in this Quarterly Report for additional information.

Our principal contractual commitments consist of obligations for outstanding leases and debt. The following table summarizes our contractual obligations as of June 30, 2025:

Ss in thousands	Payments Due by Period		
	Total	Current	Noncurrent
Lease obligations	\$ 9,230	\$ 2,297	\$ 6,933
Debt obligations	206,766	3,507	203,259
Total	\$ 215,996	\$ 5,804	\$ 210,192

On November 17, 2023, the Company entered into a series of agreements with MAB and its subsidiary designed to facilitate the purchase and return to service of four Spanish Scoopers originally awarded to the Company in September 2023 via a public tender process from the Government of Spain. The terms of the agreements provide that the Company will manage the return to service upgrades of the Spanish Scoopers while they are owned and funded by MAB. The Company has the right, but not the obligation, to acquire each plane as it is ready to be contracted and returned to service. In the event that the Company does not purchase the aircraft within the time periods set forth in the agreements, then either party may initiate a sales process for the sale of all aircraft that have not been purchased by the Company, which sales process the Company will oversee and manage. If the aircraft are sold to a third party through such process, then the Company must pay MAB’s subsidiary a cash fee equal to the amount, if any, by which the aggregate price of the Company’s purchase options for such aircraft exceeds the consideration paid by the third-party purchaser for the same aircraft, not to exceed \$15.0 million in aggregate. If the aircraft are not sold to a third party and MAB’s subsidiary has not otherwise entered into an operating lease with a third party for the aircraft, then the Company must pay MAB’s subsidiary \$15.0 million. As of May 30, 2025, the Company has initiated the sales process and continues the return to service work on the remaining Spanish Scoopers. As of the quarter ended June 30, 2025, no sale has been completed, and the process remains ongoing.

Off-Balance Sheet Arrangements

On November 17, 2023, we entered into a series of agreements designed to facilitate the purchase and return to service of the Spanish Scoopers originally awarded to our wholly-owned subsidiary, BAE, in September 2023 via a public tender process from the Government of Spain for €40.3 million. Under the terms of the agreements, we agreed to sell the entire outstanding equity interest in BAE to MAB and purchase \$4.0 million of non-voting Class B units of MAB. We also entered into a services agreement with MAB whereby we will manage the return to service upgrades of the Spanish Scoopers through our wholly-owned Spanish subsidiary, Albacete Aero, S.L., while they are owned and funded by MAB. The service agreement also provides that we have the right, but not the obligation, to acquire each Spanish Scooper as it is ready to be contracted and returned to service. The Company assessed both MAB and BAE for variable interest entity accounting under ASC 810-10-15 and determined that MAB is a voting interest entity and BAE is a variable interest entity. However, neither entity is consolidated in the consolidated financial statements as the Company does not have a controlling financial interest in MAB and the Company is not the primary beneficiary of BAE.

As of June 30, 2025 and December 31, 2024, we did not have any other relationships with special purpose or variable interest entities which have been established for the purpose of facilitating off-balance sheet arrangement, which have not been consolidated in the consolidated financial statements of the Company. Refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional information.

Other Liquidity Matters

We believe that our cash on hand and cash expected to be generated from operating activities will be sufficient to fund our anticipated working capital and other cash needs for at least the next 12 months. As discussed below and in Part I, Item 1A, “Risk Factors” of our Annual Report on Form 10-K, our quarterly and annual operating results have fluctuated in the past and may vary in the future due to a variety of factors, many of which are external to our control. If the conditions in our industry deteriorate (such as due to the seasonality of our business), or if we are unable to sufficiently increase our revenues or further reduce our expenses, we may experience a significant negative impact to our financial results and cash flows from operations. In such a situation, we could fall out of compliance with our financial covenants, which, if not waived, could limit our liquidity and capital resources.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

Bridger is a smaller reporting company as defined by Rule 12b-2 of the Securities Exchange Act of 1934, as amended (the “Exchange Act”) and is not required to provide the information otherwise required under this item.

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

Our Condensed Consolidated Financial Statements and the related notes included elsewhere in this Quarterly Report are prepared in accordance with GAAP. The preparation of these Condensed Consolidated Financial Statements requires us to make estimates and assumptions that affect the reported amounts of assets, liabilities, revenue, costs and expenses, provision for income taxes and related disclosures. We base our estimates on historical experience and on various other assumptions that we believe to be reasonable under the circumstances. Changes in accounting estimates are reasonably likely to occur from period to period. Accordingly, actual results could differ significantly from the estimates made by our management. We evaluate our estimates and assumptions on an ongoing basis. To the extent that there are material differences between these estimates and actual results, our future financial statement presentation, financial condition, results of operations and cash flows will be affected.

We believe that the following critical accounting policies involve a greater degree of judgment or complexity than our other accounting policies. Accordingly, these are the policies we believe are the most critical to aid in fully understanding and evaluating our condensed consolidated financial condition and results of operations.

Investments in Marketable Securities

Investments in debt securities are classified as available-for-sale and are carried at fair value, with unrealized gains and losses reported as accumulated other comprehensive income. Gains and losses are recognized when realized. Unrealized losses are evaluated for impairment to determine if the impairment is credit related. An other-than-temporary credit impairment would be recognized as an adjustment to income. Gains and losses are determined using the first-in first-out method. Investments in marketable securities are classified as current assets with short-term maturities of less than one year.

Revenue Recognition

We enter into short, medium and long-term contracts with customers, primarily with government agencies to deploy aerial fire management assets during the firefighting season. Contracts with our customers generally include a termination for convenience clause. The majority of our contracts are started and completed within the same year. We recognize revenue under Accounting Standards Codification 606, “Revenue from Contracts with Customers” (“ASC 606”), which utilizes a five-step model.

The definition of a contract for us is typically defined as a customer purchase order as this is when we achieve an enforceable right to payment. The deliverables within a customer purchase order are analyzed to determine the number of performance obligations.

A performance obligation is a promise in a contract to transfer a distinct good or service to the customer and is the unit of account under ASC 606. A contract’s transaction price is allocated to each distinct performance obligation and recognized as revenue when, or as, control is transferred and the performance obligation is satisfied. The majority of our contracts have a single performance obligation as the promise to transfer the individual goods or services are highly interrelated or meet the series guidance. For contracts with multiple performance obligations, we allocate the contract transaction price to each performance obligation using our best estimate of the standalone selling price of each distinct good or service in the contract. The primary method used to estimate the standalone selling price is the expected cost plus a margin approach, under which we forecast our expected costs of satisfying a performance obligation and then add an appropriate margin for that distinct good or service.

For Aerial firefighting contracts, the Company primarily performs the following activities as part of a stand-ready obligation: (i) providing our aircraft, pilot, and field maintenance personnel necessary to operate the aircraft and (ii) performing the services required on the contract, whether it be fire suppression or aerial surveillance services. The integrated firefighting services that we perform under each contract represent a single performance obligation satisfied over time, as a series of distinct time increments. The amounts billed to the customer are determined based on varying rates applicable to the specific activities performed on a daily basis. Such consideration is allocated to the distinct daily increment it relates to within the contract and therefore, recognized as we perform the daily firefighting services on the contract. We utilize the output method to recognize revenue over time as this depicts the Company's performance toward complete satisfaction of the performance obligation

Maintenance repair revenue consists of maintenance repair and return-to-service work performed on customer aircraft. For maintenance repair contracts, we manufacture products to customer specifications and the product cannot be easily modified to satisfy another customer's order or we perform return-to-service work on customer aircraft. As such, these products are deemed to have no alternative use once the manufacturing process begins. In the event the customer invokes a termination for convenience clause, we would be entitled to costs incurred to date plus a reasonable profit. Contract costs typically include labor, materials, overhead, and when applicable, subcontractor costs. For most of our products, we are building assets with no alternative use and have enforceable right to payment, and thus, we recognize revenue using the over-time method. For return-to-service contracts, the customer maintains control of the asset as we perform the services.

The majority of our performance obligations are satisfied over time as work progresses. Typically, revenue is recognized over time using an input measure (i.e., costs incurred to date relative to total estimated costs at completion, also known as cost-to-cost plus reasonable profit) to determine progress.

Contract estimates are based on various assumptions to project the outcome of future events that can span multiple months or years. These assumptions include labor productivity and availability; the complexity of the work to be performed; the cost and availability of materials; and the performance of subcontractors.

As a significant change in one or more of these estimates could affect the progress completed (and related profitability) on our MRO contracts, we review and update our contract-related estimates on a regular basis. We recognize such adjustments under the cumulative catch-up method. Under this method, the impact of the adjustment is recognized in the period the adjustment is identified. Revenue and profit in future periods of contract performance is recognized using the adjusted estimate. The impact of adjustments in contract estimates on our operating earnings can be reflected in either operating costs and expenses or revenue.

Business Combinations

The Company records tangible and intangible assets acquired and liabilities assumed in business combinations under the acquisition method of accounting in accordance with ASC 805, *Business Combinations*. Under the acquisition method of accounting, amounts paid for the acquisition are allocated to the assets acquired and liabilities assumed based on their estimated fair values at the date of acquisition inclusive of identifiable intangible assets. Acquisition consideration includes contingent consideration with payment terms based on the achievement of certain targets of the acquired business. The estimated fair value of identifiable assets and liabilities, including intangibles, are based on valuations that use information and assumptions available to management. The Company allocates any excess purchase price over the fair value of the tangible and identifiable intangible assets acquired and liabilities assumed to goodwill. Significant management judgments and assumptions are required in determining the fair value of assets acquired and liabilities assumed, particularly acquired intangible assets, including estimated useful lives. The valuation of purchased intangible assets is based upon estimates of the future performance and discounted cash flows of the acquired business. Each asset acquired or liability assumed is measured at estimated fair value from the perspective of a market participant.

Contingent consideration represents an obligation of the acquirer to transfer additional assets or equity interests to the seller if future events occur or conditions are met and is recognized when probable and reasonably estimable. Contingent consideration recognized is included in the initial cost of the assets acquired. Subsequent changes in the estimated fair value of contingent consideration are recognized as Selling, general and administrative expenses within the Condensed Consolidated Statements of Operations.

Stock-Based Compensation

In January 2023, the Company along with its board of directors established and approved and assumed the Bridger Aerospace Group Holdings, Inc. 2023 Omnibus Incentive Plan (the “Omnibus Plan”). The Omnibus Plan was developed to motivate and reward employees and other individuals to perform at the highest level and contribute significantly to the success of the Company, thereby furthering the best interests of the Company and its shareholders. The Omnibus Plan provides, among other things, the ability for the Company to grant options, stock appreciation rights, restricted stock, RSUs, performance awards and other stock-based and cash-based awards to employees, consultants and non-employee directors.

The Omnibus Plan expires on January 23, 2033 and authorizes 17,078,863 shares of Common Stock for grant during the life of the Omnibus Plan. As of June 30, 2025, 9,365,896 shares of Common Stock remain available under the Omnibus Plan.

As of June 30, 2025, the Company has granted participants RSUs under the Omnibus Plan. The fair value of RSUs is determined based on the quoted market price of the Common Stock on the date of grant. Compensation cost for the RSUs is recognized over the requisite service period based on a graded-vesting method. The Company accounts for forfeitures as they occur. Stock-based compensation is included in both Cost of revenues and Selling, general and administrative expense in the Condensed Consolidated Statements of Operations. Upon vesting of each RSU, the Company will issue one share of Common Stock to the RSU holder.

Impairment of Goodwill, Other Intangible Assets and Long-Lived Assets

Goodwill

Goodwill represents the excess of purchase price over fair value of the net assets acquired in an acquisition. The Company assesses goodwill for impairment as of October 1 annually or more frequently upon an indicator of impairment.

When we elect to perform a qualitative assessment and conclude it is more likely that the fair value of the reporting unit is greater than its carrying value, no further assessment of that reporting unit’s goodwill is necessary. Otherwise, a quantitative assessment is performed, and the fair value of the reporting unit is determined. If the carrying value of the reporting unit exceeds its fair value, an impairment loss equal to the excess is recorded. Conditions that would trigger an impairment assessment include, but are not limited to, a significant adverse change in legal factors or the business climate that could affect the value of an asset or an adverse reaction. As of the October 1, 2024 annual goodwill impairment test, the Company’s qualitative analysis indicated the fair value of the Company’s reporting units exceeded carrying value.

As of June 30 2025, as a result of revised downward forecasts and updated expectations regarding the FMS reporting unit’s business performance, we noted that there were indicators of a possible impairment loss. Accordingly, we performed an interim quantitative impairment assessment related to the aforementioned triggering event noted on the reporting unit. The fair value of the reporting unit was determined using a weighted average of the income approach and market approach. The Company’s interim test results as of June 30, 2025 indicated that the fair values of the reporting unit exceeded the carrying value and thus, no impairment of goodwill existed.

No goodwill impairment charges were recorded for the three and six months ended June 30, 2025 or 2024.

Long-Lived Assets

A long-lived asset (including amortizable identifiable intangible assets) or asset group is tested for recoverability whenever events or changes in circumstances indicate that its carrying amount may not be recoverable. Conditions that may indicate impairment include, but are not limited to, a significant adverse change in customer demand or business climate that could affect the value of an asset, or an adverse action or assessment by a regulator. When indicators of impairment are present, we evaluate the carrying value of the long-lived assets in relation to the operating performance and future undiscounted cash flows of the underlying assets. We adjust the net book value of the long-lived assets to fair value if the sum of the expected future cash flows is less than book value.

Property, Plant and Equipment, Net

Property, plant and equipment is stated at net book value, cost less depreciation. Depreciation for aircraft, engines and rotatable parts is recorded over the estimated useful life based on flight hours. Depreciation for vehicles and equipment, buildings, and leasehold improvements is computed using the straight-line method over the estimated useful lives of the property, plant and equipment. Airplane hangars located on leased airport property are considered leasehold improvements with useful lives determined based on the estimated life of the underlying ground lease. Depreciable lives by asset category are as follows:

	Estimated useful life
Aircraft, engines and rotatable parts	1,500 –6,000 flight hours
Vehicles and equipment	3 – 5 years
Buildings	50 years
Leasehold improvements	27 – 29 years

Property, plant and equipment are reviewed for impairment as discussed above under “Long-Lived Assets.”

Cost Method Investments

We hold equity securities without a readily determinable fair value, which are only adjusted for observable price changes in orderly transactions for the same or similar equity securities or any impairment, totaling \$5.0 million as of June 30, 2025 and December 31, 2024.

Variable Interest Entities

We follow ASC 810-10-15 guidance with respect to accounting for VIEs. These entities do not have sufficient equity at risk to finance their activities without additional subordinated financial support from other parties or whose equity investors lack any of the characteristics of a controlling financial interest. A variable interest is an investment or other interest that will absorb portions of a VIE’s expected losses or receive portions of its expected returns and are contractual, ownership or pecuniary in nature and that change with changes in the fair value of the entity’s net assets. A reporting entity is the primary beneficiary of a VIE and must consolidate it when that party has a variable interest, or combination of variable interests, that provide it with a controlling financial interest. A party is deemed to have a controlling financial interest if it meets both of the power and loss/benefits criteria. The power criterion is the ability to direct the activities of the VIE that most significantly impact its economic performance. The losses/benefits criterion is the obligation to absorb losses from, or right to receive benefits from, the VIE that could potentially be significant to the VIE. The VIE model requires an ongoing reconsideration of whether a reporting entity is the primary beneficiary of a VIE due to changes in the facts and circumstances. For the three and six months ended June 30, 2025 and 2024, Northern Fire Management Services, LLC, a VIE of which the Company was identified as the primary beneficiary, is consolidated into our financial statements. Refer to “Note 2 – Summary of Significant Accounting Policies” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional information.

Fair Value of Financial Instruments

We follow guidance in ASC 820, *Fair Value Measurement*, where fair value is defined as the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. Fair value measurements are determined within a framework that establishes a three-tier hierarchy which maximizes the use of observable market data and minimizes the use of unobservable inputs to establish a classification of fair value measurements for disclosure purposes. Inputs may be observable or unobservable. Observable inputs reflect the assumptions market participants would use in pricing the asset or liability based on market data obtained from sources independent of our business. Unobservable inputs reflect our own assumptions about the assumptions market participants would use in pricing the asset or liability based on the information available.

Warrant Liabilities

We account for the Warrants issued in connection with the Reverse Recapitalization in accordance with the guidance contained in accordance with ASC 480, *Distinguishing Liabilities from Equity* and ASC 815-40, *Derivatives and Hedging—Contracts in Entity’s Own Equity*, under which the Warrants do not meet the criteria for equity treatment and must be recorded as liabilities. Accordingly, we classify the Warrants as liabilities at their fair value and adjust the Warrants to fair value at each reporting period. The warrant liabilities are subject to remeasurement at each balance sheet date until exercised. Refer to “Note 12 – Accrued Expenses and Other Liabilities” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for additional information.

RECENT ACCOUNTING PRONOUNCEMENTS

For additional information regarding recent accounting pronouncements adopted and under evaluation, refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report.

EMERGING GROWTH COMPANY AND SMALLER REPORTING COMPANY STATUS

Section 102(b)(1) of the JOBS Act exempts “emerging growth companies” as defined in Section 2(A) of the Securities Act of 1933, from being required to comply with new or revised financial accounting standards until private companies are required to comply with the new or revised financial accounting standards. The JOBS Act provides that a company can choose not to take advantage of the extended transition period and comply with the requirements that apply to non-emerging growth companies, and any such election to not take advantage of the extended transition period is irrevocable. We are an “emerging growth company” and have elected to take advantage of the benefits of this extended transition period.

We will use this extended transition period for complying with new or revised accounting standards that have different effective dates for public business entities and non-public business entities until the earlier of the date that we (a) are no longer an emerging growth company or (b) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. The extended transition period exemptions afforded by our emerging growth company status may make it difficult or impossible to compare our financial results with the financial results of another public company that is either not an emerging growth company or is an emerging growth company that has chosen not to take advantage of this exemption because of the potential differences in accounting standards used. Refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to Condensed Consolidated Financial Statements included in this Quarterly Report for the recent accounting pronouncements adopted and the recent accounting pronouncements not yet adopted for the three and six months ended June 30, 2025 and the year ended December 31, 2024.

We will remain an “emerging growth company” under the JOBS Act until the earliest of (a) December 31, 2028, (b) the last date of our fiscal year in which we have total annual gross revenue of at least \$1.235 billion, (c) the last date of our fiscal year in which we are deemed to be a “large accelerated filer” under the rules of the U.S. Securities and Exchange Commission with at least \$700.0 million of outstanding securities held by non-affiliates or (d) the date on which we have issued more than \$1.0 billion in non-convertible debt securities during the previous three years.

We will be a “smaller reporting company” as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of the fiscal year in which (i) the market value of our common stock held by non-affiliates is greater than or equal to \$250 million as of the end of that fiscal year’s second fiscal quarter, and (ii) our annual revenues are greater than or equal to \$100 million during the last completed fiscal year or the market value of our common stock held by non-affiliates exceeds \$700 million as of the end of that fiscal year’s second fiscal quarter.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included in this Quarterly Report are not historical facts but are forward-looking statements, including for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “project,” “forecast,” “predict,” “poised,” “positioned,” “potential,” “seem,” “seek,” “future,” “outlook,” “target,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements include, but are not limited to, (1) the anticipated expansion of Bridger’s operations and increased deployment of Bridger’s aircraft fleet, the anticipated benefits therefrom and the ultimate structure of such acquisitions and/or right to use arrangements; (2) Bridger’s business and growth plans and future financial performance; (3) current and future demand for aerial firefighting services, including the duration or severity of any domestic or international wildfire seasons; (4) the magnitude, timing and benefits from any cost reduction actions; (5) Bridger’s exploration of, need for, or completion of any future financings; (6) Bridger’s potential sources of liquidity and capital resources; (7) Bridger’s remediation plan for its material weaknesses in Bridger’s internal control over financial reporting; and (8) anticipated investments in additional aircraft, capital resources and research and development and the effect of these investments. These statements are based on various assumptions and estimates, whether or not identified in this Quarterly Report, and on the current expectations of Bridger’s management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Bridger. These forward-looking statements are subject to a number of risks and uncertainties, including: the duration or severity of any domestic or international wildfire seasons; changes in domestic and foreign business, market, financial, political and legal conditions; Bridger’s failure to realize the anticipated benefits of any acquisitions; Bridger’s successful integration of any aircraft (including achievement of synergies and cost reductions); Bridger’s ability to successfully and timely develop, sell and expand its services, and otherwise implement its growth strategy; risks relating to Bridger’s operations and business, including information technology and cybersecurity risks, loss of requisite licenses, flight safety risks, loss of key customers and deterioration in relationships between Bridger and its employees; risks related to increased competition; risks relating to potential disruption of current plans, operations and infrastructure of Bridger, including as a result of the consummation of any acquisition; risks that Bridger is unable to secure or protect its intellectual property; risks that Bridger experiences difficulties managing its growth and expanding operations; Bridger’s ability to compete with existing or new companies that could cause downward pressure on prices, fewer customer orders, reduced margins, the inability to take advantage of new business opportunities, and the loss of market share; the ability to successfully select, execute or integrate future acquisitions into Bridger’s business, which could result in material adverse effects to operations and financial conditions; and those factors discussed in the sections entitled “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” included in Bridger’s Annual Report filed with the U.S. Securities and Exchange Commission on March 14, 2025 and in this Quarterly Report. If any of these risks materialize or Bridger management’s assumptions prove incorrect, actual results could differ materially from the results implied by these forward-looking statements. The risks and uncertainties above are not exhaustive, and there may be additional risks that Bridger presently does not know or that Bridger currently believes are immaterial that could also cause actual results to differ from those contained in the forward-looking statements. In addition, forward-looking statements reflect Bridger’s expectations, plans or forecasts of future events and views as of the date of this Quarterly Report. Bridger anticipates that subsequent events and developments will cause Bridger’s assessments to change. However, while Bridger may elect to update these forward-looking statements at some point in the future, Bridger specifically disclaims any obligation to do so. These forward-looking statements should not be relied upon as representing Bridger’s assessments as of any date subsequent to the date of this Quarterly Report. Accordingly, undue reliance should not be placed upon the forward-looking statements contained in this Quarterly Report.

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK.

Pursuant to Item 305(c) of Regulation S-K, the Company is not required to provide the information required by this Item as it is a “smaller reporting company.”

ITEM 4. CONTROLS AND PROCEDURES.

Evaluation of Disclosure Controls and Procedures

Disclosure controls are procedures that are designed with the objective of ensuring that information required to be disclosed in our reports filed under the Exchange Act, such as this Quarterly Report on Form 10-Q, is recorded, processed, summarized, and reported within the time period specified in the SEC's rules and forms. Disclosure controls are also designed with the objective of ensuring that such information is accumulated and communicated to our management, including the chief executive officer and chief financial officer, as appropriate to allow timely decisions regarding required disclosure. Our management evaluated, with the participation of our current chief executive officer and chief financial officer (our "Certifying Officers"), the effectiveness of our disclosure controls and procedures as of June 30, 2025, pursuant to Rule 13a-15(b) under the Exchange Act. Based upon that evaluation, our Certifying Officers concluded that our disclosure controls and procedures were not effective as of June 30, 2025, with regard to the material weaknesses described below.

We do not expect that our disclosure controls and procedures will prevent all errors and all instances of fraud. Disclosure controls and procedures, no matter how well conceived and operated, can provide only reasonable, not absolute, assurance that the objectives of the disclosure controls and procedures are met. Further, the design of disclosure controls and procedures must reflect the fact that there are resource constraints, and the benefits must be considered relative to their costs. Because of the inherent limitations in all disclosure controls and procedures, no evaluation of disclosure controls and procedures can provide absolute assurance that we have detected all our control deficiencies and instances of fraud, if any. The design of disclosure controls and procedures also is based partly on certain assumptions about the likelihood of future events, and there can be no assurance that any design will succeed in achieving its stated goals under all potential future conditions.

Material Weaknesses: We have identified two material weaknesses in our internal control over financial reporting, which we are in the process of, and are focused on, remediating. The material weaknesses are related to the accounting for complex transactions within our financial statement closing and reporting process, and maintaining and monitoring user access to certain IT systems contributing to our financial reporting. While we remediated substantial parts of these pre-existing material weaknesses throughout 2024, we concluded that we may be exposed to the risk of material misstatement in our financial reports by a deficiency in our precision of the review of the inputs provided by external technical accounting experts, as well as the assignment and monitoring of user access in some of our IT applications.

Remediation Plan: We have already begun the process of, and are focused on, increasing the effectiveness of our internal control over financial reporting and remediating the material weakness, including:

- improving the workflow for complex accounting transactions to include multiple levels of review and increase the time available to thoroughly evaluate the application of GAAP and improve the precision of review of assumptions made within third party accounting experts' work product,
- hiring a Director of Technical Accounting and Reporting in December 2024 to augment and improve our review of third-party accounting advice,
- evaluating and improving segregation of duties in key financial applications,
- restricting privileged access in our general ledger and account reconciliation applications to ensure the strict enforcement of workflows and
- designing controls to closely monitor the way in which remaining privileged access to financially relevant IT applications is exercised by those who hold it.

While these ongoing and planned actions are subject to constant management evaluation and will require validation and testing of the design and operating effectiveness of internal controls over a sustained period of financial reporting cycles, we are committed to the improvement of our internal control over financial reporting and will continue to diligently review our internal control over financial reporting.

Although we plan to complete this remediation process as quickly as possible, we are unable, at this time, to estimate how long it will take, and our efforts may not be successful in remediating the identified material weaknesses. In addition, even if we are successful in strengthening our controls and procedures, we can give no assurances that in the future such controls and procedures will be adequate to prevent or identify errors or irregularities or to facilitate the fair preparation and presentation of our Consolidated Financial Statements.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting (as that term is defined in Rules 13a-15(f) and 15d-15(f) under the Exchange Act) during the three months ended June 30, 2025 that have materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II – OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS.

The Company is involved in legal proceedings and litigation in the ordinary course of business. Other than routine litigation incidental to the Company's business, there are no material pending legal proceedings to which the Company is a party or to which any of the Company's properties are subject.

ITEM 1A. RISK FACTORS.

See Part I, Item 1A of our Annual Report on Form 10-K ("Form 10-K") for the year ended December 31, 2024 for a discussion of our risk factors. There have been no material changes during the three months ended June 30, 2025 to the risk factors disclosed in our Form 10-K for the year ended December 31, 2024.

We may experience additional risks and uncertainties not currently known to us. Furthermore, as a result of developments occurring in the future, conditions that we currently deem to be immaterial may also materially and adversely affect us. Any such risk may materially and adversely affect our business, financial condition, cash flows and results of operations.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS.

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

During the three months ended June 30, 2025, none of the Company's directors or executive officers adopted or terminated a "Rule 10b5-1 trading arrangement" or "non-Rule 10b5-1 trading arrangement," each as defined in Item 408(a) of Regulation S-K.

ITEM 6. EXHIBITS.

Exhibit Number	Description
3.1	<u>Amended and Restated Certificate of Incorporation of Bridger Aerospace Group Holdings, Inc. (incorporated by reference to Exhibit 3.1 to the Company's Current Report on Form 8-K filed with the SEC on January 27, 2023).</u>
3.2	<u>Amended and Restated Bylaws of Bridger Aerospace Group Holdings, Inc. (incorporated by reference to Exhibit 3.2 to the Company's Current Report on Form 8-K filed with the SEC on January 27, 2023).</u>
10.1	<u>Amendment to Amended and Restated Services Agreement, dated April 15, 2025, by and among Bridger Aerospace Group Holdings, Inc., Albacete Aero, S.L.U., Bridger Aerospace Europe, S.L.U. and MAB Funding Designated Activity Company (incorporated by reference to Exhibit 10.2 to the Company's Quarterly Report on Form 10-Q filed with the SEC on May 9, 2025).</u>
10.2	<u>Purchase and Sale Agreement of Bridger Solutions International Hangar Complex, dated May 23, 2025, by and among Bridger Aerospace Group Holdings, Inc. and MTP - Aviation Infrastructure Holdco, LLC (incorporated by reference to Exhibit 2.1 to the Company's Current Report on Form 8-K filed with the SEC on May 27, 2025).</u>
31.1*	<u>Certification of the Company's Chief Executive Officer Pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (18 U.S.C. Section 7241).</u>
31.2*	<u>Certification of the Company's Chief Financial Officer Pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (18 U.S.C. Section 7241).</u>
32.1**	<u>Certification of the Company's Chief Executive Officer and Chief Financial Officer Pursuant to Section 906 of the Sarbanes Oxley Act of 2002 (18 U.S.C. Section 1350).</u>
101.INS*	XBRL Instance Document – the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document
101.SCH*	Inline XBRL Taxonomy Extension Schema Document
101.CAL*	Inline XBRL Taxonomy Extension Calculation Linkbase Document
101.DEF*	Inline XBRL Taxonomy Extension Definition Linkbase Document
101.LAB*	Inline XBRL Taxonomy Extension Label Linkbase Document
101.PRE*	Inline XBRL Taxonomy Extension Presentation Linkbase Document
104*	Cover Page Interactive Data File (formatted in Inline XBRL and contained in Exhibit 101)

* Filed herewith.

** Furnished herewith.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the Registrant has duly caused this report to be signed on its behalf by the undersigned, duly authorized.

Date: August 8, 2025

BRIDGER AEROSPACE GROUP HOLDINGS, INC.

By: /s/ Sam Davis
Name: Sam Davis
Title: Chief Executive Officer
(Principal Executive Officer)

By: /s/ Eric Gerratt
Name: Eric Gerratt
Title: Chief Financial Officer
(Principal Accounting and Financial Officer)

CERTIFICATION

I, Sam Davis, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bridger Aerospace Group Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting 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 generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 8, 2025

By: /s/ Sam Davis

Name: Sam Davis

Title: Chief Executive Officer

CERTIFICATION

I, Eric Gerratt, certify that:

1. I have reviewed this Quarterly Report on Form 10-Q of Bridger Aerospace Group Holdings, Inc.;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations and cash flows of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Exchange Act Rules 13a-15(e) and 15d-15(e)) and internal control over financial reporting (as defined in Exchange Act Rules 13a-15(f) and 15d-15(f)) for the registrant and have:
 - a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - b) Designed such internal control over financial reporting, or caused such internal control over financial reporting 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 generally accepted accounting principles;
 - c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of the end of the period covered by this report based on such evaluation; and
 - d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the registrant's most recent fiscal quarter (the registrant's fourth fiscal quarter in the case of an annual report) that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed, based on our most recent evaluation of internal control over financial reporting, to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize and report financial information; and
 - b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Dated: August 8, 2025

By: /s/ Eric Gerratt
Name: Eric Gerratt
Title: Chief Financial Officer

**CERTIFICATION PURSUANT TO
18 U.S.C SECTION 1350
AS ADOPTED PURSUANT TO
SECTION 906 OF THE SARBANES-OXLEY ACT OF 2002**

In connection with the Quarterly Report of Bridger Aerospace Group Holdings, Inc. (the “Company”) on Form 10-Q for the period ended June 30, 2025, as filed with the United States Securities and Exchange Commission on the date hereof, (the “Report”), the undersigned officers of the Company hereby certify, pursuant to 18 U.S.C. Section 1350, as adopted pursuant to Section 906 of the Sarbanes-Oxley Act of 2002, that to the best of his knowledge:

1. The Report fully complies with the requirements of section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the Company as of and for the period covered by the Report.

Dated: August 8, 2025

By: /s/ Sam Davis

Name:	Sam Davis
Title:	Chief Executive Officer

Dated: August 8, 2025

By: /s/ Eric Gerratt

Name:	Eric Gerratt
Title:	Chief Financial Officer