



2022 Year End Earnings Conference Call

March 20, 2023

Forward-Looking Statements



Certain statements included in this presentation 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) anticipated expansion of Bridger’s operations and increased deployment of Bridger’s aircraft fleet; (2) Bridger’s business plans and growth plans, including anticipated revenue, Adjusted EBITDA and Adjusted EBITDA margin for 2023; (3) increases in the aerial firefighting market; and (4) anticipated investments in additional aircraft, capital resource, and research and development and the effect of these investments. These statements are based on various assumptions, whether or not identified in this presentation, 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: changes in domestic and foreign business, market, financial, political and legal conditions; failure to realize the anticipated benefits of the business combination; Bridger’s ability to successfully and timely develop, sell and expand its technology and products, 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 as a result of the consummation of the business combination; risks that Bridger is unable to secure or protect its intellectual property; risks that Bridger experiences difficulties managing its growth and expanding operations; the 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 impact of the coronavirus pandemic; the ability to successfully select, execute or integrate future acquisitions into the 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 prospectus dated February 13, 2023 on file with the U.S. Securities and Exchange Commission. If any of these risks materialize or our 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 presentation. 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 presentation. Accordingly, undue reliance should not be placed upon the forward-looking statements contained in this presentation.

Today's Agenda



Introduction to Bridger and Management Team

2022 Financial Overview

2023 Outlook

Appendix: Non-GAAP Reconciliations

Bridger's Senior Management Team



Tim Sheehy
Chief Executive Officer

- Founded Bridger Aerospace in 2014
- Former Navy SEAL and certified pilot
- Former CEO and Founder of Ascent Vision Technologies



Eric Gerratt
Chief Financial Officer

- Joined Bridger Aerospace in 2022 as CFO
- Former CFO & Treasurer of US Ecology
- Extensive experience in public company financial reporting and accounting



McAndrew Rudisil
Chief Investment Officer

- Joined Bridger Aerospace in 2017 as CIO
- Extensive experience successfully building and growing businesses



James Muchmore
Chief Legal Officer

- Joined Bridger Aerospace in 2017 as Chief Legal Officer
- Extensive securities regulation, litigation and aviation law experience



Bridger Aerospace History



Founded as a veteran-owned business in 2014, quickly gained traction in the U.S. aerial firefighting market



Received first **CL-415EAF** "Super Scooper" in 2020



\$46 million in revenue and **\$4 million** in Adjusted EBITDA in 2022

Fleet of over 20 with **6 Super Scoopers** as of Q1 2023

2021 – 2022

DeSPAC Q1 '23

2023+

2014 – 2017

Awarded **U.S. DOI** approval to fly drones over wildfires in 2018



Bridger Aerospace at a Glance



- Full-spectrum aerial firefighting solutions to Federal and State government agencies
 - Largest domestic owner/operator of the purpose-built CL-415EAF “Super Scooper” (6)
 - Surveillance aircraft for infrared mapping and immediate data transfer (Air Attack and UAS)
- Demand for aerial firefighting continues to grow driven by climate change, population moving to wildfire prone areas and shift from ground to air-based suppression
- Insufficient firefighting capacity with reduced supply of aerial assets leading to unfilled requests
- Attractive unit economics and fleet growth to drive revenues, margins and adjusted EBITDA
 - Predictable and recurring revenue base resulting from contract renewal and standby revenue
 - Strong return on investment per Super Scooper with < 4-year payback
- Potential for opportunistic fleet expansion



2022 Financial Review



\$46.4M

+18% vs. prior year

Revenue

- Fire Suppression revenue up 28% to \$38.8m driven by additional Super Scoopers in service for full fire season in 2022 vs. 2021
- Aerial Surveillance revenue of \$7.2m down from \$8.6m on decreased high incident fires
- Flight revenue 54% of revenue, up 23%; Standby revenue 45% of revenue

\$33.9M

vs. \$26.6 prior year

Cost of Revenue

- Cost of revenues up 27% to \$33.9 million from \$26.6 million
- Margins impacted by added costs in anticipation of aircraft delivery
- Late delivery meant aircraft didn't contribute to revenue during 2022 fire season

\$35.1M

vs. \$11.2m prior year

SG&A

- Higher personnel expenses and professional services in connection with business combination and becoming a public company

\$3.7M

vs. \$9.8m prior year

Adj. EBITDA

- See definition and reconciliation of Net loss to Adjusted EBITDA on slides 11-13

Current assets of

\$106.9 M

vs. \$22.1m prior year

Balance Sheet

- \$97.4m of cash, restricted cash and marketable securities
- \$207.9m of debt
- \$489m mezzanine equity/preferred shares

Q4 2022 Financial Review



\$1.1M

+66% vs. Q4 '21

Revenue

- Increase was due to higher deployment of aircraft early in the fourth quarter of 2022 compared to the same period in 2021

\$5.3M

vs. \$4.4m Q4 '21

Cost of Revenue

- Cost of revenues up 21% to \$5.3 million from \$4.4 million
- Fourth quarter sees limited firefighting revenue and higher off-season maintenance

\$6.5M

vs. \$4.2m Q4 '21

SG&A

- Higher personnel expenses and higher professional services in connection with business combination and becoming a public company

(\$8.5M)

vs. (\$6.1m) Q4 '21

Adj. EBITDA

- See definition and reconciliation of Net loss to Adjusted EBITDA on slides 11-13

2023 Outlook



- Revenue expected increase over 80% to between \$84 million to \$96 million, before any potential fleet additions that were previously included in estimates prior to the business combination
- Adjusted EBITDA expected to range from \$37 million to \$45 million, before any potential fleet additions
- Adjusted EBITDA margin expected to increase to over 40% from 8% in 2022
- Q1 and Q4 are dominated by off-season maintenance, training and recertification activities with limited revenue potential leading to expected negative EBITDA
- Q2 and Q3 are the strongest quarters with typical mid-April to mid-November fire season
- Actively pursuing fleet acquisition opportunities



BRIDGER
AEROSPACE



Appendix

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Carmen

RESTRICTED

Non –GAAP Financial Measures



Although Bridger believes 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. Bridger believes these measures help illustrate underlying trends in our business and use the measures to establish budgets and operational goals, and communicate internally and externally, for managing our business and evaluating its performance. Bridger also believes 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 are not recognized under GAAP and do 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 you should not consider any of such measures 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. Bridger's 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.

Bridger does not provide a reconciliation of forward-looking measures where Bridger believes such a reconciliation would imply a degree of precision and certainty that could be confusing to investors and is unable to reasonably predict certain items contained in the GAAP measures without unreasonable efforts, such as acquisition costs, integration costs and loss on the disposal or obsolescence of aging aircraft. This is due to the inherent difficulty of forecasting the timing or amount of various items that have not yet occurred and are out of Bridger's control or cannot be reasonably predicted. For the same reasons, Bridger is unable to address the probable significance of the unavailable information. Forward-looking non-GAAP financial measures provided without the most directly comparable GAAP financial measures may vary materially from the corresponding GAAP financial measures.

Non –GAAP Financial Measures - Definitions



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 losses on disposals of assets and legal fees related to financing transactions, which include costs that are required to be expensed in accordance with GAAP. In addition, we exclude from Adjusted EBITDA certain nonrecurring items that we do not consider indicative of our ongoing performance, such as the one-time discretionary bonus payments made to certain employees and executives in connection with the issuance of the Legacy Bridger Series C Preferred Shares, issuance of the Series 2022 Bonds, the execution of the Transaction Agreements and initial filing of the proxy statement/prospectus prepared in connection with the Business Combination, loss (gain) on extinguishment of debt, and stock-based compensation. 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.

Adjusted EBITDA Reconciliation to Net Loss



(All amounts in U.S. dollars)

	For the three months ended December 31,		For the year ended December 31,	
	2022	2021	2022	2021
Net loss	\$ (16,976,040)	\$ (11,129,149)	\$ (42,121,959)	\$ (6,540,797)
Depreciation and amortization	529,293	512,237	9,091,219	6,673,685
Interest expense	6,964,739	3,514,646	20,017,177	9,293,928
EBITDA	(9,482,008)	(7,102,266)	(13,013,563)	9,426,816
Loss on disposals ⁽ⁱ⁾	181,371	972,876	1,769,732	995,528
Legal fees ⁽ⁱⁱ⁾	-	-	-	110,000
Offering costs ⁽ⁱⁱⁱ⁾	412,343	-	2,961,643	-
(Gain) loss on extinguishment of debt ^(iv)	-	-	844,925	(774,300)
Discretionary bonuses to employees and executives ^(v)	-	-	10,136,530	-
Stock-based comp ^(vi)	2,221	-	9,224	-
Business development ^(vii)	368,979	-	953,994	-
Adjusted EBITDA	<u>\$ (8,517,094)</u>	<u>\$ (6,129,390)</u>	<u>\$ 3,662,485</u>	<u>\$ 9,758,044</u>

i) Represented loss on the disposal or obsolescence of aging aircraft.

ii) Represents one-time costs associated with legal fees for infrequent or unusual transactions that were not capitalizable per GAAP.

iii) Represents one-time professional service fees related to the preparation for the business combination that have been expensed during the period.

iv) Represents loss on extinguishment of debt related to the Series 2021 Bond and forgiveness of the PPP loan.

v) Represents one-time discretionary bonuses to certain employees and executives of Bridger in connection with the issuance of the Legacy Bridger Series C Preferred Shares, issuance of the Series 2022 Bonds, execution of the Transaction Agreements and initial filing of the proxy statement/ prospectus prepared in connection with the Business Combination.

vi) Represents stock-based compensation expense recognized of the incentive units granted to selected board members and executives.

vii) Represents expenses related to potential acquisition targets and additional business lines.