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 September 30, 2026

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	**88-3599336**
(State or Other Jurisdiction of Incorporation or Organization)	**(I.R.S. Employer Identification No.)**
90 Aviation Lane Belgrade, MT	**59714**
(Address of Principal Executive Offices)	**(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 x No o

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	☐	Accelerated filer	☐
Non-accelerated filer	☒	Smaller reporting company	☒
		Emerging growth company	☒

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 November 11, 2026, there were 59,050,096 shares of the registrant's common stock, par value $0.0001 per share, issued and outstanding.

TABLE OF CONTENTS

		Page
Part I	**Financial Information**	2
Item 1.	Financial Statements (Unaudited).	2
	Condensed Consolidated Balance Sheets	2
	Condensed Consolidated Statements of Operations	3
	Condensed Consolidated Statements of Comprehensive Income	4
	Condensed Consolidated Statements of Stockholders' Deficit	5
	Condensed Consolidated Statements of Cash Flows	7
	Notes to Condensed Consolidated Financial Statements	8
Item 2.	Management's Discussion and Analysis of Financial Condition and Results of Operations.	42
Item 3.	Quantitative and Qualitative Disclosures about Market Risk.	61
Item 4.	Controls and Procedures.	62
Part II	**Other Information**	63
Item 1.	Legal Proceedings.	63
Item 1A.	Risk Factors.	63
Item 2.	Unregistered Sales of Equity Securities and Use of Proceeds.	64
Item 3.	Defaults Upon Senior Securities.	64
Item 4.	Mine Safety Disclosures.	64
Item 5.	Other Information.	64
Item 6.	Exhibits.	65

PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED BALANCE SHEETS
(Unaudited)
(dollars in thousands, except par value amounts)

	As of September 30, 2026	As of December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	$ 35,054	$ 31,381
Accounts receivable	33,690	3,190
Aircraft support parts	1,051	1,654
Prepaid expenses and other current assets	3,799	3,994
Total current assets	73,594	40,219
Property, plant, and equipment, net	220,826	218,814
Intangible assets, net	5,994	6,023
Goodwill	20,888	20,888
Other noncurrent assets	45,075	44,362
Total assets	$ 366,377	$ 330,306
LIABILITIES, MEZZANINE EQUITY, AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable	$ 4,543	$ 3,417
Accrued expenses and other current liabilities[1]	8,985	9,794
Operating right-of-use current liabilities	3,097	2,384
Current portion of long-term debt, net of debt issuance costs	2,635	926
Total current liabilities	19,260	16,521
Long-term accrued expenses and other noncurrent liabilities	21,847	7,576
Operating right-of-use noncurrent liabilities	28,500	29,163
Long-term debt, net of debt issuance costs	223,425	212,380
Total liabilities	293,032	265,640
COMMITMENTS AND CONTINGENCIES		
MEZZANINE EQUITY		
Series A Preferred Stock, $0.0001 par value; 315,789.473684 shares authorized, issued and outstanding at September 30, 2026 and December 31, 2025	428,828	407,257
STOCKHOLDERS' DEFICIT		
Common Stock, $0.0001 par value; 1,000,000,000 shares authorized; 59,048,096 shares issued and outstanding at September 30, 2026; 55,894,663 shares issued and outstanding at December 31, 2025	6	6
Additional paid-in capital	67,049	82,315
Accumulated deficit	(420,942)	(425,099)
Accumulated other comprehensive (loss) income	(1,596)	187
Total stockholders' deficit	(355,483)	(342,591)
Total liabilities, mezzanine equity and stockholders' deficit	$ 366,377	$ 330,306

[1] Includes related party accrued expenses of zero and $0.4 million as of September 30, 2026 and December 31, 2025, 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)
(dollars in thousands, except per share amounts)

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	2026	2025
Revenues	$ 76,413	$ 67,886	$ 115,419	$ 114,283
Cost of revenues[1]	27,756	21,133	63,976	57,040
Gross income	48,657	46,753	51,443	57,243
Selling, general and administrative expense[2]	(5,775)	(7,723)	(27,814)	(22,837)
Interest expense	(6,684)	(5,802)	(19,441)	(17,274)
Other income	78	451	309	1,750
Income before income taxes	36,276	33,679	4,497	18,882
Income tax (expense) benefit	(317)	840	(340)	407
Net income	$ 35,959	$ 34,519	$ 4,157	$ 19,289
Series A Preferred Stock - adjustment to maximum redemptions value	(7,434)	(6,939)	(21,571)	(20,136)
Earnings (loss) attributable to Common stockholders - basic	$ 28,525	$ 27,580	$ (17,414)	$ (847)
Dilutive adjustments to Earnings (loss) attributable to Common stockholders - basic	7,434	6,939	—	—
Earnings (loss) attributable to Common stockholders - diluted	$ 35,959	$ 34,519	$ (17,414)	$ (847)
Earnings (loss) per share - basic	$ 0.50	$ 0.50	$ (0.31)	$ (0.02)
Earnings (loss) per share - diluted	$ 0.37	$ 0.37	$ (0.31)	$ (0.02)
Weighted average Common Stock outstanding - basic	57,609,604	54,637,414	56,454,632	54,113,214
Weighted average Common Stock outstanding - diluted	97,764,801	92,112,791	56,454,632	54,113,214

[1] Includes related party cost of revenues of zero for both the three and nine months ended September 30, 2026, and zero and $1.3 million for the three and nine months ended September 30, 2025, respectively.

[2] Includes related party selling, general and administrative expense of $0.1 million and $0.6 million for the three and nine months ended September 30, 2026, respectively, and zero for both the three and nine months ended September 30, 2025.

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

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

	For the three months ended September 30,		For the nine months ended September 30,	
	2026	2025	2026	2025
Net income	$ 35,959	$ 34,519	$ 4,157	$ 19,289
Other comprehensive loss, net of tax:				
Foreign currency translation adjustment	(195)	—	(1,783)	(95)
Unrealized loss on derivative instruments	—	(67)	—	(378)
Total other comprehensive loss, net of tax	(195)	(67)	(1,783)	(473)
Comprehensive income	$ 35,764	$ 34,452	$ 2,374	$ 18,816

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 Nine Months Ended September 30, 2026
(Unaudited)
(dollars in thousands, except share value amounts)

	Series A Preferred Stock		Common Stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive (loss) income	Total stockholders' deficit
	Share	Value	Share	Value				
Balance at December 31, 2025	315,789	$ 407,257	55,894,683	$ 6	$ 82,315	$ (425,099)	$ 187	$ (342,591)
Net loss	—	—	—	—	—	(31,304)	—	(31,304)
Foreign currency translation adjustment	—	—	—	—	—	—	(1,258)	(1,258)
Series A Preferred Stock adjustment to maximum redemptions value	—	7,028	—	—	(7,028)	—	—	(7,028)
Repurchased shares for tax withholding	—	—	(265,743)	—	(520)	—	—	(520)
Issuance of Common Shares upon settlement of liability-classified award	—	—	407,497	—	883	—	—	883
Issuance of Restricted Common Stock	—	—	303,890	—	—	—	—	—
Stock-based compensation	—	—	1,188,421	—	1,700	—	—	1,700
Balance at March 31, 2026	315,789	$ 414,285	57,528,748	$ 6	$ 77,350	$ (456,403)	$ (1,071)	$ (380,118)
Net loss	—	—	—	—	—	(498)	—	(498)
Foreign currency translation adjustment	—	—	—	—	—	—	(330)	(330)
Series A Preferred Stock adjustment to maximum redemptions value	—	7,109	—	—	(7,109)	—	—	(7,109)
Common Stock issued related to Ignis Acquisition	—	—	869,036	—	1,669	—	—	1,669
Repurchased shares for tax withholding	—	—	—	—	(51)	—	—	(51)
Stock-based compensation	—	—	301,491	—	(655)	—	—	(655)
Balance at June 30, 2026	315,789	$ 421,394	58,699,275	$ 6	$ 71,204	$ (456,901)	$ (1,401)	$ (387,092)
Net income	—	—	—	—	—	35,959	—	35,959
Foreign currency translation adjustment	—	—	—	—	—	—	(195)	(195)
Series A Preferred Stock adjustment to maximum redemptions value	—	7,434	—	—	(7,434)	—	—	(7,434)
Common Stock issued related to FMS Acquisition	—	—	83,414	—	150	—	—	150
Repurchased shares for tax withholding	—	—	(9,082)	—	(18)	—	—	(18)
Stock-based compensation	—	—	274,489	—	3,147	—	—	3,147
Balance at September 30, 2026	315,789	$ 428,828	59,048,096	$ 6	$ 67,049	$ (420,942)	$ (1,596)	$ (355,483)

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 Nine Months Ended September 30, 2025
(Unaudited)
(dollars in thousands, except share value amounts)

	Series A Preferred Stock		Common Stock		Additional paid-in capital	Accumulated deficit	Accumulated other comprehensive income	Total stockholders' deficit
	Share	Value	Share	Value				
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)
Net income	—	—	—	—	—	34,519	—	34,519
Unrealized loss on derivative instruments	—	—	—	—	—	—	(67)	(67)
Series A Preferred Stock adjustment to maximum redemptions value	—	6,939	—	—	(6,939)	—	—	(6,939)
Repurchased shares for tax withholding	—	—	(10,477)	—	(17)	—	—	(17)
Stock-based compensation	—	—	62,105	—	1,101	—	—	1,101
Balance at September 30, 2025	315,789	$ 400,315	55,543,104	$ 6	$ 86,988	$ (409,950)	$ 563	$ (322,393)

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)
(dollars in thousands)

	For the nine months ended September 30,	
	2026	2025
Cash Flows from Operating Activities:		
Net income	$ 4,157	$ 19,289
Adjustments to reconcile net income to net cash provided by operating activities, net of acquisitions:		
Loss (gain) on disposal of fixed assets	170	(119)
Depreciation and amortization	18,571	14,196
Stock-based compensation expense	4,924	4,829
Change in fair value of the Warrants	(3,198)	1,066
Deferred tax benefit	(61)	—
Amortization of debt issuance costs and revolver asset	1,631	752
Change in fair value of earnout consideration	(176)	(2,781)
Changes in operating assets and liabilities		
Accounts receivable	(30,540)	(11,785)
Aircraft support parts	603	(186)
Prepaid expense and other current and noncurrent assets	291	2,848
Accounts payable, accrued expenses and other liabilities	17,677	(3,348)
Net cash provided by operating activities	14,049	24,761
Cash Flows from Investing Activities:		
Purchases and improvements of property, plant and equipment	(20,265)	(10,570)
Capitalized costs related to in-process research and development (“IPR&D”)	(1,206)	(923)
Sale of property, plant and equipment	—	976
Net cash used in investing activities	(21,471)	(10,517)
Cash Flows from Financing Activities:		
Drawdown of revolving credit facility	10,000	—
Drawdown of delayed draw term loan	14,000	—
Cash paid for taxes related to net share settlement of equity awards	(589)	(391)
Payment of finance lease liability	(20)	(24)
Repayments on revolving credit facility	(10,000)	—
Repayments on debt	(2,201)	(2,442)
Net cash provided by (used in) financing activities	11,190	(2,857)
Effects of exchange rate changes	(95)	(95)
Net change in cash, cash equivalents and restricted cash	3,673	11,292
Cash, cash equivalents and restricted cash – beginning of the period	31,381	53,083
Cash, cash equivalents and restricted cash – end of the period	$ 35,054	$ 64,375
Less: Restricted cash – end of the period	—	9,257
Cash and cash equivalents – end of the period	$ 35,054	$ 55,118

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 special missions aircraft solutions, including airframe modification, maintenance and integration solutions for governmental and commercial customers. Our mission is to deploy the most advanced technologies in aviation to protect lives, property, critical infrastructure, and the environment, delivering these capabilities where they are needed most, from wildfire response to defense and beyond. Through innovation and the use of advanced technology and software, focusing on aerial firefighting, disaster response, government applications and public safety, Bridger aims to set the global standard in aviation services.

As of September 30, 2026, the Company's fleet consists of the following:

Aircraft Type	Number
CL-415EAF ("Super Scooper")	6
Canadair CL-215T ("Spanish Scooper")	2
Pilatus PC-12 ("Pilatus")[1]	5
Daher Kodiak 100 ("Daher Kodiak")	4
Beechcraft King Air 350 ("King Air")	2
Twin Commander	1
Basler Turbo-67	1
Total aircraft	21

[1] The Company owns three and leases two.

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. These reclassifications had no impact on previously reported net income/loss, total assets, or stockholders' equity.

The information as of September 30, 2026 and for the three and nine months ended September 30, 2026 and 2025 is unaudited. The condensed consolidated balance sheet as of December 31, 2025 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 September 30, 2026 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, 2025, included in the Company's Annual Report on Form 10-K filed with the U.S. Securities and Exchange Commission (the "SEC") on March 6, 2026 (the "Form 10-K").

Recent Activity

During the three months ended September 30, 2026, the Company repaid $10.0 million outstanding under its revolving credit facility (the "Revolver"), under the Company's Credit Agreement, dated October 28, 2025 (the "Credit Agreement"). Refer to "*Note 15 – Long-Term Debt*," included in this Quarterly Report on Form 10-Q for additional details.

During the three months ended September 30, 2026, the Company completed the purchase of a Basler Turbo-67 aircraft for $10.0 million. The aircraft will support the Company's expanding service offerings. The aircraft is included in Property, plant and equipment, net in the Condensed Consolidated Balance Sheets. Refer to "*Note 8 – Property, Plant and Equipment, Net*," included in this Quarterly Report on Form 10-Q for additional details.

Reduction in Workforce

On November 12, 2026, the Company announced a reduction of its workforce by approximately 13% to streamline the Company's team structure to better align with its long-term growth and profitability objectives. Refer to "*Note 24 – Subsequent Events*," included in this Quarterly Report on Form 10-Q for additional details.

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 $11.50 per share;
- 17,250,000 public warrants ("Public Warrants") to purchase shares of Common Stock at an exercise price of $11.50 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."

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 nine months ended September 30, 2026 and 2025 and the year ended December 31, 2025, and all intercompany expenses associated with NFMS, LLC and its service agreement have been eliminated in consolidation. As of September 30, 2026 and December 31, 2025, 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 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. MAB is owned by funds managed by Marathon Asset Management, L.P. and Eyre Street Capital, LLC and, through the Class B units, by the Company, and it owns the Spanish Scoopers through its wholly owned subsidiary, MAB Funding Designated Activity Company ("MAB DAC"). We also entered into a services agreement with MAB DAC (as amended and restated on May 8, 2024 and amended on April 15, 2025, the "MAB Services Agreement") whereby we managed the return-to-service upgrades of the Spanish Scoopers through our wholly-owned Spanish subsidiary, Albacete Aero, S.L.U., while they are owned and funded by MAB. The MAB Services Agreement also provided that we had the right, but not the obligation, to acquire the Spanish Scoopers in pairs pursuant to a purchase schedule. On December 23, 2025, we purchased two of the Spanish Scoopers from MAB for an aggregate purchase price of $50.0 million, allocating $25.0 million per aircraft. On August 26, 2026, we delivered written notice to MAB DAC asserting that MAB DAC is in material breach of the MAB Services Agreement (the "MAB Notice"). On September 17, 2026, MAB DAC disputed those assertions, claimed that we are in material breach of the MAB Services Agreement and reserved its rights under the MAB Services Agreement. We dispute MAB DAC's breach claims and reserve all rights. Please refer to "*Note 17 – Commitments and Contingencies*" included in this Quarterly Report on Form 10-Q for additional details. 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 nine months ended September 30, 2026 and 2025 and the year ended December 31, 2025. Refer to "*Note 17 – 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, (k) Public Warrants and Private Placement Warrants, (l) accounting for income taxes including the related valuation allowance on the deferred tax asset and (m) determination of the fair value of the property related to the sale-leaseback transaction. 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 nine months ended September 30, 2026 and 2025, the Company did not record any bad debt expense as accounts receivable have historically been collected in accordance with the policy and there is no history of write-offs.

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.

Debt Issuance Costs

Debt issuance costs consist of expenditures associated with obtaining debt financing, principally legal and bank commitment fees, on drawn and undrawn instruments. Such costs are deferred and amortized over the term of the related credit arrangements using the straight-line method, which approximates the effective interest method. Debt issuance costs are included in the Condensed Consolidated Balance Sheets as a direct deduction from the carrying amount of long-term debt and are included in Interest expense in the Condensed Consolidated Statements of Operations. The payment of debt issuance costs is recorded under financing activities in the Condensed Consolidated Statements of Cash Flows.

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 September 30, 2026 and December 31, 2025, the Company recorded $19.6 million to Stockholders' deficit in the Condensed Consolidated Balance Sheets.

Deferred Financing Costs

Deferred financing costs include origination, arrangement, legal and other fees to issue or amend the terms of the Revolver and the Delayed Draw Term Loan ("DDTL"). In our Condensed Consolidated Balance Sheets, unamortized deferred financing costs related to the Revolver and DDTL are reported as other noncurrent assets. Deferred financing costs are recognized in our Condensed Consolidated Statements of Operations as interest expense by amortizing the costs over the related financing using the straight-line method, which approximates the effective interest method.

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 towards 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.

Special missions aircraft solutions (previously referred to as "Maintenance, Repair and Overhaul ("MRO")") revenues

Special missions aircraft solutions revenue consists of (i) modification, fabrication, engineering and systems integration solutions for aircraft and aircraft components and systems, and related support services, and (ii) maintenance and repair services for return-to-service work performed on customer aircraft.

The Company commonly contracts with third parties to perform certain modification, maintenance, 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.

Most contracts within the special missions aircraft solutions revenue stream represent a single performance obligation because the underlying activities are highly interdependent and are not separately identifiable within the context of the contract. 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 nine months ended September 30, 2026 and 2025.

Other revenues

Other revenues primarily consists of training services, technology services and lease revenue. Lease revenue is recognized when the Company leases its owned aircraft to third parties. Lease revenue includes fixed lease income recognized on a straight-line basis over the applicable lease term and variable lease income recognized as earned based on usage.

Technology services revenue is recognized when the Company provides access to its proprietary hosted aerial intelligence and fire analytics system ("IGNIS platform"), as a software-as-a-service ("SaaS") offering to customers. The Company owns and operates the underlying software environment. The IGNIS platform is delivered as a hosted service, and customer access is provided over a defined period of performance. IGNIS platform services are distinct, as customers can benefit from platform access on its own and the promise to provide platform access is separately identifiable from any other promises in a contract.

Revenue for IGNIS platform services is recognized over time as the customer simultaneously receives and consumes the benefit of the Company's performance throughout the service period. The Company measures progress using a time-elapsed (straight-line) basis, as this best reflects the continuous transfer of platform access to the customer over the service period.

For the three and nine months ended September 30, 2026, we had other revenue of $3.3 million and for the three and nine months ended September 30, 2025, we had other revenue of $8,000 and $3.6 million, respectively. Refer to *"Note 16 – Leases"* included in this Quarterly Report on Form 10-Q for additional details.

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 revenue recognized in excess of the amounts billed to customers. Contract assets are recorded within Accounts receivable in the Condensed Consolidated Balance Sheets. Contract liabilities include advance payments and milestone billings received in excess of revenue recognized. Contract liabilities are recorded as deferred revenue within Accrued expenses and other current liabilities and Long-term accrued expenses and other noncurrent 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. 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 are as follows:

dollars in thousands	As of September 30, 2026	As of December 31, 2025	Net Change
Contract assets	$ 4,393	$ 2,250	$ 2,143
Contract liabilities	19,721	3,434	16,287
Net contract liabilities	$ (15,328)	$ (1,184)	$ (14,144)

The accounts receivable balance was $5.9 million, the contract assets and contract liabilities balances were $1.7 million and $0.8 million, respectively, as of January 1, 2025. For the nine months ended September 30, 2026, the Company recognized revenues of $3.0 million that was previously included in the contract liabilities that existed at December 31, 2025.

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. Contract liabilities increased from December 31, 2025, primarily due to advance payments and milestone billings received in excess of revenue recognized under a program, entered into during the quarter ended September 30, 2026. There were no significant impairment losses related to any receivables or contract assets arising from the Company's contracts with customers during the nine months ended September 30, 2026 and 2025.

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 September 30, 2026, the Company has remaining unsatisfied performance obligations of $68.4 million, of which 15% is expected to be recognized as revenue in the next twelve months and 85% 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:

	For the three months ended September 30,		For the nine months ended September 30,	
dollars in thousands	**2026**	**2025**	**2026**	**2025**
Fire suppression	$ 56,500	$ 52,594	$ 80,298	$ 76,452
Aerial surveillance	12,615	10,769	19,655	16,503
Special missions aircraft solutions	4,038	4,515	12,167	17,761
Other	3,260	8	3,299	3,567
Total revenues	$ 76,413	$ 67,886	$ 115,419	$ 114,283

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

	For the three months ended September 30,		For the nine months ended September 30,	
dollars in thousands	**2026**	**2025**	**2026**	**2025**
United States	$ 73,951	$ 65,740	$ 110,448	$ 101,146
Spain	2,462	2,146	4,971	13,137
Total revenues	$ 76,413	$ 67,886	$ 115,419	$ 114,283

Concentration Risk

The Company had two customers who individually accounted for 74% and 13% of total revenues for the three months ended September 30, 2026, and two customers who individually accounted for 70% and 14% of total revenues for the nine months ended September 30, 2026. The Company had two customers who individually accounted for 79% and 10% of total revenues for the three months ended September 30, 2025, and three customers who individually accounted for 68%, 11% and 10% of total revenues for the nine months ended September 30, 2025. The Company had two customers who individually accounted for 45% and 40% of trade accounts receivable as of September 30, 2026 and two customers who individually accounted for 57% and 12% of trade accounts receivable as of December 31, 2025.

Hedging Transactions and Derivative Financial Instruments

The Company may, when deemed appropriate, use derivative financial instruments as a risk management tool to mitigate the potential impact of certain market risks, including interest rate risk. The Company does not enter into derivative financial instruments for trading purposes.

Derivatives designated and qualifying as cash flow hedges are recorded at fair value, with changes in fair value recognized in Accumulated other comprehensive (loss) income and reclassified into earnings in the period the hedged item affects earnings. Any ineffective portion of a hedge is recognized in earnings immediately. Upon termination of a hedging instrument, any remaining balance in Accumulated other comprehensive (loss) income is reclassified into earnings in the period of termination.

The Company's interest rate swap, which was designated as a cash flow hedge, was terminated in October 2025 concurrent with the refinancing of the underlying hedged debt. Refer to *"Note 13 – Interest Rate Swap"* included in this Quarterly Report on Form 10-Q for additional details.

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.

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 RSUs is recognized upon satisfaction of the performance condition (the Closing of the transaction) and over the requisite service period using the graded-vesting method.

Compensation cost for performance-based restricted common stock awards is recognized when achievement of the applicable performance condition is considered probable. The Company reassesses the probability of achievement at each reporting date and records cumulative catch-up adjustments to compensation cost based on the number of awards expected to vest. Grant-date fair value for such awards is determined based on the fair value of the Common Stock on the grant date in accordance with the applicable award terms.

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.

Earnings (Loss) Per Share

Basic earnings (loss) per share is based on the weighted average number of shares of Common Stock outstanding during the period. Diluted earnings (loss) per share is based on the weighted average number of shares of Common Stock used for the basic earnings (loss) per share calculation, adjusted for the dilutive effect of RSUs, restricted common stock awards, 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, earnings (loss) for diluted earnings (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. Earnings (loss) per share is calculated based on the weighted average number of shares of Common Stock outstanding.

Leases

Company as a lessee

The Company is the lessee in a lease contract when the Company obtains the right to use the asset. The right-of-use asset represents the Company's right to use an underlying asset for the lease term and lease obligations represent the Company's obligations to make lease payments arising from the lease, both of which are recognized based on the present value of the future minimum lease payments over the lease term at the commencement date. The Company has also elected the short-term lease exception whereby leases with a term of 12 months or less at inception are not recorded on the Condensed Consolidated Balance Sheets and are expensed on a straight-line basis over the lease term in our Condensed Consolidated Statements of Operations. The Company determines the lease term by agreement with the lessor. Options to renew are considered in lease terms if reasonably expected to be exercised.

Company as a lessor

The Company is the lessor in a lease contract when the Company provides a third party the right to use an owned asset. The Company evaluates each contract at inception to determine whether it contains a lease under ASC 842, which requires both an identified asset and the conveyance of the right to control the use of that asset in exchange for consideration. The Company classifies each lease as a sales-type lease, direct financing lease, or operating lease based on the criteria in ASC 842-10-25-2.

For operating leases, the underlying asset remains on the Company's Condensed Consolidated Balance Sheets and continues to be depreciated in accordance with the Company's established property and equipment policy. Lease payments from operating leases are recognized as income on a straight-line basis over the lease term. Variable lease income, which is based on usage metrics such as engine flight hours, is recognized as earned in the period in which the usage occurs and is not subject to straight-line recognition. The depreciation for depreciable underlying assets subject to operating leases is in accordance with depreciation policy for the Company's equipment.

Sale-Leaseback Transaction

The determination of the fair value of the property related to the sale-leaseback transaction requires subjectivity and estimates, including the use of multiple valuation techniques and uncertain inputs, such as market price per square foot and assumed capitalization rates or the replacement cost of the assets, where applicable. Where real estate valuation expertise is required, we obtain independent third-party appraisals to determine the fair value of the underlying asset. While determining fair value requires a variety of input assumptions and judgment, we believe our estimates of fair value are reasonable.

Recent Accounting Pronouncements

Recently Issued Accounting Pronouncements

In April 2026, the Financial Accounting Standards Board ("FASB") issued Accounting Standards Update ("ASU") No. 2026-01, *Equity (Topic 505) — Initial Measurement of Paid-in-Kind Dividends on Equity-Classified Preferred Stock* ("ASU 2026-01"), which requires that paid-in-kind ("PIK") dividends on equity-classified preferred stock be initially measured based on the PIK dividend rate stated in the preferred stock agreement, applied to the liquidation value of the preferred stock outstanding. ASU 2026-01 is effective for annual reporting periods beginning after December 15, 2026, and interim reporting periods within those annual periods, with early adoption permitted. The Company plans to adopt ASU 2026-01 on January 1, 2027. The Company's existing accounting policies are consistent with the requirements of ASU 2026-01, and therefore adoption is not expected to have a material impact on its Consolidated Financial Statements.

In September 2025, the FASB issued ASU No. 2025-06, *Intangibles—Goodwill and Other—Internal-Use Software (Subtopic 350-40): Targeted Improvements to the Accounting for Internal-Use Software* ("ASU 2025-06"). This update modernizes the accounting for internal-use software, removes all references to software development stages, and requires capitalization of software costs when management has committed to a software project and it is probable the software will be completed and perform its intended use. ASU 2025-06 will be effective for annual and interim periods beginning January 1, 2028. Early adoption is permitted. The Company is currently evaluating the timing and method of adopting the new accounting guidance on the Company's Consolidated Financial Statements.

In November 2024, the FASB issued ASU No. 2024-03, *Income Statement—Reporting Comprehensive Income—Expense Disaggregation Disclosures* ("ASU 2024-03"). This update enhances annual and interim disclosures, in the notes to financial statements, of specified information about certain costs and expenses. ASU 2024-03 will be effective for annual periods beginning January 1, 2027 and interim periods beginning January 1, 2028. Early adoption is permitted. The Company is currently evaluating the impact of adopting the new accounting guidance on the Company's Consolidated Financial Statements.

NOTE 3 – SUPPLEMENTAL CASH FLOW INFORMATION

dollars in thousands	For the nine months ended September 30, 2026	2025
Cash paid for interest	$ 17,844	$ 21,450
Cash paid for income taxes, net of refunds	205	—
Non-cash investing and financing activities:		
Series A Preferred Stock - adjustment to maximum redemption value	21,571	20,136
Issuance of Common Shares upon settlement of liability-classified award	883	—
Fixed assets in accounts payable	476	—
Recognition of new right-of-use assets and corresponding operating lease liabilities	2,339	2,217
Recognition of new right-of-use assets and corresponding financing lease liabilities	20	69
Net reduction in right-of-use assets and lease liabilities from operating lease modifications	207	—
Derecognition or modification of right-of-use assets and corresponding finance lease liabilities	—	13
Purchase consideration of Ignis acquisition paid in Common Stock (*Note 12*)	1,669	1,191
Purchase consideration of FMS acquisition paid in Common Stock	150	—

NOTE 4 – CASH EQUIVALENTS

Cash equivalents consist of the following:

dollars in thousands	As of September 30, 2026 Carrying Value	As of December 31, 2025 Carrying Value
Cash equivalents:		
Money market fund	$ 31,316	$ 25,035

NOTE 5 – ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Trade accounts receivable	$ 26,897	$ 835
Contract assets	4,393	2,250
Unbilled receivable	2,254	—
Foreign tax receivable	146	105
Total accounts receivable	$ 33,690	$ 3,190

Substantially all accounts receivable as of September 30, 2026 are expected to be collected in the next twelve months. The Company does not believe it has significant exposure to credit risk, as accounts receivable and the contract assets amounts are 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:

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Repairables and expendables	$ 575	$ 623
Other	476	1,031
Total aircraft support parts	$ 1,051	$ 1,654

NOTE 7 – PREPAID EXPENSES AND OTHER CURRENT ASSETS

Prepaid expenses and other current assets consist of the following:

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Prepaid insurance	$ 1,541	$ 1,546
Deposits	1,097	1,639
Prepaid subscriptions	786	518
Other	375	291
Total prepaid expenses and other current assets	$ 3,799	$ 3,994

NOTE 8 – PROPERTY, PLANT AND EQUIPMENT, NET

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

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Aircraft	$ 280,268	$ 262,013
Less: Accumulated depreciation	(65,018)	(48,607)
Aircraft, net	215,250	213,406
Construction in progress	29	—
Vehicles and equipment	8,042	7,049
Buildings	1,161	1,200
Leasehold improvements	679	645
Licenses	235	235
Finance lease right-of-use asset	103	117
Capitalized software and development costs	39	35
Less: Accumulated depreciation	(4,712)	(3,873)
Leasehold improvements and equipment, net	5,576	5,408
Total property, plant and equipment, net	$ 220,826	$ 218,814

For the three and nine months ended September 30, 2026, the Company recorded $11.2 million and $17.2 million of depreciation expense in Cost of revenues, respectively, and zero and $0.1 million of depreciation expense in Selling, general and administrative expense. For the three and nine months ended September 30, 2025, the Company recorded $7.5 million and $12.1 million of depreciation expense in Cost of revenues, respectively, and $0.4 million and $1.1 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 nine months ended September 30, 2026 and 2025, the Company recorded no impairment charges.

For the three and nine months ended September 30, 2026, the Company recorded a loss on disposal of fixed assets of $0.1 million and $0.2 million, respectively, in Selling, general and administrative expense in the Condensed Consolidated Statements of Operations. For the three and nine months ended September 30, 2025, the Company recorded a gain on disposal of fixed assets of zero and $0.1 million, respectively, in Selling, general and administrative expense in the Condensed Consolidated Statements of Operations.

The following table presents the net carrying amount of aircraft that are subject to operating leases, disaggregated from aircraft not subject to operating leases, as of September 30, 2026 and December 31, 2025:

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Aircraft subject to operating leases:		
Gross carrying amount	$ 48,384	$ —
Less: Accumulated depreciation	(1,106)	—
Aircraft subject to operating leases, net	$ 47,278	$ —

The aircraft subject to operating leases as of September 30, 2026, consists of the two Spanish Scoopers aircraft leased to an unrelated third party under an operating lease.

These aircraft are depreciated over their estimated useful lives. Depreciation is recorded within Cost of revenues in the Condensed Consolidated Statements of Operations. Refer to *"Note 16 – Leases"* included in this Quarterly Report on Form 10-Q for additional details.

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) and the remaining consideration to be paid contingent upon the achievement of certain earnout conditions. The shares issued at close were issued at the fair value upon the closing date. The 2025 earnout tranche was settled in the third quarter of 2026 through the issuance of 83,414 restricted shares of Common Stock to the former FMS stockholders. Refer to *"Note 12 – Accrued Expenses and Other Liabilities"* included in this Quarterly Report on Form 10-Q for additional details. The remaining Common Stock consideration is contingent upon the achievement of certain earnout conditions and, if achieved, will be issued in 2027 based on 2026 results. 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 of 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.

The shares of Common Stock issued or issuable in connection with the FMS Acquisition were issued in reliance on the exemption from registration under the Securities Act of 1933, as amended (the "Securities Act"), provided by Section 4(a)(2) of the Securities Act. Recipients of shares of Common Stock in connection with the FMS Acquisition 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:

dollars 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	$ 16,342

dollars 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	$ 16,342	$ —	$ 16,342

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

Purchase price allocation adjustments related primarily to net working capital, closing price and deferred tax liability adjustments.

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

There were no changes to the carrying amount of goodwill during the three and nine months ended September 30, 2026. Goodwill was $20.9 million as of September 30, 2026 and December 31, 2025. As of September 30, 2026 and December 31, 2025, goodwill of $2.4 million was allocated to the Company's BAGH reporting unit, which has a negative carrying amount of net assets as of September 30, 2026 and December 31, 2025, due to the inclusion of the mezzanine equity, refer to *"Note 18 – Mezzanine Equity."* There were no impairment charges recorded for goodwill for the three and nine months ended September 30, 2026 and 2025.

Intangible assets consisted of the following:

		As of September 30, 2026		
dollars in thousands	**Estimated Life (Years)**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**
In-process research and development ("IPR&D")	5	$ 5,343	$ (1,658)	$ 3,685
Contracts	5.5	3,400	(1,391)	2,009
Trade name	9.5	300	(71)	229
Internal-use software	3	297	(297)	—
Customer relationships	3.5	200	(129)	71
Licenses	10	68	(68)	—
Total intangible assets		$ 9,608	$ (3,614)	$ 5,994

		As of December 31, 2025		
dollars in thousands	**Estimated Life (Years)**	**Gross Carrying Amount**	**Accumulated Amortization**	**Net Carrying Amount**
IPR&D	5	4,109	(926)	3,183
Contracts	5.5	$ 3,400	$ (927)	$ 2,473
Trade name	9.5	300	(47)	253
Internal-use software	3	297	(297)	—
Customer relationships	3.5	200	(86)	114
Licenses	10	68	(68)	—
Total intangible assets		$ 8,374	$ (2,351)	$ 6,023

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 amortizes the IPR&D over its useful life of five years when placed into service. For the nine months ended September 30, 2026 and 2025, the Company capitalized costs of $1.2 million and $0.9 million related to IPR&D, respectively.

Amortization expense for intangible assets and other noncurrent assets was $0.4 million and $1.3 million for the three and nine months ended September 30, 2026, respectively, and $0.4 million and $1.0 million for the three and nine months ended September 30, 2025, respectively. 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:

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Operating lease right-of-use asset	$ 31,065	$ 31,416
Deposits	4,040	1,937
Investment in MAB	4,000	4,000
Deferred debt issuance costs	3,474	4,150
Investment in Overwatch Imaging, Inc.	1,000	1,000
Prepaid expenses	631	986
Other	865	873
Total other noncurrent assets	$ 45,075	$ 44,362

NOTE 12 – ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses and other liabilities consisted of the following:

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Deferred revenue[1]	$ 19,721	$ 3,434
Accrued salaries, wages and bonuses	4,320	2,548
Warrant liabilities	2,132	5,330
Deferred underwriting fee payable	1,500	1,500
Accrued foreign tax	925	925
Contingent consideration	748	2,743
Finance right-of-use liability	77	96
Accrued interest expense	11	52
Other	1,398	742
Total accrued expenses and other liabilities	30,832	17,370
Less: Current accrued expenses and other current liabilities	(8,985)	(9,794)
Total long-term accrued expenses and other noncurrent liabilities	$ 21,847	$ 7,576

1. Refer to "*Note 2 – Summary of Significant Accounting Policies*" included in this Quarterly Report on Form 10-Q for additional details regarding Contract liabilities.

Warrant liabilities

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

Public Warrants

The Company 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 September 30, 2026 and December 31, 2025, 17,249,874 Public Warrants remain outstanding. The Public Warrants are liability-classified with a balance of $1.3 million and $3.4 million, respectively, and a fair value of $0.08 and $0.20 per warrant as of September 30, 2026 and December 31, 2025, respectively.

Private Placement Warrants

The Company issued Private Placement Warrants to purchase 9,400,000 shares of Common Stock at an exercise price of $11.50 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 September 30, 2026 and December 31, 2025, 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 $1.9 million, respectively, and a fair value of $0.08 and $0.20 per warrant as of September 30, 2026 and December 31, 2025, 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 Company’s acquisition of Ignis Technologies, Inc. in 2023 (“Ignis” and the “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 two payments were made as of the quarters ended June 30, 2024 and 2025. The third and final payment was made during the second quarter of 2026, in which the Company issued 869,036 restricted shares of Common Stock to the former Ignis shareholders (determined based upon a trailing 120-day VWAP of the Common Stock for the 120 consecutive trading days ended June 30, 2026). The shares were issued at fair value, resulting in a total issuance value of approximately $1.7 million. This amount was previously recognized as part of the contingent consideration liability as of March 31, 2026, and the issuance did not result in any additional expense during the period.

Pursuant to the agreement, the maximum number of shares of Common Stock issuable to the former Ignis shareholders as contingent earnout consideration was 8,399,198. The Company issued 2,566,138 total shares of Common Stock to the former Ignis shareholders across all three payments, which did not exceed the shares authorized in the aggregate.

All of the shares of Common Stock issued as part of the Ignis Acquisition were subject to transfer restrictions for a 12-month period after each issuance, with 1/12th of the total shares of Common Stock transferring each month over the one-year period after each issuance. The shares of Common Stock issued in connection with the Ignis Acquisition on the Ignis Acquisition date were issued 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 have customary resale registration rights with respect to such shares of Common Stock pursuant to the terms and conditions of the Ignis Acquisition. During the third quarter of 2026, the Company formally released the transfer restrictions applicable to the shares issued in respect of the Ignis Acquisition.

As part of the June 2024 FMS Acquisition, the Company agreed to pay contingent consideration to the former stockholders of FMS contingent upon the achievement of certain earnout conditions based on 2025 and 2026 results. The 2025 earnout was settled during the third quarter of 2026, in which the Company issued 83,414 restricted shares of Common Stock to the former FMS stockholders (determined based upon a trailing 90-day VWAP of the Common Stock for the 90 consecutive trading days ended July 8, 2026). The shares were issued at fair value, resulting in a total issuance value of approximately $0.2 million. This amount was previously recognized as part of the contingent consideration liability as of June 30, 2026, and the issuance did not result in any additional expense during the period. The remaining 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 2027 based on the 2026 results.

Pursuant to the agreement, the maximum number of 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 shares issued will be subject to an 18-month transfer restriction period, with 1/18th of the total shares transferring each month over the 18-month period following each issuance. The shares of Common Stock issued or issuable in connection with the FMS Acquisition were issued in reliance on the exemption from registration provided by Section 4(a)(2) of the Securities Act. Recipients of shares have customary resale registration rights pursuant to the terms of the FMS Acquisition.

As of September 30, 2026, the Company recognized $0.7 million in Accrued expenses and other current liabilities in the Condensed Consolidated Balance Sheets and zero in Long-term accrued expenses and other noncurrent liabilities in the Condensed Consolidated Balance Sheets. The September 30, 2026 balance reflects liabilities related to FMS. As of December 31, 2025, the Company recognized $2.0 million in Accrued expenses and other current liabilities in the Condensed Consolidated Balance Sheets and $0.7 million in Long-term accrued expenses and other noncurrent liabilities in the Condensed Consolidated Balance Sheets. The December 31, 2025 balance reflects liabilities related to both Ignis and FMS.

The change in contingent consideration for the nine months ended September 30, 2026 and year ended December 31, 2025 was as follows:

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Contingent consideration, beginning of period	$ 2,743	$ 6,219
Change in fair value of contingent consideration	(176)	(2,285)
Settlement of contingent consideration	(1,819)	(1,191)
Contingent consideration, end of period	$ 748	$ 2,743

NOTE 13 – INTEREST RATE SWAP

The Company previously held an interest rate swap with UMB Bank (“UMB”), entered into on March 12, 2020, which was designated as a cash flow hedge under ASC 815 to reduce exposure to variable-rate interest risk on its prior term loan with UMB. Fair value adjustments were recorded within Accumulated other comprehensive (loss) income on the Condensed Consolidated Balance Sheets.

Concurrent with the October 2025 refinancing, refer to *“Note 15 – Long-Term Debt,”* the Company used a portion of the refinancing proceeds to retire the outstanding balance of the prior UMB term loan, which resulted in the termination of the swap agreement. Upon termination, the life-to-date accumulated gain of $0.7 million was reclassified from Accumulated other comprehensive income to Other income on the Consolidated Statements of Operations during the year ended December 31, 2025. No derivative instruments related to the swap remain outstanding as of September 30, 2026.

NOTE 14 – FAIR VALUE MEASUREMENTS

Long-term debt

As of September 30, 2026 and December 31, 2025, the Company had $37,000 and $0.1 million of fixed rate debt outstanding and $234.3 million and $222.4 million of variable rate debt outstanding, respectively. The Company's debt approximates fair value based on current rates and terms available to the Company for similar debt as of September 30, 2026 and December 31, 2025. Debt financing activities and loan agreements are further described in *"Note 15 – Long-Term Debt"* 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 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:

	As of September 30, 2026		
dollars in thousands	**Level 1**	**Level 2**	**Level 3**
Assets			
Cash	$ 35,054	$ —	$ —
Total Assets	$ 35,054	$ —	$ —
Liabilities			
Warrant liabilities - Public Warrants	$ 1,380	$ —	$ —
Warrant liabilities - Private Placement Warrants	—	752	—
Contingent consideration	—	—	748
Total liabilities	$ 1,380	$ 752	$ 748

	As of December 31, 2025		
dollars in thousands	**Level 1**	**Level 2**	**Level 3**
Assets			
Cash	$ 31,381	$ —	$ —
Total Assets	$ 31,381	$ —	$ —
Liabilities			
Warrant liabilities - Public Warrants	$ 3,450	$ —	$ —
Warrant liabilities - Private Placement Warrants	—	1,880	—
Contingent consideration	—	—	2,743
Total liabilities	$ 3,450	$ 1,880	$ 2,743

Warrant Liabilities

The Company issued Warrants in connection with the Reverse Recapitalization. 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 is 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. The Company 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 equity securities without a readily determinable fair value, 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 September 30, 2026 and December 31, 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

October 2025 Refinancing

On October 28, 2025, the Company completed the refinancing of its then outstanding $160.0 million Series 2022 bonds with a Credit Agreement (the "Credit Agreement"), consisting of $210.0 million Initial Term Loans (the "Initial Term Loans"), a $21.5 million Revolver, and a $100.0 million DDTL. The Company incurred debt issuance costs of $4.9 million and lender fees of $4.2 million associated with the Credit Agreement. As of September 30, 2026, the Company had drawn $210.0 million under the Initial Term Loans and $24.3 million under the DDTL, with $75.7 million remaining in borrowing capacity on the DDTL. The Company has no borrowings outstanding under the Revolver as of September 30, 2026, following repayment during the three months ended September 30, 2026 of the $10.0 million previously drawn, with $21.5 million of borrowing capacity available.

The Company evaluated the transaction under the guidance in ASC 470-50, Debt—Modifications and Extinguishments, and determined that the refinancing resulted in extinguishment accounting, as the Credit Agreement was entered into with a new lending group. In connection with the repayment, the Company incurred a loss on the extinguishment of debt of $7.8 million, which included a $3.0 million write-off of unamortized debt issuance costs. The loss was recorded as a loss on extinguishment of debt within "Other expense, net" in the Consolidated Statements of Operations for the year ended December 31, 2025.

2025 Credit Agreement

The Credit Agreement is secured by first-priority security interests in substantially all tangible and intangible assets, including aircraft, real property, and intellectual property of the Company and subsidiary guarantors. The Credit Agreement requires annual prepayment from an Excess Cash Flow assessment, requiring prepayment of a percentage of annual excess cash flow, as defined within the Credit Agreement, with an assessment date beginning with the fiscal year ending December 31, 2026, and from certain asset sales above a specific threshold, with certain reinvestment provisions. The Credit Agreement requires the Company to pay a prepayment premium on certain voluntary or mandatory prepayments of the term loans equal to (i) 3.0% if repaid on or prior to the first anniversary of the closing date, (ii) 2.0% if repaid after the first anniversary but on or prior to the second anniversary, and (iii) 1.0% if repaid after the second anniversary but on or prior to the third anniversary. After the third anniversary, no prepayment premium applies. Typical events of default include nonpayment, covenant breach, insolvency, and cross-defaults, which may result in acceleration and obligation to pay all outstanding principal, accrued interest, and fees.

The Credit Agreement contains certain covenants, which include, but are not limited to, restrictions on indebtedness, liens, fundamental changes, restricted payments, asset sales, and investments, and places limits on various other payments.

The Credit Agreement is also subject to financial covenants requiring the Company to maintain (i) a Total Leverage Ratio not exceeding specified limits on various compliance dates, e.g., 7.00x through December 31, 2026, decreasing to 6.00x from March 31, 2027 through December 31, 2027, decreasing to 5.50x from March 31, 2028, onwards (generally calculated as the ratio of consolidated total debt outstanding (calculated as consolidated total debt net unrestricted cash) to consolidated adjusted EBITDA (calculated as per the terms of the credit agreement)) and (ii) a minimum operating cash flow of not less than $30.0 million (generally calculated as consolidated adjusted EBITDA (calculated as per the terms of the credit agreement) minus consolidated capitalized expenses (calculated as per the terms of the Credit agreement)). The Company was in compliance with the financial covenants as of September 30, 2026.

Initial Term Loans

The Initial Term Loans consist of an original principal of $210.0 million, maturing on October 28, 2030. Borrowings under the Credit Agreement bear interest at either (i) Term SOFR rate plus 6.00% or (ii) an Alternative Base Rate ("ABR"), plus 5.00%. The ABR is determined as the greatest of (a) the federal funds effective rate, plus 0.50%, (b) adjusted term SOFR plus 1.00%, (c) the prime rate and (d) 2.00%. The Company elected the SOFR rate plus 6.00% for the Initial Term Loans as of the commencement date. As of September 30, 2026, the interest rate on the Initial Term Loans was 9.69%, based on one-month Term SOFR plus the applicable margin of 6.00%.

The Initial Term Loans require quarterly principal payments equal to 0.25% of the original principal amount, with the remaining outstanding balance payable at maturity. Interest is payable at the end of the interest period, and any unpaid and accrued interest is due at the time of final repayment.

Revolver

The Revolver provides for borrowings, repayments, and re-borrowings up to a total commitment of $21.5 million. Revolving loans bear interest at the same rate options applicable to the Initial Term Loans. The Revolver matures on October 28, 2030. The Revolver requires payment of a commitment fee of 0.50% per annum based on the average daily amount of the unused Revolver. The fee is payable quarterly in arrears on the last business day of March, June, September, and December. Commitment fees totaled $21,000 and $0.1 million for the three and nine months ended September 30, 2026 and are included in interest expense. The Company recorded $0.9 million of upfront fees and issuance costs allocated to the Revolver as a deferred asset.

On March 27, 2026, the Company drew $6.0 million from the Revolver, for working capital needs at an elected rate of SOFR plus 6.00%. In connection with the draw, $0.3 million of previously deferred upfront fees and issuance costs allocated to the Revolver were reclassified as a debt discount to the drawn amount as of March 31, 2026.

On June 28, 2026, the Company drew an additional $4.0 million from the Revolver for working capital needs, at an elected rate of SOFR plus 6.00%. In connection with the draw, $0.1 million of previously deferred upfront fees and issuance costs allocated to the Revolver were reclassified as a debt discount to the drawn amount as of June 30, 2026.

During the quarter ended September 30, 2026, the Company repaid the $10.0 million outstanding balance on the Revolver.

The remaining deferred asset related to the Revolver was $0.8 million as of September 30, 2026.

As of September 30, 2026, there were no outstanding borrowings under the Revolver, with $21.5 million of remaining availability under the facility. There were no unamortized debt discount and deferred issuance costs associated with the Revolver as of September 30, 2026.

DDTL

The DDTL facility permits the Company to draw up to ten tranches, each in a minimum amount of $2.5 million and increments of $250,000, subject to customary conditions, up to $100.0 million. The DDTL will remain available until October 28, 2027. Amounts drawn under the DDTL mature on October 28, 2030. The DDTL bears interest at the same rate options applicable to the Initial Term Loans. The DDTL requires payment of a commitment fee of 1.00% per annum based on the average daily amount of the unused DDTL Commitment. The fee is payable quarterly in arrears on the last business day of March, June, September, and December. Commitment fees totaled $0.2 million and $0.6 million for the three and nine months ended September 30, 2026 and are included in interest expense. The Company recorded $3.8 million of upfront fees and issuance costs allocated to the DDTL as a deferred asset.

On December 17, 2025, the Company drew $10.3 million from the DDTL to fund the purchase of two Pilatus aircraft, at an elected rate of SOFR plus 6.00%. In connection with the draw, $0.4 million of previously deferred upfront fees and issuance costs allocated to the DDTL were reclassified as a debt discount to the drawn amount.

On April 14, 2026, the Company drew an additional $14.0 million from the DDTL, at an elected rate of SOFR plus 6.00%. In connection with the draw, $0.5 million of previously deferred upfront fees and issuance costs allocated to the DDTL were reclassified as a debt discount to the drawn amount.

The remaining deferred asset related to the DDTL was $2.9 million as of September 30, 2026.

As of September 30, 2026, total outstanding draws under the DDTL were $24.3 million, with $75.7 million of remaining availability under the facility. The total unamortized debt discount and deferred issuance costs associated with the DDTL were $0.8 million as of September 30, 2026. As of September 30, 2026, borrowings under the DDTL bore interest at rates ranging from 9.69% to 9.73%, based on one-month and three-month Term SOFR, respectively, plus the applicable margin of 6.00%.

The DDTL requires quarterly principal payments equal to 0.25% of the original principal amount, with the remaining outstanding balance payable at maturity. Interest is payable monthly, and any unpaid and accrued interest is due at the time of final repayment.

Other Indebtedness

UMB Loan - UMB Daher Kodiak Aircraft

On February 3, 2020, the Company entered into a credit facility with UMB to finance in part the purchase of four Daher Kodiak aircraft. 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.

Other loans

The Company maintains various other term loan agreements with aggregate outstanding principal balances not material to the consolidated financial statements. These loans commenced as early as September 9, 2021, bear interest at fixed rates ranging from 3.89% to 5.5% per annum, and mature as late as November 17, 2027.

Debt Issuance Costs

Amortization of debt issuance costs was $0.5 million and $1.6 million for the three and nine months ended September 30, 2026, respectively, and $0.3 million and $0.8 million for the three and nine months ended September 30, 2025, respectively. Unamortized debt issuance costs and original issue discounts are presented as a direct deduction from the carrying amount of the associated debt obligations in the balance sheet. These costs are amortized to interest expense over the life of the related debt using the straight-line method, which approximates the effective interest method.

Pledged Assets

As of September 30, 2026, the Company pledged or restricted substantially all of the assets (consisting principally of aircraft, real property, and intellectual property of the Company and subsidiary guarantors) as collateral for the outstanding debt related to the 2025 Credit Agreement.

Long-term debt consisted of the following:

dollars in thousands	As of September 30, 2026	As of December 31, 2025
Initial Term Loan	$ 207,900	$ 209,475
DDTL	24,078	10,224
UMB Loan (Kodiak Aircraft)	2,278	2,697
Other	37	96
Loans payable	234,293	222,492
Less: noncurrent debt issuance costs	(6,213)	(7,276)
Less: current debt issuance costs	(2,020)	(1,910)
Less: current portion of long-term debt, net of debt issuance costs	(2,635)	(926)
Total long-term debt, net of debt issuance costs	$ 223,425	$ 212,380

NOTE 16 – LEASES

Under ASC 842, leases are separated into two classifications: operating leases and finance leases. For a lease to be classified as a finance lease, it must meet one of the five finance lease criteria: (1) transference of title/ownership to the lessee, (2) reasonably certain to exercise a purchase option, (3) lease term is for the major part of the remaining economic life of the asset, (4) present value represents substantially all of the fair value of the asset and (5) asset specialization. Any lease that does not meet these criteria is classified as an operating lease. ASC 842 requires all leases to be recognized on the Company's balance sheet. Specifically, for operating leases, the Company recognizes a right-of-use asset and a corresponding lease liability upon lease commitment.

ASC 842 requires a lessee to use the rate implicit in the lease whenever that rate is readily determinable, otherwise the incremental borrowing rate ("IBR") should be used. Given the nature of the Company's lease portfolio, which consists of leases of hangar spaces, aircraft, vehicles, copiers, buildings, aircraft equipment, the implicit rate is often unavailable. In such cases, the Company uses its incremental borrowing rate as the discount rate. The IBR is the rate of interest that a lessee would have to pay to borrow on a collateralized basis over a similar term an amount equal to the lease payments in a similar economic environment. The determination of the IBR requires judgment and is determined based on the Company's credit rating and term of the lease adjusted for the effects of collateral.

Sale-Leaseback Transaction

The Company completed a sale-leaseback transaction on October 28, 2025. As such, we assessed the sale-leaseback arrangement to determine whether a sale has occurred under Accounting Standards Codification ("ASC") Topic 606: Revenue from Contracts with Customers ("ASC 606"), as well as assess whether the classification of the lease and/or the terms preclude sale accounting under ASC 842, Leases ("ASC 842"). These assessments involve a determination of whether or not control of the underlying property has been transferred to the buyer. If we determine control of the underlying property has been transferred to the buyer, we account for the arrangement as a sale and leaseback transaction. If we determine control of the underlying property has not been transferred to the buyer, we account for the arrangement as a financing transaction.

The determination of the fair values of the properties related to our sale-leaseback arrangement required subjectivity and estimates, including the use of valuation techniques and uncertain inputs, such as market price per square foot, where applicable. The valuation method used was the depreciated cost method. Where real estate valuation expertise is required, we obtained independent third-party appraisals to determine the fair value of the underlying asset. While determining fair value requires a variety of input assumptions and judgment, we believe our estimates of fair value are reasonable.

Under the sale-leaseback transaction, the Company terminated and ultimately reassigned its previous ground leases with the Gallatin Airport Authority and sold three properties with a combined net book value of $30.0 million for gross proceeds of $49.3 million, which was reduced by transaction costs of $2.5 million for net cash proceeds of approximately $46.8 million. The properties in the sale-leaseback transaction are comprised of three hangars located in Bozeman, MT, totaling approximately 120,000 square feet of hangar and office space. The lease agreement has a stated ten-year term. The lease includes an option to terminate after seven years without penalty and a five-year renewal option at the end of the initial term. In determining the lease term for accounting purposes, the Company concluded it is reasonably certain not to exercise the termination option and therefore included the full ten-year stated term in the lease term. The Company is not reasonably certain to exercise the renewal option, and accordingly, the renewal period is excluded from the lease term. We recognized a gain of $16.9 million on this transaction, which was included in Gain on sale-leaseback transaction in Other income in the Form 10-K. Right-of-use assets and lease liabilities recognized related to this sale-leaseback transaction were $28.0 million, respectively.

Lessee Arrangements

Components of the Company's operating and finance lease assets and liabilities as of September 30, 2026 and December 31, 2025 are as follows:

dollars in thousands	Financial Statement Line Item	As of September 30, 2026	As of December 31, 2025
Assets			
Operating lease right-of-use asset	Other noncurrent assets	$ 31,065	$ 31,416
Finance lease right-of-use asset, net	Property, plant and equipment, net	64	92
Liabilities			
Operating lease right-of-use liabilities (current)	Operating lease right-of-use liability (current)	$ 3,097	$ 2,384
Finance lease right-of-use liabilities (current)	Accrued expenses and other current liabilities	21	23
Operating lease right-of-use liabilities (noncurrent)	Operating lease right-of-use liability (noncurrent)	28,500	29,163
Finance lease right-of-use liabilities (noncurrent)	Accrued expenses and other noncurrent liabilities	56	73

The Company leases various property and premises on a short-term basis and leases some of its premises under non-cancelable operating leases that expire on various dates through October 2035.

During the quarter ended June 30, 2026, the Company reassessed its lease term for one of its operating leases and concluded it was no longer reasonably certain to exercise the renewal option previously included in the lease term, in accordance with ASC 842. As a result, the Company remeasured the associated lease liability and corresponding right-of-use asset, resulting in a decrease of approximately $0.5 million to both the lease liability and the right-of-use asset. The reassessment did not result in a gain or loss.

The Company recorded $1.5 million and $4.4 million of expenses associated with these operating leases in Cost of revenues and Selling, general and administrative expense in the Consolidated Statements of Operations for the three and nine months ended September 30, 2026, respectively, and $0.7 million and $2.2 million of expenses associated with these operating leases in Cost of revenues and Selling, general and administrative expense in the Consolidated Statements of Operations for the three and nine months ended September 30, 2025, respectively. The Company recorded expenses associated with finance leases in Cost of revenues and Selling, general and administrative expense in the Consolidated Statements of Operations.

Supplemental cash flow information related to leases is as follows:

	For the nine months ended September 30,	
dollars in thousands	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	$ 3,956	$ 2,228
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	$ 2,339	$ 2,217
Finance leases	20	69

Cash paid for amounts included in the measurement of finance lease liabilities was immaterial for the three and nine months ended September 30, 2026 and 2025.

As of September 30, 2026, future minimum lease payments are as follows:

dollars in thousands	Operating Leases	Finance Leases
Year Ending December 31:		
Remainder of 2026	$ 1,379	$ 7
2027	5,351	27
2028	5,131	27
2029	5,171	22
2030	4,674	5
Thereafter	21,834	2
Total lease payments	43,540	90
Less: interest	(11,943)	(13)
Total lease liabilities	$ 31,597	$ 77
Weighted average remaining lease term:	8.5 years	3.4 years
Weighted average discount rate:	8.1 %	9.9 %

Lessor Arrangements

During the three months ended September 30, 2026, the Company entered into an Aircraft Dry Lease Agreement (the "Lease") with an unrelated third-party Spanish aviation operator. Under the Lease, the Company leases the two Spanish Scoopers to the customer for wildfire fighting operations in Portugal, Spain, and other mutually agreed territories.

The Company evaluated the Lease under ASC 842 and determined that it qualifies as an operating lease, as none of the criteria for sales-type or direct financing lease classification were met. The two aircraft remain on the Company's Condensed Consolidated Balance Sheets as property and equipment and continue to be depreciated in accordance with the Company's established property, plant and equipment policy.

During the nine months ended September 30, 2025, the Company leased a Super Scooper aircraft and a Pilatus aircraft to an unrelated third party, which were also classified as operating leases. The aircraft remained on the Company's Condensed Consolidated Balance Sheets as property and equipment and continued to be depreciated.

No right-of-use asset or lease liability has been recorded by the Company in connection with this arrangement. Refer to *"Note 2 – Summary of Significant Accounting Policies"* included in this Quarterly Report on Form 10-Q for additional details.

The components of lease income recognized in the Company's Condensed Consolidated Statements of Operations for the three and nine months ended September 30, 2026 and 2025 are as follows:

	For the three months ended September 30,		For the nine months ended September 30,	
dollars in thousands	2026	2025	2026	2025
Lease income	$ 1,702	$ —	$ 1,702	$ 787
Variable lease income	513	—	513	378
Total income from operating leases	$ 2,215	$ —	$ 2,215	$ 1,165

Contractual future lease payments to be received on non-cancelable operating leases as of September 30, 2026, are as follows:

dollars in thousands	Amount
Remainder of 2026	$ 385
Total future lease payments to be received	$ 385

NOTE 17 – 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 condition, cash flows or results of operations. The Company is unable to predict the outcome of its dispute with MAB DAC described below under "*Legal Proceedings*," including whether MAB DAC or its affiliates will assert claims against the Company, and that dispute could have a material effect on the Company's financial condition, 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 DAC. 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 might be required to pay MAB DAC 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 DAC has not otherwise entered into an operating lease with a third party for the aircraft, then the Company might be required to pay MAB DAC $15.0 million. On December 23, 2025, we purchased two of the Spanish Scoopers from MAB for an aggregate purchase price of $50.0 million, allocating $25.0 million per aircraft. Accordingly, no liability has been recorded in the condensed consolidated financial statements as of September 30, 2026. The Company will continue to monitor the situation and assess the need for recognition or further disclosure in future periods.

Legal Proceedings

On August 26, 2026, the Company delivered to MAB DAC a written notice (the "MAB Notice") asserting that MAB DAC was in material breach of the MAB Services Agreement, including with respect to payment obligations and certain other provisions of the agreement, and demands that MAB cure such material breaches. The MAB Notice states that the Company will exercise its rights and remedies under the MAB Services Agreement and applicable law if MAB DAC does not comply. On September 17, 2026, MAB DAC disputed those assertions, claimed that we are in material breach of the MAB Services Agreement, and reserved its rights to terminate the MAB Services Agreement and exercise its rights and remedies under the MAB Services Agreement. Return-to-service work on the two remaining Spanish Scoopers has been suspended and the Company cannot predict when, or whether, that work will resume or whether the two remaining Spanish Scoopers will be returned to service. As of the date of this Quarterly Report, MAB DAC has satisfied payment obligations and neither party has filed a lawsuit or commenced an arbitration or other formal dispute resolution proceeding relating to these matters.

NOTE 18 – 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 $21.6 million and $20.1 million for the nine months ended September 30, 2026 and 2025, 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 September 30, 2026, 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. As of September 30, 2026 and December 31, 2025, the Series A Preferred Stock had both a carrying value and redemption value of $428.8 million and $407.3 million, respectively. Refer to the table below.

As of September 30, 2026 and December 31, 2025, the fair value of the embedded derivative related to an event of default is de minimis, as there have been no triggering events. The Common Stock has traded below the $1.00 minimum bid price required for continued listing on Nasdaq. As discussed in "*Note 24 – Subsequent Events,*" the Company received a deficiency notice from Nasdaq on October 28, 2026. The Company intends to regain compliance prior to the April 26, 2027 deadline. A delisting of the Common Stock from Nasdaq would constitute an event of default under the terms of the Series A Preferred Stock, resulting in a 2.00% per annum increase in the applicable dividend rate until such event of default is cured or waived.

The Company determined the fair value of the other features requiring bifurcation, both individually and in the aggregate were immaterial at September 30, 2026 and December 31, 2025. The fair value of these features will be assessed at each reporting date and will be recognized and remeasured at fair value, if material.

	Redeemable Series A Preferred Stock	
dollars in thousands	**Shares**	**Amounts**
Balance as of December 31, 2025	315,789.473684	$ 407,257
Adjustment to maximum redemptions value	—	21,571
Balance as of September 30, 2026	315,789.473684	$ 428,828
Balance as of December 31, 2024	315,789.473684	$ 380,179
Adjustment to maximum redemptions value	—	20,136
Balance as of September 30, 2025	315,789.473684	$ 400,315

NOTE 19 – 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 Common Stock

During the three months ended March 31, 2026, the Company granted 303,890 shares of restricted Common Stock to Alder Securities LLC, a non-employee capital structure advisor, with a grant-date fair value of $750,000. The award is subject to performance conditions tied to specified reductions in the Company's Series A Preferred Stock.

As of September 30, 2026, management concluded that achievement of the performance condition was not probable and, accordingly, no stock-based compensation expense was recognized for this award during the three and nine months ended September 30, 2026. The total unrecognized compensation cost related to this award was $750,000 as of September 30, 2026.

Restricted Common Stock activity for the nine months ended September 30, 2026 is as follows:

	Number of Awards	Weighted average grant date fair value
Outstanding as of December 31, 2025	—	$ —
Granted	303,890	2.49
Vested	—	—
Forfeited/Cancelled	—	—
Outstanding as of September 30, 2026	303,890	$ 2.49

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 periods of three 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 nine months ended September 30, 2026 and 2025 is as follows:

	Number of Awards	Weighted average grant date fair value
Outstanding as of December 31, 2025	5,526,665	$ 5.06
Granted	5,442,673	2.03
Vested	(1,764,401)	3.64
Forfeited/Cancelled	(587,360)	8.13
Outstanding as of September 30, 2026	8,617,577	$ 2.84
Outstanding as of December 31, 2024	4,472,950	$ 6.94
Granted	1,045,500	2.77
Vested	(970,773)	5.79
Forfeited/Cancelled	(544,431)	4.39
Outstanding as of September 30, 2025	4,003,246	$ 6.48

The total fair value of RSUs vested during the nine months ended September 30, 2026 and 2025 was $3.9 million and $2.5 million, respectively, based on the closing stock price on the date of vesting.

During the quarter ended June 30, 2026, in connection with a separation agreement with a former executive, the Company recorded two adjustments to previously recognized stock-based compensation expense related to outstanding RSU awards. The Company accelerated the vesting of a portion of the executive's unvested RSU awards, which was accounted for as a Type III modification under ASC 718, resulting in the recognition of the remaining unrecognized compensation cost for those awards immediately. The remaining unvested RSU awards that did not vest under the terms of the separation agreement were forfeited, resulting in the reversal of previously recognized stock-based compensation expense for those awards. These two events resulted in a net reduction of approximately $3.3 million to stock-based compensation expense for the three months ended June 30, 2026.

For the three and nine months ended September 30, 2026, the Company recorded stock-based compensation expense related to RSUs of $0.5 million and $1.2 million, respectively, within Cost of revenues and $2.7 million and $3.0 million, respectively, within Selling, general, and administrative expense on the Condensed Consolidated Statements of Operations. For the three and nine months ended September 30, 2025, the Company recorded stock-based compensation expense related to RSUs of $0.3 million and $1.0 million, respectively, within Cost of revenues and $0.8 million and $3.8 million, respectively, within Selling, general and administrative expense on the Condensed Consolidated Statements of Operations.

As of September 30, 2026, there was $10.3 million of unrecognized total compensation expense related to unvested RSUs, which is expected to be recognized over a weighted-average period of 1.6 years.

For the three months ended March 31, 2026, the Company issued and settled liability-classified stock-based compensation awards to certain employees, which were settled through the issuance of common shares. The awards vested immediately upon issuance. Liability-classified awards are measured at fair value at the grant date and remeasured to fair value at each subsequent reporting date until settlement. Changes in fair value are recognized as compensation expense or a reduction thereof in the period of change. There was no change in fair value between the grant date and settlement date during the three months ended March 31, 2026. As of September 30, 2026, no liability-classified awards remained outstanding.

The settlement of these awards through the issuance of common shares is treated as a non-cash financing activity. Refer to *"Note 3 – Supplemental Cash Flow Information"* included in this Quarterly Report on Form 10-Q.

For the three and nine months ended September 30, 2026, the Company recorded stock-based compensation expense related to liability-classified awards for common shares of zero and $0.2 million, respectively, within Cost of revenues and zero and $0.5 million, respectively, within Selling, general and administrative expense on the Condensed Consolidated Statements of Operations. There were no liability-classified awards issued in 2025.

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 vest 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 is recognized over the requisite service period on a straight-line basis. For the Exit-Vesting Incentive Units, expense is recognized when a qualifying change of control event is considered probable, which has not occurred as of September 30, 2026. As of September 30, 2026, 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.

2025 At the Market ("ATM") Offering

On March 18, 2025, the Company entered into a sales agreement ("ATM Agreement") with Stifel, Nicolaus & Company, Incorporated ("Stifel") and Canaccord Genuity LLC (together with Stifel, the "Agents") under which we may offer and sell, from time to time, shares of our Common Stock (the "ATM Shares") having an aggregate offering price of up to $100.0 million through the Agents in negotiated transactions that are deemed to be an "at the market offering" (the "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 ATM Offering on March 19, 2025.

Under the ATM Agreement, the Agents may sell the 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 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 ATM Shares under the ATM Agreement. The offering of the ATM Shares pursuant to the ATM Agreement will terminate upon the termination of the ATM Agreement by the Agents or us, as permitted therein.

The 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 Agents an aggregate commission of up to 3.0% of the aggregate gross proceeds from each sale of the ATM Shares. The Company also agreed to reimburse the Agents for certain specified expenses in connection with entering into the ATM Agreement.

During the nine months ended September 30, 2026, the Company did not sell any shares of Common Stock under the ATM Agreement.

NOTE 20 – RELATED PARTY TRANSACTIONS

During the year ended December 31, 2025, the Company engaged Venable LLP, a law firm at which Dean Heller, a member of our Board of Directors, serves as a Senior Policy Advisor, for legal services related to general corporate matters, transactional matters, and regulatory compliance. Mr. Heller recused himself from all related approval discussions. The Company incurred professional service expenses of approximately $0.1 million and $0.6 million for the three and nine months ended September 30, 2026, respectively, and zero for the three and nine months ended September 30, 2025. The Company had approximately zero and $0.4 million in Accrued expenses related to professional services as of September 30, 2026 and December 31, 2025, respectively.

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.

The Company incurred related party training expenses, provided by an entity in which Mr. Timothy Sheehy has partial ownership, of zero for the three and nine months ended September 30, 2026, and zero and $0.6 million for the three and nine months ended September 30, 2025, 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 (now managed by Eyre Street Capital, LLC, "ESC Investor") made capital contributions totaling $13.0 million in exchange for 13,031 voting Class A Units of MAB. ESC Investor holds approximately 10% of Bridger's outstanding convertible Series A Preferred Stock which represents approximately 6.2% interest in the Company's Common Stock on a fully diluted basis. Funds managed by Marathon Asset Management, L.P. ("Marathon") also hold Class A units of MAB. Under the MAB Services Agreement, an affiliate of Marathon and ESC Investor each has the right to designate a non-voting observer to attend meetings of the Company's Board of Directors and its committees. The Company is in a dispute with MAB DAC, an indirect wholly owned subsidiary of MAB, under the MAB Services Agreement, as described in "Note 17 – Commitments and Contingencies." In the MAB Notice, the Company also reserved its rights with respect to the use of confidential information by certain affiliates of MAB. On September 17, 2026, MAB DAC disputed these assertions regarding the use of confidential information.

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 related party lease expense of approximately zero for the three and nine months ended September 30, 2026, and zero and $0.7 million for the three and nine months ended September 30, 2025, respectively.

NOTE 21 – INCOME TAXES

As a result of the Reverse Recapitalization, 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 nine months ended September 30, 2026, the Company recorded income tax expense of $0.3 million. The effective tax rate for the three and nine months ended September 30, 2026 was 0.9% and 7.6%, respectively. The effective tax rate differs from the statutory rate primarily due to the full valuation allowance maintained against the Company's U.S. deferred tax assets and income tax expense attributable to taxable income forecasted in foreign jurisdictions in which the Company operates.

For the three and nine months ended September 30, 2025, the Company recorded income tax benefit of $0.8 million and $0.4 million, respectively. The effective tax rate for the three and nine months ended September 30, 2025 was 0.8% and (2.1)%, 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.

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.

NOTE 22 – EARNINGS (LOSS) PER SHARE

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

Earnings (loss) per share – diluted is based on the weighted average number of shares of Common Stock used for the Earnings (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. Earnings (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.

Subsequent to the Closing, Earnings (loss) per share is calculated based on the Weighted average Common Stock outstanding.

Restricted common stock issued to Alder Securities LLC during the first quarter of 2026 was excluded from both basic and diluted weighted-average shares outstanding, as the applicable performance condition had not been satisfied as of September 30, 2026. In addition, inclusion of these shares would have been anti-dilutive given the net earnings (loss) reported for the period.

The following table sets forth the computation of the Company's Earnings (loss) per share:

dollars in thousands, except per share amounts	For the three months ended September 30, 2026	For the three months ended September 30, 2025	For the nine months ended September 30, 2026	For the nine months ended September 30, 2025
Net income	$ 35,959	$ 34,519	$ 4,157	$ 19,289
Adjustments to Net income:				
Series A Preferred Stock—adjustment to maximum redemptions value	(7,434)	(6,939)	(21,571)	(20,136)
Earnings (loss) attributable to Common stockholders – basic	$ 28,525	$ 27,580	$ (17,414)	$ (847)
Dilutive adjustments to Earnings (loss) attributable to Common stockholders – basic	7,434	6,939	—	—
Earnings (loss) attributable to Common stockholders – diluted	$ 35,959	$ 34,519	$ (17,414)	$ (847)
Weighted average Common Stock outstanding - basic	57,609,604	54,637,414	56,454,632	54,113,214
Weighted average effect of dilutive securities:				
Series A Preferred Stock	38,984,325	36,392,288	—	—
Unvested Restricted Stock Units	1,131,985	189,202	—	—
Unvested Legacy Bridger Incentive Units	38,887	38,887	—	—
Sponsor Earnout Shares	—	855,000	—	—
Weighted average Common Stock outstanding - diluted	97,764,801	92,112,791	56,454,632	54,113,214
Earnings (loss) per share - basic	$ 0.50	$ 0.50	$ (0.31)	$ (0.02)
Earnings (loss) per share - diluted	$ 0.37	$ 0.37	$ (0.31)	$ (0.02)

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

	For the three months ended September 30, 2026	For the three months ended September 30, 2025	For the nine months ended September 30, 2026	For the nine months ended September 30, 2025
Series A Preferred Stock	—	—	38,984,325	36,392,288
Unvested Restricted Stock Units	5,524,427	2,563,349	8,617,577	4,003,246
Performance-Based Restricted Common Stock	303,890	—	303,890	—
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
Sponsor Earnout Shares	855,000	—	855,000	855,000

NOTE 23 – 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, income/(loss) before income taxes and Adjusted EBITDA to assess financial performance and allocate resources. 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. 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 and administrative expenses.

The following table presents selected financial information with respect to the Company's single operating segment for the three and nine months ended September 30, 2026 and 2025:

	For the three months ended September 30,		For the nine months ended September 30,	
dollars in thousands	**2026**	**2025**	**2026**	**2025**
Revenues	$ 76,413	$ 67,886	$ 115,419	$ 114,283
Cost of revenues	27,756	21,133	63,976	57,040
Gross income	48,657	46,753	51,443	57,243
Selling, general and administrative expense	(5,775)	(7,723)	(27,814)	(22,837)
Interest expense	(6,684)	(5,802)	(19,441)	(17,274)
Other income	78	451	309	1,750
Income before income taxes	36,276	33,679	4,497	18,882
Income tax (expense) benefit	(317)	840	(340)	407
Net income	$ 35,959	$ 34,519	$ 4,157	$ 19,289

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

Total United States revenues were $74.0 million and $110.4 million for the three and nine months ended September 30, 2026, respectively, and $65.7 million and $101.1 million for the three and nine months ended September 30, 2025, 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 two customers who individually accounted for 74% and 13% of total revenues for the three months ended September 30, 2026, and two customers who individually accounted for 70% and 14% of total revenues for the nine months ended September 30, 2026. The Company had two customers who individually accounted for 79% and 10% of total revenues for the three months ended September 30, 2025, and three customers who individually accounted for 68%, 11% and 10% of total revenues for the nine months ended September 30, 2025.

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:

dollars in thousands	**As of September 30, 2026**	**As of December 31, 2025**
United States	$ 202,802	$ 198,301
Spain	49,089	51,928

NOTE 24 – SUBSEQUENT EVENTS

Management has evaluated subsequent events and transactions that occurred after September 30, 2026 up to the date of issuance of these Condensed Consolidated Financial Statements.

Settlement of Return-to-Service Costs

On October 22, 2026, MAB DAC paid the outstanding $1.3 million balance due for invoiced return-to-service costs as described in "*Note 17 – Commitments and Contingencies.*"

Entry into Aircraft Services Agreement

On October 22, 2026, the Company entered into an Aircraft Services Agreement (the "Agreement") with Bridgeporth Ltd. ("Bridgeporth"), an operating subsidiary of Metatek-Group Ltd. (TSX: MTEK), pursuant to which Bridger will provide dedicated aircraft availability, modification, maintenance, and operational services in support of Bridgeporth's global airborne geophysical sensor survey operations.

Receipt of Nasdaq Deficiency Notice

The Common Stock is listed on the Nasdaq Global Market, or Nasdaq. Nasdaq Listing Rule 5450(a)(1) requires that the Company's shares of Common Stock must maintain a minimum bid price of at least $1.00. The Company received a deficiency notice from Nasdaq on October 28, 2026, advising that the closing bid price of its Common Stock for the previous 30 consecutive business days was below the $1.00 minimum bid price requirement and, therefore, no longer satisfied this Nasdaq requirement.

In accordance with Nasdaq Listing Rule 5810(c)(3)(A), the Company has until April 26, 2027 (180 calendar days from the date of the Nasdaq deficiency notice) to regain compliance with the minimum bid price requirement. If at any time during the 180-day period, the bid price of the Common Stock closes at or above $1.00 per share for a minimum of ten consecutive business days, unless the Nasdaq Listing Qualifications Department (the "Staff") exercises its discretion to extend this ten business day period pursuant to Nasdaq Listing Rule 5810(c)(3)(H), the Company expects that the Staff would provide a written confirmation of compliance and the matter will be closed. In the event that the Company does not regain compliance with the minimum bid price requirement prior to the expiration of the 180-day period, the Company expects Nasdaq will provide it with written notification that the Common Stock are subject to delisting from the Nasdaq Global Market. At that time, the Company may appeal the delisting determination to a hearings panel.

Employee-Related Matters

Subsequent to the quarter, the Company announced changes to its executive leadership team, including the departure of its Chief Operating Officer and the resignation of its Chief Financial Officer. In addition, the Company announced the appointment of the Company's Executive Vice President, Aviation Services as the principal operating officer. Refer to "*Part II, Item 5*" of this Quarterly Report on Form 10-Q for additional information.

On November 12, 2026, following the approval by the Board of Directors on November 11, 2026, the Company completed a reduction of its workforce by approximately 13% to streamline the Company's team structure to better align with its long-term growth and profitability objectives.

The Company estimates that it will incur costs primarily consisting of one-time employee termination benefits of approximately $1.2 million to $1.5 million, including severance payments, employee benefits, and related costs, in connection with such workforce reduction, which includes the separation of an executive officer. The Company expects substantially all of the incremental expense will be recognized and the majority of the cash expenditure will be paid in the fourth quarter of 2026, with the remainder to be paid over the next twelve months. The estimated cash expenditures and incremental expenses are based on certain assumptions, including local law requirements in various jurisdictions, and actual amounts may differ from such estimates.

The Company may incur other incremental expenses or cash expenditures not currently contemplated due to unanticipated events that may occur as a result of or in connection with the implementation of the reduction in workforce.

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. This discussion and analysis should be read together with our unaudited Condensed Consolidated Financial Statements and the related notes as of September 30, 2026 and for the three and nine months ended September 30, 2026 and 2025, included elsewhere in this Quarterly Report on Form 10-Q (this "Quarterly Report"), and our historical audited annual Consolidated Financial Statements as of and for the year ended December 31, 2025, included in our Annual Report on Form 10-K (the "Form 10-K"). 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 special missions aircraft solutions, including airframe modification, maintenance and integration solutions for governmental and commercial customers. Our mission is to deploy the most advanced technologies in aviation to protect lives, property, critical infrastructure, and the environment, delivering these capabilities where they are needed most, from wildfire response to defense and beyond. Through innovation and the use of advanced technology and software, focusing on aerial firefighting, disaster response, government applications and public safety, Bridger aims to set the global standard in aviation services.

Our portfolio is organized across the following core offerings:

Aerial Firefighting

- ***Fire Suppression:*** Consists of deploying CL-415EAF ("Super Scooper") aircraft to drop large amounts of water as part of the initial and direct attack to slow, contain, and extinguish 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.

Special Missions Aircraft Solutions

- ***Aircraft Maintenance, Modification and Integration Solutions:*** Consists of maintenance, repair and return-to-service activities, including upgrades of certain Canadair CL-215T Amphibious ("Spanish Scoopers") aircraft, as well as aircraft modification, fabrication, engineering, flight test and systems integration solutions for aircraft and aircraft components and related product and support services 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, available borrowing capacity, and 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 Form 10-K, filed with the SEC on March 6, 2026.

Seasonality Due to the North American Fire Season

Because wildfires occur at different times in different parts of the country, we 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 wildfire season with lower demand in the winter months. As a result, seasonality and the varying intensity of the fire season have caused, and may continue to cause, 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 2025 National Interagency Coordination Center ("NICC") annual report, the total number of wildfires during 2025 was 78,000, approximately 15.0% above the number of wildfires reported in 2024. Additionally, according to data from the NICC, the national wildland fire preparedness level reached Level 4 in 2025 and Level 5 in 2024.

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.

RESULTS OF OPERATIONS

Comparison of the Three Months ended September 30, 2026 to the Three Months Ended September 30, 2025

The following table sets forth our Condensed Consolidated Statements of Operations information for the three months ended September 30, 2026 and 2025 and should be reviewed in conjunction with the financial statements and notes included elsewhere in this Quarterly Report.

	For the three months ended September 30,			
dollars in thousands	2026	2025	Period Over Period Change ($)	Period Over Period Change (%)
Revenues	$ 76,413	$ 67,886	$ 8,527	13%
Cost of revenues	27,756	21,133	6,623	31%
Gross income	48,657	46,753	1,904	4%
Selling, general and administrative expense	(5,775)	(7,723)	(1,948)	(25%)
Interest expense	(6,684)	(5,802)	882	15%
Other income	78	451	(373)	(83%)
Income before income taxes	36,276	33,679	2,597	8%
Income tax (expense) benefit	(317)	840	1,157	138%
Net income	$ 35,959	$ 34,519	$ 1,440	4%

Revenues

Revenues increased by $8.5 million, or 13%, to $76.4 million for the three months ended September 30, 2026, from $67.9 million for the three months ended September 30, 2025.

Revenues by service offering for the three months ended September 30, 2026 and 2025 were as follows:

	For the three months ended September 30,			
dollars in thousands	2026	2025	Period Over Period Change ($)	Period Over Period Change (%)
Fire suppression	$ 56,500	$ 52,594	$ 3,906	7%
Aerial surveillance	12,615	10,769	1,846	17%
Special missions aircraft solutions	4,038	4,515	$ (477)	(11)%
Other	3,260	8	3,252	40,650%
Total revenues	$ 76,413	$ 67,886	$ 8,527	13%

Fire suppression revenue increased by $3.9 million, or 7%, to $56.5 million for the three months ended September 30, 2026, from $52.6 million for the three months ended September 30, 2025. The increase was primarily driven by increased flight hours for our Super Scoopers for the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Aerial surveillance revenue increased by $1.8 million, or 17%, to $12.6 million for the three months ended September 30, 2026, from $10.8 million for the three months ended September 30, 2025. The increase was primarily driven by increased flight hours and availability of our King Air aircraft for the three months ended September 30, 2026, for which there was no comparable activity for the three months ended September 30, 2025.

Special missions aircraft solutions revenue decreased by $0.5 million, or 11%, to $4.0 million for the three months ended September 30, 2026, from $4.5 million for the three months ended September 30, 2025. The decrease was primarily driven by a $1.9 million decrease in the return-to-service work performed on the Spanish Scoopers in connection with the MAB Services Agreement for the three months ended September 30, 2026 compared to the three months ended September 30, 2025. The decrease was partially offset by a $1.4 million increase in revenue from modification, fabrication, and engineering work, reflecting a higher volume of contracts performed during the three months ended September 30, 2026, including new contracts for which there was no comparable activity in the three months ended September 30, 2025.

Other revenue increased by $3.3 million, or 40,650%, to $3.3 million for the three months ended September 30, 2026, from $8,000 for the three months ended September 30, 2025. The increase was primarily driven by the lease for two Spanish Scoopers entered into for the three months ended September 30, 2026, for which there was no comparable activity for the three months ended September 30, 2025. In addition, there was $1.0 million in technology services revenues for the three months ended September 30, 2026, for which there was no comparable activity for the three months ended September 30, 2025.

Revenues by geographic area for the three months ended September 30, 2026 and 2025 were as follows:

	For the three months ended September 30,			
dollars in thousands	2026	2025	Period Over Period Change ($)	Period Over Period Change (%)
United States	$ 73,951	$ 65,740	$ 8,211	12%
Spain	2,462	2,146	316	15%
Total revenues	$ 76,413	$ 67,886	$ 8,527	13%

United States revenue increased by $8.2 million, or 12%, to $74.0 million for the three months ended September 30, 2026, from $65.7 million for the three months ended September 30, 2025. The increase was primarily driven by increased flight hours for our Super Scoopers and King Air aircraft for the three months ended September 30, 2026 compared to the three months ended September 30, 2025. In addition, there was an increase in revenue from modification, fabrication, and engineering work, reflecting a higher volume of contracts performed during the three months ended September 30, 2026, including new contracts for which there was no comparable activity in the three months ended September 30, 2025. In addition, there was $1.0 million in technology services revenues for the three months ended September 30, 2026, for which there was no comparable activity for the three months ended September 30, 2025.

Spain revenue increased by $0.3 million, or 15%, to $2.5 million for the three months ended September 30, 2026, from $2.1 million for the three months ended September 30, 2025. The increase was primarily driven by lease income for the two Spanish Scoopers for the three months ended September 30, 2026, for which there was no comparable activity for the three months ended September 30, 2025. The increase was partially offset by a decrease in the return-to-service work performed on the Spanish Scoopers in connection with the MAB Services Agreement for the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Cost of Revenues

Cost of revenues increased by $6.6 million, or 31%, to $27.8 million for the three months ended September 30, 2026, from $21.1 million for the three months ended September 30, 2025. The increase was primarily driven by an increase in depreciation expense of $3.7 million, aircraft modification costs of $1.5 million, workforce costs of $0.7 million, and hangar lease expense of $0.7 million for the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Selling, General and Administrative Expense

Selling, general and administrative expense decreased by $1.9 million, or 25%, to $5.8 million for the three months ended September 30, 2026, from $7.7 million for the three months ended September 30, 2025. The decrease was primarily attributable to a change in the fair value of the Warrants of $5.3 million. The decrease was partially offset by an increase in stock-based compensation of $1.9 million, non-recurring deal and organizational costs of $0.8 million, and workforce costs of $0.7 million for the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Interest Expense

Interest expense increased by $0.9 million, or 15%, to $6.7 million for the three months ended September 30, 2026, from $5.8 million for the three months ended September 30, 2025. The increase was driven by increased borrowings offset by favorable changes in financing terms related to the October 2025 debt refinancing.

Other Income

Other income decreased by $0.4 million, or 83%, to $0.1 million for the three months ended September 30, 2026, from $0.5 million for the three months ended September 30, 2025. The decrease was primarily driven by a decrease in dividend income on cash equivalents of $0.4 million for the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Income Tax (Expense) Benefit

Income tax expense was $0.3 million for the three months ended September 30, 2026, compared to an income tax benefit of $0.8 million for the three months ended September 30, 2025. The change was driven by an increase in the state and foreign income tax expense for the three months ended September 30, 2026 compared to the three months ended September 30, 2025.

Comparison of the Nine Months Ended September 30, 2026 to the Nine Months Ended September 30, 2025

The following table sets forth our unaudited condensed consolidated statements of operations information for the nine months ended September 30, 2026 and 2025 and should be reviewed in conjunction with the financial statements and notes included elsewhere in this Quarterly Report.

	For the nine months ended September 30,			
dollars in thousands	**2026**	**2025**	**Period Over Period Change ($)**	**Period Over Period Change (%)**
Revenues	$ 115,419	$ 114,283	$ 1,136	1%
Cost of revenues	63,976	57,040	6,936	12%
Gross income	51,443	57,243	(5,800)	(10%)
Selling, general and administrative expense	(27,814)	(22,837)	4,977	22%
Interest expense	(19,441)	(17,274)	2,167	13%
Other income	309	1,750	(1,441)	(82%)
Income before income taxes	4,497	18,882	(14,385)	(76)%
Income tax (expense) benefit	(340)	407	747	184%
Net income	$ 4,157	$ 19,289	$ (15,132)	(78%)

Revenues

Revenues increased by $1.1 million, or 1%, to $115.4 million for the nine months ended September 30, 2026, from $114.3 million for the nine months ended September 30, 2025.

Revenues by service offering for the nine months ended September 30, 2026 and 2025 were as follows:

	For the nine months ended September 30,			
dollars in thousands	**2026**	**2025**	**Period Over Period Change ($)**	**Period Over Period Change (%)**
Fire suppression	$ 80,298	$ 76,452	$ 3,846	5%
Aerial surveillance	19,655	16,503	3,152	19%
Special missions aircraft solutions	12,167	17,761	(5,594)	(31)%
Other	3,299	3,567	(268)	(8)%
Total revenues	$ 115,419	$ 114,283	$ 1,136	1%

Fire suppression revenue increased by $3.8 million, or 5%, to $80.3 million for the nine months ended September 30, 2026, from $76.5 million for the nine months ended September 30, 2025. The increase was primarily driven by increased flight hours for our Super Scoopers for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

Aerial surveillance revenue increased by $3.2 million, or 19%, to $19.7 million for the nine months ended September 30, 2026, from $16.5 million for the nine months ended September 30, 2025. The increase was primarily driven by increased flight hours and availability of our King Air aircraft for the nine months ended September 30, 2026, for which there was no comparable activity for the nine months ended September 30, 2025.

Special missions aircraft solutions revenue decreased by $5.6 million, or 31%, to $12.2 million for the nine months ended September 30, 2026, compared to $17.8 million for the nine months ended September 30, 2025. The decrease was primarily driven by a $10.4 million decrease in the return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. The decrease was partially offset by a $4.8 million increase in revenue from modification, fabrication, and engineering work, reflecting a higher volume of contracts performed during the nine months ended September 30, 2026, including new contracts for which there was no comparable activity in the nine months ended September 30, 2025.

Other revenue decreased by $0.3 million, or 8%, to $3.3 million for the nine months ended September 30, 2026, from $3.6 million for the nine months ended September 30, 2025. The decrease was primarily due to non-recurring third-party training and flight operations services utilizing our aircraft for the nine months ended September 30, 2025 that did not occur for the nine months ended September 30, 2026. The decrease was partially offset by higher lease revenue due to the lease for two Spanish Scoopers entered into for the nine months ended September 30, 2026, compared to the nine months ended September 30, 2025. In addition, there was $1.0 million in technology services revenues for the nine months ended September 30, 2026, for which there was no comparable activity for the nine months ended September 30, 2025.

Revenues by geographic area for the nine months ended September 30, 2026 and 2025 were as follows:

	For the nine months ended September 30,			
dollars in thousands	2026	2025	Period Over Period Change ($)	Period Over Period Change (%)
United States	$ 110,448	$ 101,146	$ 9,302	9%
Spain	4,971	13,137	(8,166)	(62)%
Total revenues	$ 115,419	$ 114,283	$ 1,136	1%

United States revenue increased by $9.3 million, or 9%, to $110.4 million for the nine months ended September 30, 2026, from $101.1 million for the nine months ended September 30, 2025. The increase was primarily driven by a $14.9 million increase due to increased flight hours for our Super Scoopers and King Air aircraft for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. In addition, there was an increase in revenue from modification, fabrication, and engineering work, reflecting a higher volume of contracts performed during the nine months ended September 30, 2026, including new contracts for which there was no comparable activity in the nine months ended September 30, 2025. In addition, there was technology services revenues for the nine months ended September 30, 2026, for which there was no comparable activity for the nine months ended September 30, 2025. The increase was offset by a decrease in training and lease revenue for which there was no comparable activity for the nine months ended September 30, 2026.

Spain revenue decreased by $8.2 million, or 62%, to $5.0 million for the nine months ended September 30, 2026, from $13.1 million for the nine months ended September 30, 2025. The decrease was primarily driven by a decrease in the return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. The decrease was partially offset by the lease income for the two Spanish Scoopers for the nine months ended September 30, 2026, for which there was no comparable activity for the nine months ended September 30, 2025.

Cost of Revenues

Cost of revenues increased by $6.9 million, or 12%, to $64.0 million for the nine months ended September 30, 2026, from $57.0 million for the nine months ended September 30, 2025. The increase was primarily driven by an increase in depreciation expense of $5.0 million, workforce costs of $2.8 million, and hangar lease expense of $2.2 million, for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. The increase was partially offset by a decrease in aircraft maintenance and modification costs of $2.2 million and in aircraft lease expense of $0.9 million, for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

Selling, General and Administrative Expense

Selling, general and administrative expense increased by $5.0 million, or 22%, to $27.8 million for the nine months ended September 30, 2026, from $22.8 million for the nine months ended September 30, 2025. The increase was primarily attributable to an increase in workforce costs of $2.8 million, a change in the fair value of the contingent consideration of $2.6 million, non-recurring deal and organizational costs of $1.9 million, lease expense costs of $1.0 million, and professional services costs of $1.0 million, for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025. The increase was partially offset by a change in the fair value of the Warrants of $4.3 million for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

Interest Expense

Interest expense increased by $2.2 million, or 13%, to $19.4 million for the nine months ended September 30, 2026, from $17.3 million for the nine months ended September 30, 2025. The increase was driven by increased borrowings offset by favorable changes in financing terms related to the October 2025 debt refinancing.

Other Income

Other income decreased by $1.4 million, or 82%, to $0.3 million for the nine months ended September 30, 2026, from $1.8 million for the nine months ended September 30, 2025. The decrease was partially driven by a decrease in dividend income on cash equivalents of $0.9 million and a decrease in foreign currency gains of $0.5 million, for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

Income Tax (Expense) Benefit

Income tax expense was $0.3 million for the nine months ended September 30, 2026, compared to an income tax benefit of $0.4 million for the nine months ended September 30, 2025. The change was driven by an increase in the state and foreign income tax expense for the nine months ended September 30, 2026 compared to the nine months ended September 30, 2025.

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 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, non-recurring executive transition costs, litigation fees and legal related items, 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.

The reconciliation of Net income, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA for the three months ended September 30, 2026 and 2025 is as follows:

	For the three months ended September 30,			
dollars in thousands	2026	2025	Period Over Period Change ($)	Period Over Period Change (%)
Net income	$ 35,959	$ 34,519	$ 1,440	4%
Income tax expense (benefit)	317	(840)	1,157	138%
Depreciation and amortization	11,683	8,196	3,487	43%
Interest expense	6,684	5,802	882	15%
EBITDA	54,643	47,677	6,966	15%
Stock-based compensation[1]	3,147	1,101	2,046	186%
Business development & transaction expenses[2]	469	331	138	42%
Change in fair value of earnout consideration[3]	(113)	(34)	(79)	(232%)
Change in fair value of Warrants[4]	(5,330)	—	(5,330)	(100%)
Non-recurring executive transition costs[5]	18	—	18	100%
Non-recurring litigation fees and legal related items[6]	331	—	331	100%
Adjusted EBITDA	$ 53,165	$ 49,075	$ 4,090	8%
Net income margin[7]	47%	51%		
Adjusted EBITDA margin[7]	70%	72%		

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

2 Represents third-party legal, accounting, due diligence, and advisory costs incurred in connection with completed and potential acquisitions, aircraft purchases, and other significant non-recurring transactions, as well as new business line initiatives and integration costs for completed acquisitions.

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 expenses associated with the build out and transition of the executive leadership team.

6 Represents costs related to pending legal settlements and other legal related matters.

7 Net income margin calculated as Net income divided by Total revenue and Adjusted EBITDA margin calculated as Adjusted EBITDA divided by Total revenue.

The reconciliation of Net income, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA for the nine months ended September 30, 2026 and 2025 is as follows:

	For the nine months ended September 30,			
dollars in thousands	2026	2025	Period Over Period Change ($)	Period Over Period Change (%)
Net income	$ 4,157	$ 19,289	$ (15,132)	(78%)
Income tax expense (benefit)	340	(407)	747	184%
Depreciation and amortization	18,571	14,196	4,375	31%
Interest expense	19,441	17,274	2,167	13%
EBITDA	42,509	50,352	(7,843)	(16%)
Stock-based compensation[1]	4,924	4,829	95	2%
Business development & transaction expenses[2]	1,871	918	953	104%
Change in fair value of earnout consideration[3]	(176)	(2,781)	2,605	(94%)
Change in fair value of Warrants[4]	(3,198)	1,066	(4,264)	(400%)
Offering costs[5]	42	437	(395)	(90%)
Non-recurring executive transition costs[6]	522	—	522	100%
Non-recurring litigation fees and legal related items[7]	331	—	331	100%
Adjusted EBITDA	$ 46,825	$ 54,821	$ (7,996)	(15%)
Net income margin[8]	4%	17%		
Adjusted EBITDA margin[8]	41%	48%		

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

2 Represents third-party legal, accounting, due diligence, and advisory costs incurred in connection with completed and potential acquisitions, aircraft purchases, and other significant non-recurring transactions, as well as new business line initiatives and integration costs for completed acquisitions.

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 Represents expenses associated with the build out and transition of the executive leadership team.

7 Represents costs related to pending legal settlements and other legal related matters.

8 Net income margin calculated as Net income divided by Total revenue and Adjusted EBITDA margin calculated as Adjusted EBITDA divided by Total revenue.

LIQUIDITY AND CAPITAL RESOURCES

For the three and nine months ended September 30, 2026, the Company had net income of $36.0 million and $4.2 million, respectively. For the nine months ended September 30, 2026, the Company had cash flow provided by operating activities of $14.0 million. In addition, as of September 30, 2026, the Company had unrestricted cash of $35.1 million.

On March 18, 2025, the Company entered into a sales agreement ("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 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 such shares or in negotiated transactions at market prices prevailing at the time of sale or at prices related to such prevailing market prices. As of November 11, 2026, $100.0 million remains available for potential future sales under the ATM Agreement, which may be utilized for future financings under our effective shelf registration statement. Refer to *"Note 19 – Stockholders' Deficit"* of the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q.

Reduction in Workforce

On November 12, 2026, we announced a reduction of our workforce by approximately 13% to streamline our team structure to better align with our long-term growth and profitability objectives. Refer to "*Note 24 – Subsequent Events*," included in this Quarterly Report on Form 10-Q for additional details.

Cash and Marketable Securities

As of September 30, 2026, our principal sources of liquidity were cash and cash equivalents of $35.1 million which were held for working capital purposes. 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 (collectively, the "Warrants"), 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 September 30, 2026, the closing price of our Common Stock was $0.70 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 September 30, 2026, 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.

We believe our cash on hand, cash expected to be generated from operating activities and available borrowing capacity under the Credit Agreement will be sufficient to fund our operations for the next twelve months. As described in *"Item 1A. Risk Factors"* included in 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, in the future, a significant negative impact to our financial results and cash flows from operations. In such a situation, we could need to seek liquidity from sources other than our operations.

Indebtedness

October 2025 Refinancing

In October 2025, the Company completed a comprehensive refinancing designed to strengthen its liquidity profile and extend its debt maturity schedule. On October 28, 2025, the Company replaced its then-outstanding $160.0 million Series 2022 Bonds with a new Credit Agreement providing for (i) $210.0 million in Initial Term Loans, (ii) the $21.5 million Revolver, and (iii) a $100.0 million Delayed Draw Term Loan ("DDTL"). The transaction increased total borrowing capacity and reduced near-term refinancing risk. The Company incurred approximately $9.1 million in debt issuance costs and lender fees in connection with the new facilities.

Proceeds from the refinancing, together with $9.3 million of restricted cash previously held for debt service, were used to (i) repay the Series 2022 Bonds, including the 3% prepayment penalty, (ii) retire the UMB Bank loan of $9.3 million, and (iii) settle two credit facilities with Live Oak Bank totaling approximately $33.7 million. The refinancing resulted in a loss on extinguishment of debt of $7.8 million, which includes a write off of $3.0 million in unamortized issuance costs. Refer to *"Note 15 – Long-Term Debt"* of the Notes to Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report on Form 10-Q for additional details.

The refinancing improved the Company's liquidity position by consolidating multiple obligations into a single credit structure with extended maturities and more flexible covenant terms. Management believes the transaction provides sufficient liquidity to fund near-term operating needs and supports the Company's long-term growth plan. As of September 30, 2026, the Company had drawn $210.0 million on the Initial Term Loans and $24.3 million under the DDTL, with $75.7 million remaining in borrowing capacity on the DDTL. The Company has no borrowings outstanding under the Revolver as of September 30, 2026, following repayment during the three months ended September 30, 2026 of the $10.0 million previously drawn, with $21.5 million of borrowing capacity available.

Credit Agreement Overview

The Credit Agreement is secured by first-priority liens on substantially all tangible and intangible assets of the Company and its material subsidiaries, including aircraft, real property, and intellectual property. The agreement includes customary mandatory prepayment provisions, including annual prepayments based on a percentage of Excess Cash Flow, beginning with the fiscal year ending December 31, 2026, and from certain asset sale proceeds, subject to reinvestment rights.

The agreement also provides for prepayment premiums of 3.0%, 2.0%, and 1.0% if loans are repaid within one, two, or three years, respectively, after the closing date, with no premium thereafter. Events of default include nonpayment, covenant breaches, insolvency, and cross-defaults, which may result in acceleration of outstanding obligations.

The Credit Agreement contains customary restrictive covenants limiting additional indebtedness, liens, asset sales, dividends, and investments. The Credit Agreement also includes financial covenants requiring the Company to maintain:

- A Total Leverage Ratio not to exceed 7.00x through December 31, 2026, decreasing to 6.00x for the periods ending March 31, 2027 through December 31, 2027, and 5.50x thereafter; and
- Minimum Operating Cash Flow (as defined in the agreement) of at least $30.0 million.

The Company was in compliance with all financial covenants under the Credit Agreement as of September 30, 2026.

The Credit Agreement consists of the following three instruments:

Initial Term Loans

The Initial Term Loans totaled $210.0 million at issuance and mature on October 28, 2030. Borrowings bear interest, at the Company's election, at either (i) the Term SOFR rate plus 6.00%, or (ii) the Alternate Base Rate ("ABR") plus 5.00%, where the ABR is defined as the highest of the federal funds effective rate plus 0.50%, the adjusted Term SOFR rate plus 1.00%, the prime rate, or 2.00%. The Company elected the Term SOFR plus 6.00% option at inception.

Principal amortizes quarterly at 0.25% of the original principal balance, with the remaining outstanding balance due at maturity. Interest is payable at the end of the interest period.

Revolver

The $21.5 million Revolver allows for borrowings, repayments, and re-borrowings through its maturity on October 28, 2030. Revolving loans bear interest at the same rate options as the Initial Term Loans. As of September 30, 2026, the Company had no borrowings outstanding under the Revolver, following repayment during the three months ended September 30, 2026 of the $10.0 million previously drawn, with $21.5 million of borrowing capacity available.

DDTL

The DDTL provides up to $100.0 million in additional term loan commitments, available through October 28, 2027. Draws are permitted in up to ten tranches of at least $2.5 million each, subject to customary conditions precedent. Amounts drawn under the DDTL mature on October 28, 2030. Borrowings under the DDTL bear interest at the same rate options applicable to the Initial Term Loans. As of September 30, 2026, the Company had drawn $24.3 million, with $75.7 million remaining available under the facility.

Other Indebtedness

UMB Bank ("UMB") Loan – On February 3, 2020, the Company entered into a credit facility with UMB (formerly known as Rocky Mountain Bank) to finance the purchase of four aircraft, issuing a $5.6 million promissory note with a ten-year amortization and interest equal to one-month SOFR plus 2.61448%.

Other Loans – The Company also maintains several smaller term loans with immaterial aggregate principal balances. These loans bear fixed interest rates of 3.89% to 5.50% and mature at various dates through November 17, 2027.

Mezzanine and Permanent Equity

Preferred Shares

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. 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 there is a conversion feature, which 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. For additional information regarding the terms and conditions of the Series A Preferred Stock, see "*Note 18 – Mezzanine Equity*" for additional details.

As of September 30, 2026, it was probable that the Series A Preferred Stock may become redeemable on April 25, 2032. As of September 30, 2026, the Series A Preferred Stock had both a carrying value and redemption value of $428.8 million.

Historical Cash Flows

Our consolidated cash flows from operating, investing and financing activities for the nine months ended September 30, 2026 and 2025 were as follows:

	For the nine months ended September 30,	
dollars in thousands	**2026**	**2025**
Net cash provided by operating activities	$ 14,049	$ 24,761
Net cash used in investing activities	(21,471)	(10,517)
Net cash provided by (used in) financing activities	11,190	(2,857)
Effects of exchange rate changes	(95)	(95)
Net change in cash and cash equivalents	$ 3,673	$ 11,292

Operating Activities

Net cash provided by operating activities was $14.0 million for the nine months ended September 30, 2026, compared to Net cash provided by operating activities of $24.8 million for the nine months ended September 30, 2025, a decrease of $10.8 million. The decrease was primarily driven by lower Net income, which declined $15.1 million to $4.2 million from $19.3 million. This was partially offset by higher non-cash adjustments, which totaled $21.9 million, compared to $17.9 million in the prior-year period. Depreciation and amortization increased $4.4 million to $18.6 million, primarily due to fleet additions and increased flight hours. The change in the fair value of the Warrants resulted in a non-cash gain of $3.2 million in the current period, compared to a non-cash loss of $1.1 million in the prior-year period. Amortization of debt issuance costs and the revolver asset increased $0.9 million. These were partially offset by a smaller non-cash gain from the change in the fair value of earnout consideration, which was $0.2 million compared to $2.8 million in the prior-year period. The increase in accounts receivable used $30.5 million of cash, compared to $11.8 million in the prior-year period. In addition, accounts payable, accrued expenses, and other liabilities provided $17.7 million of cash, compared to a use of $3.3 million in the prior-year period.

Investing Activities

Net cash used in investing activities was $21.5 million for the nine months ended September 30, 2026, compared to Net cash used in investing activities of $10.5 million for the nine months ended September 30, 2025. Net cash used in investing activities for the nine months ended September 30, 2026 reflects purchases of property, plant and equipment of $20.3 million, which is primarily comprised of aircraft purchases and aircraft improvements, and capitalized costs related to IPR&D of $1.2 million. Net cash used in investing activities for the nine months ended September 30, 2025 reflects purchases of property, plant and equipment of $10.6 million, capitalized costs related to IPR&D of $0.9 million and partially offset by sales of property, plant and equipment of $1.0 million.

Financing Activities

Net cash provided by financing activities was $11.2 million for the nine months ended September 30, 2026, compared to Net cash used in financing activities of $2.9 million for the nine months ended September 30, 2025. Net cash provided by financing activities for the nine months ended September 30, 2026 primarily reflects a drawdown of the DDTL of $14.0 million, drawdowns of the Revolver totaling $10.0 million, partially offset by repayments on the Revolver of $10.0 million and repayments on other debt of $2.2 million. Net cash used in financing activities for the nine months ended September 30, 2025 primarily reflects repayments of debt of $2.4 million and restricted stock units settled in cash of $0.4 million.

Contractual Obligations

Our principal contractual commitments consist of obligations for outstanding leases and debt. The following table summarizes our contractual obligations as of September 30, 2026:

	Payments Due by Period		
dollars in thousands	**Total**	**Current**	**Noncurrent**
Lease obligations	$ 31,674	$ 3,118	$ 28,556
Debt obligations	234,293	4,656	229,637
Total	$ 265,967	$ 7,774	$ 258,193

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 might be required to 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 might be required to pay MAB's subsidiary $15.0 million. On December 23, 2025, we purchased two of the Spanish Scoopers from MAB for an aggregate purchase price of $50.0 million, allocating $25.0 million per aircraft. Accordingly, no liability has been recorded in the consolidated financial statements as of September 30, 2026. The Company will continue to monitor the situation and assess the need for recognition or further disclosure in future periods.

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 DAC (as amended and restated on May 8, 2024 and amended on April 15, 2025, the "MAB Services Agreement") whereby we managed the return-to-service upgrades of the Spanish Scoopers through our wholly-owned Spanish subsidiary, Albacete Aero, S.L.U., while they are owned and funded by MAB. The MAB Services Agreement also provided that we had the right, but not the obligation, to acquire the Spanish Scoopers in pairs pursuant to a purchase schedule. On December 23, 2025, we purchased two of the Spanish Scoopers from MAB for an aggregate purchase price of $50.0 million, allocating $25.0 million per aircraft. On August 26, 2026, we delivered written notice to MAB DAC asserting that MAB DAC is in material breach of the MAB Services Agreement (the "MAB Notice"). On September 17, 2026, MAB DAC disputed those assertions, claimed that we are in material breach of the MAB Services Agreement, and reserved its rights under the MAB Services Agreement. We dispute MAB DAC's breach claims and reserve all rights. Please refer to "*Note 17 – Commitments and Contingencies*" included in this Quarterly Report on Form 10-Q for additional details. 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 September 30, 2026 and December 31, 2025, 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 Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report for additional information.

Other Liquidity Matters

We believe our cash on hand, cash expected to be generated from operating activities and available borrowing capacity under the Credit Agreement will be sufficient to fund our operations for the next twelve months. As discussed below and in Part I, Item 1A, "Risk Factors" of our 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.

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.

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 towards complete satisfaction of the performance obligation.

Special missions aircraft solutions revenue consists of maintenance, repair and return-to-service work performed on customer aircraft and aircraft modification, fabrication, engineering, and systems integration solutions for aircraft and aircraft components and related product and support services performed in support of aircraft programs for governmental and commercial customers. For these contracts, the products and services we provide are performed to customer specifications and cannot be easily modified to satisfy another customer's order or we perform return-to-service work on customer aircraft. As such, these products and services are deemed to have no alternative use once the performance on the contract 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 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. As of September 30, 2026, the Omnibus Plan authorized an aggregate of 18,196,755 shares of Common Stock for issuance. As of September 30, 2026, 6,097,119 shares of Common Stock remain available under the Omnibus Plan.

As of September 30, 2026, 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.

Compensation cost for performance-based restricted common stock awards is recognized over the requisite service period only when achievement of the applicable performance condition is considered probable. The Company reassesses the probability of achievement at each reporting date and records cumulative catch-up adjustments to compensation cost based on the number of awards expected to vest. Grant-date fair value for such awards is determined based on the fair value of the Common Stock on the grant date in accordance with the applicable award terms.

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, 2025 annual goodwill impairment test, the Company's qualitative analysis indicated the fair value of the Company's reporting units exceeded carrying value.

No goodwill impairment charges were recorded for the three and nine months ended September 30, 2026 or 2025.

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 rotable 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 rotable parts	1,500 –6,000 flight hours
Vehicles and equipment	3 – 5 years
Buildings	50 years
Leasehold improvements	10 years

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

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 $5.5 million as of September 30, 2026 and December 31, 2025.

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 nine months ended September 30, 2026 and 2025, 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 Unaudited 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 Unaudited Condensed Consolidated Financial Statements included in this Quarterly Report for additional information.

Income Taxes

We are subject to income taxes in the United States and other jurisdictions in which we conduct business. Our income tax provision consists of an estimate of federal, state and foreign income taxes based on enacted federal, state and foreign tax law, including allowable credits, deductions, changes in the valuation of our deferred tax assets and liabilities, and changes in tax laws.

Significant judgment is required in evaluating our tax positions and in determining income tax benefit (expense), deferred tax assets and liabilities, and any valuation allowance recorded against our deferred tax assets. We evaluate the recoverability of deferred tax assets based on available evidence. This process involves significant management judgment about assumptions that are subject to change from period to period based on changes in tax laws or variances between future projected operating performance and actual results. Under GAAP, we establish a valuation allowance for deferred tax assets if we determine, based on available evidence at the time the determination is made, that it is more likely than not (defined as a likelihood of more than 50%) that all or a portion of the deferred tax assets will not be realized. In making this determination, we evaluate all positive and negative evidence as of the end of each reporting period. Future adjustments (either increases or decreases) to the deferred tax asset valuation allowance are determined based upon changes in the expected realization of the net deferred tax assets. The realization of the deferred tax assets ultimately depends on the existence of sufficient taxable income or tax liability in either the carry-back or carry-forward periods under the tax law. Due to significant estimates used to establish the valuation allowance and the potential for changes in facts and circumstances, it is reasonably possible that we will be required to record additional adjustments to the valuation allowance in future reporting periods that could have a material effect on our results of operations.

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 Unaudited 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 nine months ended September 30, 2026 and the year ended December 31, 2025.

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 are 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, statements regarding: (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) anticipated investments in additional aircraft, capital resources, and research and development and the effect of these investments; and (8) the outcome of, and the costs and consequences associated with, our dispute with MAB DAC and the MAB Services Agreement, including any payment obligations, litigation, and the timing and likelihood of returning the final two Spanish Scoopers to service. 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; risks relating to our dispute with MAB DAC and our rights and obligations under the MAB Services Agreement, including our ability to collect amounts owed to us and the possibility that we will be required to make payments to MAB DAC; our ability to regain and maintain compliance with Nasdaq's continued listing requirements, including the minimum bid price requirement, and the consequences of any delisting; and those factors discussed in the sections entitled "Risk Factors" and "Cautionary Statement Regarding Forward-Looking Statements" included in Bridger's Form 10-K filed with the U.S. Securities and Exchange Commission on March 6, 2026 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(e) 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 and procedures are designed to provide reasonable assurance 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 to provide reasonable assurance 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, with the participation of our chief executive officer and chief financial officer (our "Certifying Officers"), evaluated the effectiveness of our disclosure controls and procedures as of September 30, 2026, 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 effective as of September 30, 2026.

Limitations on Effectiveness of Controls

We do not expect that our disclosure controls and procedures will prevent or detect all errors or 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. Because of the inherent limitations in all control systems and procedures, there is a risk that misstatements may not be prevented or detected on a timely basis. In addition, projections of any evaluation of effectiveness to future periods are subject to risk that controls may become inadequate because of changes in conditions or that the degree of compliance with the policies or procedures may deteriorate.

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 September 30, 2026 that have materially affected, or are reasonably likely to materially affect, the Company's 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. For a description of the Company's dispute with MAB DAC under the MAB Services Agreement, see "*Note 17 – Commitments and Contingencies – Legal Proceedings*" in the Notes to the Condensed Consolidated Financial Statements included in Part I, Item 1 of this Quarterly Report on Form 10-Q.

ITEM 1A. RISK FACTORS.

Except as detailed below, there have been no material changes in the Company's risk factors from those discussed in Part I, Item 1A of our Annual Report on Form 10-K ("Form 10-K") for the year ended December 31, 2025.

Risks Related to the Ownership of Our Common Stock

If we cannot regain compliance with the continued listing requirements of Nasdaq, Nasdaq may delist our common stock, which would have an adverse effect on the trading volume, liquidity and market price of our common stock.

Our common stock is listed on the Nasdaq Global Market ("Nasdaq"). Nasdaq's listing standards generally require that we meet certain requirements relating to stockholders' equity, market capitalization, stock price, the aggregate market value of publicly held shares, and distribution requirements, and we cannot assure you that we will be able to meet Nasdaq's listing requirements. Nasdaq Listing Rule 5450(a)(1) requires that our shares of common stock maintain a minimum bid price of at least $1.00. We received a deficiency notice from Nasdaq on October 28, 2026, advising that the closing bid price of our stock for the previous 30 consecutive business days was below the $1.00 minimum bid price requirement and, therefore, we no longer satisfied this Nasdaq requirement. As of November 11, 2026, the closing price of our common stock on Nasdaq was $0.24.

In accordance with Nasdaq Listing Rule 5810(c)(3)(A), we have until April 26, 2027 (180 calendar days from the date of the Nasdaq deficiency notice) to regain compliance with the minimum bid price requirement. If at any time during the 180-day period, the bid price of our common stock closes at or above $1.00 per share for a minimum of ten consecutive business days, unless the Nasdaq Listing Qualifications Department (the "Staff") exercises its discretion to extend this ten business day period pursuant to Nasdaq Listing Rule 5810(c)(3)(H), we expect that the Staff would provide us with a written confirmation of compliance and the matter will be closed. In the event that we do not regain compliance with the minimum bid price requirement prior to the expiration of the 180-day period, we expect the Staff will provide us with written notification that our securities are subject to delisting from The Nasdaq Global Market. At that time, we may appeal the delisting determination to a hearings panel.

If Nasdaq delists our common stock for trading on The Nasdaq Global Market, we could face significant adverse consequences, including:

- a limited availability of market quotations for our common stock;
- reduced liquidity with respect to our common stock;
- reduced trading volume in and market price of our common stock;
- a limited amount of news and analyst coverage for our company; and
- a decreased ability to issue additional securities or obtain additional financing in the future.

Such a delisting would likely have an adverse effect on the price of our common stock and would impair your ability to sell or purchase our common stock when you wish to do so. In the event that our stock is delisted, we would discuss with Nasdaq plans to restore our compliance with the listing requirements and may take actions to restore our compliance, but we can provide no assurance that any such action taken by us would allow our common stock to remain listed or to become listed again, would stabilize the market price or improve the liquidity or trading volume of our common stock, would prevent our market capitalization and stockholder's equity from dropping below the Nasdaq minimum requirements, or would prevent other future non-compliance with Nasdaq's continued listing requirements.

In addition, a delisting of our common stock from Nasdaq would constitute an event of default under the terms of our Series A Preferred Stock, resulting in a 2.00% per annum increase in the applicable dividend rate until such event of default is cured or waived. This increased dividend obligation could adversely affect our liquidity and financial position or, to the extent such dividends are paid through the issuance of additional shares of common stock, result in dilution to our existing common stockholders.

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.

Departure of Chief Operating Officer

On November 11, 2026, the Board of Directors determined that Adolphus "Bill" Andrews would cease serving as the Chief Operating Officer of the Company, due to a qualifying termination of employment under the Bridger Aerospace Group Holdings, Inc. Executive Severance Plan, effective at the close of business on November 12, 2026.

Departure of Chief Financial Officer

On November 13, 2026, Anne Hayes, the Chief Financial Officer of the Company, notified the Board of her decision to resign from her position of Chief Financial Officer, effective November 27, 2026. Ms. Hayes's departure is not the result of any disagreement with the Company's independent auditors or any member of management on any matter of accounting principles or practices, financial statement disclosure or internal controls.

Promotion of Executive Vice President, Aviation Services

On November 11, 2026, the Board appointed Robert Mauracher as the Company's Executive Vice President, Aviation Services, effective as of November 16, 2026. In this role, Mr. Mauracher will serve as the Company's principal operating officer.

Mr. Mauracher, age 65, has served as the Company's Executive Vice President, Commercial Strategy since February 2026. He joined the Company in February 2023 as Senior Vice President and General Manager, Aviation Services, in which role he was responsible for all air operations, including flight and maintenance operations, procurement, logistics and facilities. From June 2017 to December 2021, Mr. Mauracher served as Executive Vice President and Chief Operating Officer of Viking Air Ltd. (an operator and manufacturer of aircraft and aircraft parts and systems) and Longview Aviation Asset Management (an entity that offered leasing and financing options for aircraft), where he had worldwide responsibility for sales, marketing and leasing activities. Mr. Mauracher holds a B.A. in Marketing and is a licensed Aircraft Maintenance Engineer with an Airframe & Powerplant license.

In connection with the appointment of Mr. Mauracher as Executive Vice President, Aviation Services, the Board approved the following with respect to Mr. Mauracher: (i) an annual base salary of $400,000; (ii) beginning with the 2027 performance year, a short-term incentive bonus opportunity of $200,000; (iii)(x) a one-time cash bonus of $125,000, payable in November 2026, and (y) a promotion bonus of $125,000, payable in March 2027; and (iv) the designation of Mr. Mauracher as a Plan Tier B participant under the Severance Plan, subject to his compliance with the terms of the Severance Plan.

There are no arrangements or understandings between Mr. Mauracher and any other person pursuant to which he was appointed as Executive Vice President, Aviation Services. In addition, there are no family relationships between Mr. Mauracher and any director or executive officer of the Company, and Mr. Mauracher does not have a direct or indirect material interest in any transaction required to be disclosed pursuant to Item 404(a) of Regulation S-K.

ITEM 6. EXHIBITS.

Exhibit Number	Description
3.1	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).
3.2	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).
10.1*+†	Aircraft Services Agreement, dated October 22, 2026, by and between Bridger Aerospace Group Holdings, Inc. and Bridgeporth Ltd.
31.1*	Certification of the Company's Chief Executive Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934.
31.2*	Certification of the Company's Chief Financial Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934.
31.3*	Certification of the Company's Chief Accounting Officer Pursuant to Rule 13a-14(a) or Rule 15d-14(a) under the Securities Exchange Act of 1934.
32.1**	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).
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.

\+ Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. Bridger Aerospace Group Holdings, Inc. agrees to furnish supplementally a copy of any omitted schedule or exhibit to the SEC upon request.

† Portions of this exhibit have been redacted pursuant to Item 601(b)(10)(iv) of Regulation S-K.

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: November 16, 2026

BRIDGER AEROSPACE GROUP HOLDINGS, INC.

By: /s/ Anne Hayes

Name: Anne Hayes

Title: Chief Financial Officer

(Principal Financial Officer)

By: /s/ Rebecca Gerleman

Name: Rebecca Gerleman

Title: Chief Accounting Officer

(Principal Accounting Officer)

Exhibit 10.1

CERTAIN IDENTIFIED INFORMATION HAS BEEN EXCLUDED FROM THIS EXHIBIT BECAUSE IT IS BOTH (I) NOT MATERIAL AND (II) THE TYPE THAT THE REGISTRANT CUSTOMARILY AND ACTUALLY TREATS AS PRIVATE OR CONFIDENTIAL. THE OMITTED PORTIONS HAVE BEEN MARKED AT THE APPROPRIATE PLACE WITH BRACKETS AND THREE ASTERISKS [***].

AIRCRAFT SERVICES AGREEMENT

This Aircraft Availability Services Agreement (this "Agreement") is entered into as of 22 October 2026 (the "Effective Date") by and between **Bridger Aerospace Group, LLC**, a Delaware limited liability company with principal offices at 90 Aviation Lane, Belgrade, MT 59714 ("**Bridger**"), and Bridgeporth Ltd., a private company limited by shares incorporated in England and Wales with principal offices at 35-36 Linford Forum, Rockingham Drive, Linford Wood, Milton Keynes, MK14 6LY ("**Bridgeporth**"). Bridger is a wholly owned subsidiary of Bridger Aerospace Group Holdings, Inc., which was a counterparty to the LOI (as defined below). Bridgeporth is a wholly owned subsidiary of Metatek-Group Ltd., which was a counterparty to the LOI (as defined below). Bridger and Bridgeporth are each a "Party" and together the "Parties."

This Agreement implements the principal commercial terms set forth in the Letter of Intent dated July 16, 2026 (the "LOI") by and between Metatek-Group Ltd. and Bridger Aerospace Group Holdings, Inc. This Agreement is entered into between Bridgeporth and Bridger as the direct contracting parties hereto, and establishes the definitive operational, financial, and service terms governing the acquisition, conversion, operation, maintenance, and support of three Basler BT-67 aircraft for Bridgeporth's specialized global airborne sensor operations.

Recitals

a) Bridgeporth requires dedicated aircraft availability services, on predictable cost terms, to support its global airborne sensor operations.
b) Bridger owns, operates, and maintains specialized BT-67 aircraft and employs the aircrew, maintenance, and engineering personnel required to deliver availability-based services.
c) The LOI established the principal commercial terms and certain binding obligations for this program. This Agreement is the definitive "Master Service Agreement" contemplated by Section 8 of the LOI.
d) Aircraft shall be delivered per the delivery schedule set forth in Section 1.3.
e) In consideration of the mutual commitments set forth in this Agreement, Bridger commits to build and sustain the program described herein, and Bridgeporth commits to the minimum volume and Term set forth in Section 1.4 and Section 2.3.1.

Now, therefore, in consideration of the foregoing and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. Aircraft Fleet

Bridger shall modify, maintain, and operate three (3) Basler BT-67 turbine-converted aircraft (each an "Aircraft"; collectively the "Fleet"), each modified to the configuration set forth in Exhibit A (Aircraft Specification and Modifications). The Aircraft are designated AC #1, AC #2, and AC #3.

1.2 Tail Substitution and Loss: Bridger may substitute a different BT-67 airframe for an Aircraft in its discretion, subject to Section 3.9.1. No provision of this Agreement creates an absolute backup-aircraft obligation. If an Aircraft is lost, damaged, grounded, or otherwise unavailable, Bridger's obligations and the availability treatment shall be governed by Sections 3.1, 3.4, 3.9.1, and Exhibit D, as applicable.

1.3 Delivery Schedule

For purposes of this Agreement, "Induction / Acceptance Date" means, with respect to each Aircraft: (a) if such Aircraft is owned by Bridger, the date on which the delivery by the former owner and acceptance of that Aircraft by Bridger is completed; or (b) if such Aircraft is leased by Bridger, the date on which the delivery by the lessor and acceptance of that Aircraft by Bridger is for purposes of commencing modification, integration, engineering, preparation, and related activities under this Agreement. The Induction / Acceptance Date shall constitute the commencement date of the Initial Term (as such term is defined below) for that Aircraft and the date on which the applicable Monthly Fixed Fee begins to accrue. "Entry into Service" or "EIS" means, with respect to each Aircraft, the date on which the applicable Modification Period has been completed, the required acceptance flight has been completed, and Bridger makes the Aircraft operationally available to Bridgeport for service under this Agreement. "Modification Period" means, with respect to each Aircraft, the period commencing on the applicable Induction / Acceptance Date and continuing through the applicable EIS date, during which Bridger performs the modification, integration, engineering, testing, certification, acceptance, and other activities necessary to place the Aircraft into operational service under this Agreement. For the avoidance of doubt, the Modification Period is included within the Initial Term, and the occurrence of EIS shall not restart, extend, toll, or otherwise alter the Initial Term. "Service Term End" means, with respect to each Aircraft, the expiration of the Initial Term or, if this Agreement renews with respect to such Aircraft in accordance with Section 1.4, the expiration of the Renewal Term, at which time this Agreement shall terminate with respect to that Aircraft unless otherwise extended by written agreement of the Parties. Each Target Entry into Service date shall be extended on a day-for-day basis for delays arising from late delivery of Bridgeporth's sensor or mission equipment or any other cause attributable to Bridgeporth, and Bridger shall not be responsible for such delay. The Aircraft will be delivered on the following anticipated schedule, with each Aircraft's Initial Term commencing on its Induction / Acceptance Date.

Aircraft	Induction /	Entry Into	Service	Modification	Year 1

Aircraft	Acceptance	Service	Term End	Modification	Utilization
AC #1	1st September 2026	May 2027	31st August 2031	9 months	[***] hrs
AC #2	TBD	TBD	TBD	9 months	[***] hrs
AC #3	TBD	TBD	TBD	9 months	[***] hrs

Induction/Acceptance Dates for AC #2 and AC #3 are subject to successful negotiations between Bridger and Bridgeporth. [***] Bridger and Bridgeporth shall use commercially reasonable efforts to secure firm delivery schedules. Bridgeporth shall confirm its commitment to AC #2 on or before December 31, 2026, and AC #3 on or before December 31, 2027.

1.4 Term

This Agreement shall have an initial term of five (5) years with respect to each Aircraft, commencing on the applicable Aircraft's Induction / Acceptance Date (the "Initial Term"). Upon expiration of the Initial Term, the term with respect to each Aircraft may be renewed for one additional period of five (5) years (the "Renewal Term") in accordance with the renewal provisions of this Agreement. The Initial Term and any Renewal Term shall collectively constitute the "Term" with respect to the applicable Aircraft.

The applicable monthly fixed fee as set out in Section 2.2 ("Monthly Fixed Fee") shall commence and begin to accrue on the applicable Aircraft's Induction / Acceptance Date.

If an Aircraft's Induction / Acceptance Date occurs on a day other than the first day of a calendar month, the Monthly Fixed Fee for that initial partial month shall be prorated based on the number of calendar days from and including the Induction / Acceptance Date through the last day of that calendar month, divided by the total number of calendar days in such month. If the applicable Service Term End occurs on a day other than the last day of a calendar month, the Monthly Fixed Fee for that final partial month shall be prorated based on the number of calendar days from and including the first day of that calendar month through and including the Service Term End, divided by the total number of calendar days in such month. Any prepaid Monthly Fixed Fee attributable to a period after the Service Term End shall be credited or refunded to Bridgeporth, as applicable. Proration shall apply as a result of EIS occurring during a calendar month.

The Modification Period is included within, and forms part of, the Initial Term. For the avoidance of doubt, the applicable Aircraft's EIS shall not restart, extend, toll, or otherwise alter the Initial

Term, and the Initial Term shall continue to run from the applicable Induction / Acceptance Date notwithstanding the date on which EIS occurs.

Upon expiration of the Initial Term, this Agreement shall renew with respect to the applicable

Aircraft for one additional five (5)-year term (the “Renewal Term”), unless either Party provides the other Party with written notice of its intent not to renew at least six (6) months prior to expiration of the Initial Term.

If neither Party timely provides notice of non-renewal, the Renewal Term shall commence automatically upon expiration of the Initial Term without the need for any further agreement, amendment, or other action by the Parties. Except for any pricing adjustments or other changes expressly provided for under this Agreement, all terms and conditions of this Agreement shall continue unchanged during the Renewal Term.

If either Party timely provides notice of non-renewal, this Agreement shall expire with respect to the applicable Aircraft at the end of its Initial Term, subject to any provisions that expressly survive expiration or termination.

If a review is requested by either Party before commencement of the Renewal Term, the Parties shall confer in good faith regarding any requested modifications, considering: (i) the cumulative Consumer Price Index for Urban Consumers change over the prior term; (ii) aircraft and engine material support and maintenance cost trends; (iii) supply chain, logistics, and component cost impacts; (iv) operational support requirements and infrastructure costs; and (v) any other material economic or operational factors impacting the program.

The Parties intend this program to provide for an ongoing operational relationship, subject to the term, renewal and termination provisions set forth herein.

Bridgeporth shall have the option to purchase one or more of the Aircraft owned by Bridger or, where Bridger holds the applicable Aircraft under a lease rather than by direct ownership, to receive a transfer or assignment of that lease, in each case on terms to be agreed by separate agreement of the Parties, acting reasonably, in the event of contract expiration (including as a result of non-renewal), contract termination, a change of control, or insolvency, subject to (i) any then-existing encumbrances on the Aircraft, (ii) applicable bankruptcy and insolvency law, and (iii) any required consent of a lessor or financing party. No purchase, transfer, or assignment under this Section shall occur unless and until the Parties, acting reasonably, reach mutually acceptable agreement on the terms of such sale or transfer.

2.1 Pricing Schedule

The Pricing Schedule for the services provided under this Agreement consists of (i) Monthly Fixed Fee, (ii) Flight-Hour Rate, (iii) Modification and Advance Payment charges, and (iv) Pass-

Through Costs, in each case as set forth in this Section 2 and the applicable Aircraft-specific tables and work orders incorporated under this Agreement.

2.2 Monthly Fixed Fee
Bridgeporth shall pay Bridger the following Monthly Fixed Fee per Aircraft, payable in advance on the first day of each calendar month.

The Monthly Fixed Fee includes Bridger's fixed General Administration and overhead expenses (G&A), program management and oversight, base Hull and Liability, availability of the Aircraft for operations and recurrent crew training.

Monthly fixed pricing for the next available new production BT-67 aircraft from Basler Turbo Conversions, LLC is provided below. If these aircraft are not committed to by December 31, 2026 or 2027, respectively, pricing will increase based on applicable OEM's CPI escalations. In the event a previously owned BT-67 aircraft is sourced, and its configuration substantially matches that of the aircraft's descriptions under the LOI, the Parties may, by mutual written agreement, re-evaluate the applicable aircraft pricing. Any such re-evaluation shall not relieve Bridgeporth of its obligations hereunder, including with respect to ensuring Bridger will modify, operate and maintain all three Aircraft under this Agreement. All costs and expenses associated with bringing any used BT-67 aircraft into compliance with FAR Part 135 requirements, as well as modifying, upgrading, or otherwise conforming such aircraft to the agreed configuration, build specification, parts standard, maintenance status, and operational requirements necessary for global operations and fleet compatibility, shall be addressed separately and shall not be included in or affect the re-evaluated aircraft purchase price unless otherwise expressly agreed in writing by the Parties.

Monthly Fixed Fees will commence on the Induction / Acceptance Date of each Aircraft at the following rates:

Aircraft	Monthly Fixed Fee
AC #1	$[***]
AC #2	$[***]*
AC #3	$[***]*

**Monthly Fixed Fee for AC #2 and 3 will be finalized after aircraft sourcing.*

2.3 Flight-Hour Rate

Bridgeport shall pay Bridger an Operating Cost per Flight Hour ("Flight Hour Rate") for all flight hours flown as follows:

Aircraft No.	Flight Hour Rate	Minimum Annual Utilization*	Minimum Annual Payment
AC #1	$[***]	[***] hours	$[***]
AC #2	$[***]	[***] hours	$[***]
AC #3	$[***]	[***] hours	$[***]

2.3.1 Minimum Annual Utilization Commitment

Each Aircraft shall be subject to a minimum utilization commitment of [***] ([***]) hours per Operating Year. "Operating Year" means the 365-day (or 366-day, as applicable) period beginning on the entry into service ("EIS") of the applicable Aircraft and each anniversary thereof. Bridgeport shall pay Bridger for actual flight hours utilized during each Operating Year at the applicable Flight Hour Rate. If Bridgeport's actual utilization of an Aircraft during any Operating Year is less than [***] ([***]) hours, Bridgeport shall additionally pay Bridger, within thirty (30) days following the end of the Operating Year, an amount equal to the difference between [***] ([***]) hours and the actual hours utilized, multiplied by the Flight Hour Rate for that Aircraft.

Flight-Hour charges shall be billed monthly in arrears based on documented flight hours, with supporting flight logs.

The following items are included in the Flight-Hour Rate:

- Routine aircraft maintenance and inspections up to and including "B" check.
- Standing aircrew per Section 3.2.
- Operational readiness.
- Scheduled and unscheduled line maintenance labor
- Repair and overhaul of rotable components, excluding Beyond Economical Repair (BER) components.
- Engine hot section inspections ("HSI").
- Consumables and standard maintenance materials.

2.4 Modification and Advance Payment

In addition to the Monthly Fixed Fee in Section 2.2, Bridgeport shall pay the charges described below relating to the Modification and initial procurement for each Aircraft. The Modification and

Fixed Fee charges are billed monthly as work is performed; all other charges below are billed

upon the events described in this Section 2.4.

2.4.1 Modification Fee

Bridger shall charge a Modification Fee of [***] dollars ($[***]) per month during the applicable Aircraft's Modification Period. The Modification Period shall commence on the date Bridger begins modification, integration, engineering, or related activities for that Aircraft and shall continue through completion of the acceptance flight and delivery of the Aircraft to operational status.

The Modification Fee shall be billed monthly in arrears. Invoices shall be issued for the preceding month, with payment due net thirty (30) days.

Aircraft	Monthly Modification Fee	Estimated Modification Period	Estimated Total Modification Fee
AC #1	$[***]	9 months	[***]
AC #2	$[***]	9 months	[***]
AC #3	$[***]	9 months	[***]

The Modification Periods for AC #2 and AC #3 may be shorter than the Modification Period for AC #1 based on efficiencies, lessons learned and repeat installation activities. Accordingly, the total Modification Fees for AC #2 and AC #3 may be less than AC #1.

The scope of work involved in the modification will be provided to Bridgeporth 30 days prior to commencement of modifications. Exceedance of the estimated total modification will be addressed by 2.4.2 and 2.4.3.

2.4.2 Over-and-Above

The Modification Fee covers the currently anticipated baseline scope of modification, integration, engineering, and Non-Recurring Engineering ("NRE") activities. Any work, labor, materials, parts, engineering, testing, certification, troubleshooting, rework, or other costs that are outside the baseline scope, or that result from conditions or requirements not reasonably identifiable at the time the baseline scope was established, shall constitute "Over-and-Above Work."

Over-and-Above Work shall include, without limitation, work resulting from conditions discovered during the detailed Aircraft survey; incomplete, inaccurate, or subsequently revised sensor technical data; differences between the Aircraft and previously provided configuration information; deficiencies or incompatibilities in Government-, customer-, or third-party-furnished equipment or data; changes to the sensor or installation requirements; additional certification or regulatory requirements; and work arising from Bridgeporth's prior DC-3T installation

documentation or configuration that was not reasonably ascertainable when the baseline scope was established.

Over-and-Above Work shall be billed separately on a time-and-materials ("T&M") basis at

Bridger's applicable labor rate, currently [***] dollars ($[***]) per labor hour, plus the actual cost of materials, parts, subcontractor services, travel, and other direct costs incurred in performing such work. Over-and-Above Work charges are in addition to, and shall not reduce, offset, or be deemed included within, the monthly Modification Fee.

The Modification Periods and total Modification Fees reflected above are good-faith estimates based on currently available information. The full scope of modification, sensor integration, and certification requirements cannot be finalized until Bridger completes a detailed survey of the applicable Aircraft and receives complete sensor technical data and prior DC-3T installation documentation from Bridgeporth. Accordingly, the estimated Modification Periods and total Modification Fees are subject to revision based on the results of that review and the actual work required.

2.4.3 Over-and-Above Authorization and Change Control

Upon identification of any Over-and-Above Work, Bridger shall notify Bridgeporth in writing and, where reasonably practicable, provide a description of the additional work and an estimate of the associated cost and schedule impact.

Bridger is authorized to proceed with Over-and-Above Work without prior written approval where the estimated cost of such work does not exceed [***] dollars ($[***]) per individual occurrence. Such amounts shall be billed on a T&M basis in accordance with Sections 2.4.2 and 2.4.3 and shall be in addition to the applicable Modification Fee.

For any individual occurrence of Over-and-Above Work estimated to exceed [***] dollars ($[***]), Bridger shall obtain Bridgeporth's written approval before proceeding with the portion of such work exceeding that amount. Approval may be provided by email or other written communication from an authorized representative of Bridgeporth and shall not require a formal amendment to this Agreement.

Notwithstanding the foregoing, Bridger may proceed without prior approval with any Over-and-Above Work reasonably necessary to protect the Aircraft, equipment, or personnel; maintain airworthiness or regulatory compliance; prevent damage or further cost; or avoid a material disruption to the Modification schedule. Bridger shall notify Bridgeporth of such work as soon as reasonably practicable.

If Bridgeporth does not approve required Over-and-Above Work within five (5) business days after receipt of Bridger's written request, Bridger may suspend the affected work until

authorization is received. Any resulting delay shall extend the applicable Modification Period and any associated delivery or completion dates on a day-for-day basis, and Bridger shall not be responsible for schedule impacts resulting from such delayed authorization.

All approved or otherwise authorized Over-and-Above Work shall be invoiced monthly in arrears at Bridger's applicable labor rates, plus the actual cost of materials, parts, subcontractor services, travel, and other direct costs. Such charges are separate from and in addition to the Modification Fee and shall not be credited against, deducted from, or otherwise reduce the Modification Fee.

2.4.4 Advance Payment

Bridgeporth shall pay Bridger [***] Dollars ($[***]) in respect of each Aircraft, for an aggregate amount of [***] Dollars ($[***]) (each, an "Aircraft Advance Payment" and collectively, the "Advance Payments"), in the instalments and on the dates set out below. Each Aircraft Advance Payment is a payment in advance of the Monthly Fixed Fee and can be used by Bridger to support the costs incurred in satisfying this agreement.

Aircraft	Advance Payment Instalment	Payment Due Date
AC #1	$[***]	Upon signing of this Agreement (or credited as of the Effective Date of this Agreement to the extent already paid upon LOI execution).
AC #1	$[***]	October 31, 2026
AC #2	$[***]	February 1, 2027
AC #3	$[***]	December 31, 2027

Bridgeporth shall continue to pay all Monthly Fixed Fee invoices in full when due in accordance with Sections 2.2 and 2.7, without set-off or deduction by reason of an Advance Payment. At Service Term End, Bridger shall return the Advance Payment to Bridgeporth unless this Agreement has been terminated due to a material breach by Bridgeporth under Section 9.2 or a Bridgeporth insolvency event as defined under Section 9.4.

2.4.5 Right to Payment for Work Performed

The Parties expressly acknowledge and agree that Bridger's work under this Section 2.4 creates assets and intellectual work product designed specifically for Bridgeporth's sensor configuration and mission profile. Accordingly, in the event this Agreement is terminated for any reason prior to completion of all charges in this Section 2.4, Bridger shall have an enforceable right to payment for all work performed in accordance with the terms of this Agreement and costs incurred through the date of termination, plus a reasonable allowance for profit consistent with the margin embedded in the affected charge, calculated as follows:

- For Modification NRE: all monthly NRE invoices already issued and unpaid through the date of termination, plus a pro-rata share of the final partial month's NRE charges based on the number of days worked in that month, as documented by Bridger's engineering time records.
- For any additional standup items procured under a work order or amendment per Section 2.4.2 but not yet invoiced: the full procurement cost incurred as documented by Bridger's supplier invoices.
- For T&M overage work: all hours worked and materials consumed through the date of termination, at the rates set forth in Section 2.4.
- Except for termination for Bridger's (i) material breach pursuant to Section 9.2, and (ii) insolvency pursuant to Section 9.4, for future implied revenue identified herein, until a replacement customer is secured through commercially reasonable efforts or until the disposal of the applicable asset, subject to a maximum period of twelve months from the effective date of termination.

This Section 2.4.5 shall survive termination of this Agreement and constitutes an unconditional, enforceable right to payment for purposes of revenue recognition under applicable accounting standards. Termination under Section 9.2 for Bridgeporth's uncured material breach does not diminish Bridger's rights under this Section 2.4.5; rather, such termination accelerates payment of all amounts earned through the termination date plus damages as separately recoverable under law.

2.4.6 Additional Sensor Equipment

At Bridgeporth's request, Bridger may supply additional onboard sensors and related mission equipment beyond Bridgeporth's core sensor systems described in Section 5.1, consistent with the LOI. Any such request shall be submitted in writing and shall describe the requested equipment specifications and intended use. Before commencing any such work, Bridger shall provide Bridgeporth a good-faith cost estimate covering (i) equipment procurement, billed at Bridger's direct cost plus a [***] percent ([***]%) handling fee, consistent with Section 2.5, and (ii) installation and integration labor, billed at Bridger's labor rate of [***] dollars ($[***]) per labor hour. Bridger shall not proceed beyond the approved estimate without Bridgeporth's prior written approval, consistent with the overage-approval process in Section 2.4.3.

Charges under this Section 2.4.6 shall be billed monthly in arrears, net thirty (30) days, and are in addition to the Monthly Fixed Fee, Flight-Hour Rate, and Modification Fee and Over-and-Above charges described elsewhere in this Section 2. Insurance and other ongoing pass-through costs associated with equipment supplied under this Section 2.4.6 shall be billed per Section 2.5. Title to equipment supplied under this Section 2.4.6 shall be addressed in the applicable written request, unless otherwise agreed by the Parties.

2.5 Pass-Through Costs

The Monthly Fixed Fee and Flight-Hour Rate exclude the following items, which vary based on mission requirements and shall be billed separately to Bridgeport at Bridger's direct cost plus the markup indicated below. For purposes of this Agreement, "Overhaul" ("OH") means the disassembly, inspection, repair or replacement of parts as necessary, and reassembly and testing of a component, engine, propeller, or landing gear to a serviceable condition in accordance with the applicable manufacturer's overhaul manual and regulatory requirements; and "Beyond Economical Repair" ("BER") means a rotable component the repair cost of which exceeds [***] percent ([***]%) of the asset (replacement) value of that rotable. Pass-throughs are invoiced monthly with supporting documentation (receipts, logs, time sheets, vendor invoices) with payment due net thirty (30) days. All marked-up pass-throughs are billed at Bridger's direct cost plus a handling markup not to exceed [***] percent ([***]%), subject to a minimum of [***] dollars ($[***]) per event, which markup covers stores and logistics, labor, and QA inspections.

PASS-THROUGH COSTS — BILLED SEPARATELY AT ACTUALS OR + [***]% AS APPLICABLE		
Item	**Billing Basis**	**Coverage**
Fuel	Actual gallons × posted price	All aviation fuel consumed by aircraft operations. Invoiced monthly with receipts.
Travel	Actuals + [***]%	Commercial flights, ground transit, repositioning costs for crew and maintenance personnel.
Per Diem	GSA rates + [***]%	Crew meals and incidentals while deployed away from base. Standard U.S GSA per diem schedule applies for CONUS and the U.S. Department of State International per diem schedule for OCONUS travel.
Lodging	Actuals + [***]%	Crew accommodations while deployed. Rates vary by location.

PASS-THROUGH COSTS — BILLED SEPARATELY AT ACTUALS OR + [***]% AS APPLICABLE		
Item	**Billing Basis**	**Coverage**

Rental	Actuals + [***]%	Ground vehicles, equipment, or facilities required for mission-specific deployments.
Crew Security	Actuals + [***]%	Security services for crew when required for deployment.
Additional Pilots	Quoted on request	Pilots beyond the standard [***]-crew baseline (e.g., for extended duty cycles or surge ops). Day rate plus travel/per diem/lodging/rental. Quoted at time of request.
BER Components	Actual cost + [***]%	Components found beyond economical repair. Billed at direct cost plus [***]%.
Engine, Propeller & Landing Gear Overhaul	Actual cost + [***]%	Major overhaul events billed at direct cost plus [***]%.
C-Check and Above	Actual cost + [***]%	The heavy check (also known as a C-check), which occurs approximately every 2,000 flight hours, will be billed as a pass-through at direct cost plus [***]%, given the unknown location of completion and unknown findings arising from mission operations.
De-Icing / Anti-Icing	At cost	Direct pass-through at actual cost. No markup.
Navigation & Flight Planning Fees	At cost	Transit and flight planning fees. Direct pass-through at actual cost. No markup.
Airport Fees	At cost	Landing, ramp, hangar, and parking fees. Direct pass-through at actual cost. No markup.
Customs & International Charges	At cost	Customs, logistics, and special international shipping and operating charges. No markup.

PASS-THROUGH COSTS — BILLED SEPARATELY AT ACTUALS OR + [***]% AS APPLICABLE		
Item	**Billing Basis**	**Coverage**
Government Taxes & Duties	At cost	Any government-imposed taxes, duties, or surcharges on services. No markup.
Sensor & Equipment Insurance	At cost	Insurance for Bridgeporth's sensors and onboard equipment. Bridgeporth-owned property. No markup.
Logistics — Material Support	At cost	Logistics costs for material support. Direct pass-through at actual cost. No markup.

2.6 Escalation

The Flight-Hour Rate shall escalate at [***] percent ([***]%) per annum commencing January 1, 2028, and each January 1 thereafter for the duration of the Term. The Monthly Fixed Fee for each Aircraft shall escalate at [***] percent ([***]%) per annum commencing on the first anniversary of that Aircraft's Induction / Acceptance Date and each anniversary thereafter. Unless expressly stated otherwise in this Agreement, no other charge shall automatically escalate under this Section 2.6.

Except for adjustments expressly permitted under Section 2.9 ([***]) and Section 4 (Economic Price Adjustments), this escalation structure shall be the exclusive mechanism for ordinary price adjustment during the Term. An adjustment under Section 2.9 shall establish a new then-current base for the affected pricing component, and subsequent escalation under this Section 2.6 shall be calculated from that adjusted amount. Extraordinary cost events outside the Parties' control are addressed separately under Section 4.

2.7 Payment Terms

The Monthly Fixed Fee is billed monthly in advance, due on the first day of each calendar month.

Flight-Hour Rate charges and pass-throughs are billed monthly in arrears, due within thirty (30) days of receipt of invoice. Disputed amounts shall be paid when undisputed, with the disputed portion addressed promptly and in good faith. Late payments shall accrue interest at the lesser of [***] percent ([***]%) per month or the maximum rate permitted by law.

2.8 Financial Assurance

Bridgeporth represents that, as of the Effective Date, it has sufficient financial resources to perform its payment obligations under this Agreement. During the Term, Bridgeporth shall

maintain financial capacity reasonably sufficient to satisfy its obligations as they become due and shall promptly notify Bridger of any material adverse change in its financial condition that would reasonably be expected to materially impair its ability to perform its payment obligations under this Agreement.

As a condition precedent to Bridger's obligations under this Agreement, Bridgeporth shall cause Metatek-Group Ltd. ("Guarantor") to promptly execute and deliver to Bridger, but not later than ten business days after the Effective Date, an unconditional and irrevocable guaranty of payment (and not merely of collection) of all amounts payable by Bridgeporth to Bridger under this Agreement, whether characterized as fees, indemnification, damages for breach or otherwise (collectively, "Guaranteed Obligations"), in form and substance reasonably satisfactory to Bridger (the "Guaranty"). The Guaranty shall remain in full force and effect for the duration of the Term and any survival period applicable to the Guaranteed Obligations.

As a reporting issuer under Canadian securities laws, Guarantor's publicly available financial statements and other continuous disclosure filed on SEDAR+ (or any successor Canadian securities filing system) shall generally constitute sufficient evidence of its financial condition. If Bridger reasonably determines, based on such publicly available information, Bridgeporth's financial statements publicly filed with UK Companies House or the occurrence of a Credit Support Event, that Guarantor's or Bridgeporth's ability to satisfy its payment obligations under this Agreement or the Guaranty has materially deteriorated, Bridger may request reasonable additional evidence of financial capacity. Any material non-public information regarding Bridgeporth shall be delivered only to Bridger's Chief Financial Officer, General Counsel or such other individuals as Bridger designates in writing from time to time, and such information shall not be further disclosed within Bridger except on a need-to-know basis to individuals who have agreed to keep such information confidential and use such information solely to evaluate Bridgeporth's financial capacity to perform its obligations under this Agreement.

A "Credit Support Event" shall mean the occurrence of any of the following with respect to Bridgeporth or Guarantor: (i) failure to pay any undisputed material amount when due pursuant to this Agreement and such failure continues for ten (10) business days after written notice; (ii) insolvency, a bankruptcy or similar proceeding that is not dismissed within sixty (60) days, or an assignment for the benefit of creditors; (iii) Bridgeporth's or Guarantor's independent auditor expresses substantial doubt regarding its ability to continue as a going concern; (iv) with respect to Guarantor only: (A) Guarantor's failure to file required continuous disclosure under applicable Canadian Securities laws within the time required, where such failure continues for thirty (30) days, or (B) any repudiation, purported termination or challenge to the enforceability of the Guaranty by Guarantor or Bridgeporth, or (v) another material adverse change occurs in the financial condition of Bridgeporth or Guarantor that reasonably calls into question Bridgeporth's ability to satisfy the Guaranteed Obligations or Guarantor's ability to perform its obligations under the Guaranty.

Upon the occurrence of a Credit Support Event, Bridger may reasonably require Bridgeporth to provide adequate assurance of payment within fifteen (15) business days, in addition to and without limiting Bridger's rights under the Guaranty. Such assurance may consist of an irrevocable standby letter of credit issued by a financial institution reasonably acceptable to Bridger, a replacement or reinforced guaranty from a creditworthy entity reasonably acceptable to Bridger, advance payment or cash collateral, or another form of credit support mutually acceptable to the Parties. Any required credit support shall be reasonably proportionate to Bridgeporth's remaining payment obligations and Bridger's reasonably anticipated financial exposure under this Agreement.

The Guaranty is independent of, and not a substitute for, Bridgeporth's own obligation to pay Guaranteed Obligations directly, and Bridger's rights against Bridgeporth are not conditioned on first exhausting remedies against Guarantor. If Bridgeporth fails to provide the required adequate assurance within the applicable period, such failure shall be considered a material breach of this Agreement, and Bridger may suspend further performance or commitments under this Agreement, terminate this Agreement or pursue any other remedy available at law or in equity, without prejudice to Bridger's rights with respect to any amounts already due and owing and without relieving Bridgeporth of its obligations under this Section 2, which shall continue to accrue during the period of suspension , in each case, without prejudice to Bridger's rights under the Guaranty.

2.9 [***]

3. Bridger Service Commitments

Bridger makes the following firm commitments to Bridgeporth for the entire Term, including any Renewal Term. These commitments are intended to give Bridgeporth confidence that the level of service and collaboration in place at the start of the program will be maintained throughout its life.

3.1 Aircraft Availability

Bridger shall make each Aircraft available for Bridgeporth mission tasking at a minimum availability rate of [***] percent ([***]%) on a rolling twelve-month basis. "Unavailable Aircraft Time" means only downtime or unavailability directly attributable to Bridger's failure to perform its obligations under this Agreement, or any other event or circumstance caused by Bridger that results in Bridger failing to perform its obligations under this Agreement, and not otherwise excluded below.

Excluded from Unavailable Aircraft Time are:

(i) scheduled or approved maintenance, inspections, modifications, upgrades, and airworthiness-directive or regulatory-compliance work;

(ii) Force Majeure Events;

(iii) bird or wildlife strike, foreign-object damage, lightning, hail, severe weather, or casualty not caused by Bridger's negligence;

(iv) damage caused by Bridgeporth, its personnel, its sensors or mission equipment, or

third parties;

(v) failure, maintenance, modification, or unavailability of Bridgeporth-owned sensors, mission systems, equipment, software, data, or communications;

(vi) OEM or supplier shortages or unavailability of parts, components, engines, propellers, or technical support outside Bridger's reasonable control, subject to commercially reasonable mitigation;

(vii) OEM, FAA, or governmental grounding, inspection, or restriction not attributable to Bridger's noncompliance;

(viii) Bridgeporth-requested changes, mission modifications, relocations, or other Bridgeporth-caused delays; and

(ix) suspension or restriction under Section 3.4 for insurance, safety, security, regulatory, or operational-risk reasons.

The Availability Percentage shall be calculated in accordance with Exhibit D.

3.2 Standing Crew

Bridger shall maintain a standing aircrew of [***] qualified crews per Aircraft (consisting of [***]), available for tasking and current to FAA Part 135 and BT-67 type-rating requirements. Crew compensation, currency, training, and benefits are Bridger's responsibility and are included in the Monthly Fixed Fee. Bridgeporth may recommend to Bridger qualified standing aircrew to be hired by Bridger to operate the Aircraft, and Bridger shall consult with Bridgeporth regarding the standing aircrew Bridger proposes to act as standing aircrew. Bridgeporth may reasonably request that any member of the proposed or current standing aircrew be replaced with other qualified crew, and may recommend to Bridger qualified replacement standing aircrew, such recommendation not to be unreasonably refused.

3.3 Maintenance

Bridger shall perform all maintenance required under Section 2.3 to keep each Aircraft airworthy and conform all three (3) BT-67 aircraft to FAA Part 135 requirements. Bridger shall maintain the parts inventory and ground support equipment necessary to meet the availability commitment in Section 3.1.

3.4 Insurance

3.4.1 Standard Coverage

For all operations within Standard Coverage Zones (defined in Section 3.4), Bridger shall maintain at its expense aviation liability insurance with limits of not less than [***] dollars ($[***]) combined single limit per occurrence, naming Bridgeporth as an additional insured with respect

to Bridgeporth's operations under this Agreement. Bridger shall also maintain physical damage coverage for each Aircraft and the installed sensor and mission equipment with a combined agreed or insured value of the aircraft plus $[***], subject to the terms, conditions, exclusions, deductibles, and limitations of the applicable insurance policy. The combined value is based on the Aircraft configuration, sensors, and mission equipment contemplated as of the Effective Date. Bridgeporth shall promptly notify Bridger in writing of any addition, replacement, modification, or other change to Bridgeporth-furnished sensor or mission equipment that may materially increase the combined insured value. Any increase in premium, deductible, self-insured retention, broker fee, or other insurance cost resulting from such change shall be borne by Bridgeporth and invoiced in accordance with Section 3.4. Bridger shall not be responsible for any uninsured or underinsured amount attributable to Bridgeporth's failure to timely disclose such change or provide accurate equipment values. Certificates of insurance evidencing the required coverage shall be provided to Bridgeporth annually. Bridger shall notify Bridgeporth of any cancellation, non-renewal, or material reduction in the coverage required by this Section 3.4 promptly after Bridger receives notice thereof from its insurer or insurance broker. Extended Coverage for operations outside Standard Coverage Zones shall be governed separately by Section 3.4.2, and any incremental costs associated with such coverage shall be allocated in accordance with Section 3.4.

3.4.2 Extended Coverage for International Operations

For any proposed operation of an Aircraft in an Extended Coverage Zone or Restricted Zone (as defined in Section 3.4), Bridger shall have sole discretion to determine the insurance coverages, policy limits, deductibles, endorsements, exclusions, security measures, and other risk-mitigation requirements that Bridger considers necessary or appropriate for the proposed operation, taking into account the location, mission profile, duration, personnel, aircraft exposure, contractual requirements, applicable law, and then-available insurance market.

Such coverage may include, as Bridger determines appropriate: (i) aircraft hull and liability war risk coverage; (ii) confiscation, nationalization, expropriation and deprivation ("CNE&D") coverage; (iii) kidnap and ransom ("K&R") coverage; (iv) international or high-risk medical, evacuation, and repatriation coverage for Bridger personnel; (v) Defense Base Act ("DBA") coverage, to the extent required by applicable law or contract; and (vi) any other insurance, security, medical, evacuation, operational, or risk-management protection Bridger reasonably determines necessary for the proposed operation.

As a condition precedent to Bridger's approval or commencement of any such operation, Bridgeporth shall approve in writing and pay, or provide funds satisfactory to Bridger for payment of, all incremental costs associated with the proposed operation, including all additional insurance premiums, deductibles, self-insured retentions, broker fees, security costs, medical and evacuation costs, repatriation costs, taxes, governmental charges, surcharges, and

other insurance or risk-mitigation costs identified by Bridger. Bridger shall have no obligation to advance, finance, or incur any such incremental cost on Bridgeporth's behalf.

No Aircraft shall be required to commence or continue operations in an Extended Coverage Zone or Restricted Zone without Bridger's prior written approval of the applicable mission, Bridger's confirmation that all insurance and risk-mitigation requirements established by Bridger have been satisfied, and Bridgeporth's payment of the applicable incremental costs. Bridger may withhold, condition, suspend, or withdraw such approval if Bridger determines that required coverage is unavailable, commercially unreasonable, materially restricted, subject to unacceptable exclusions or conditions, or otherwise insufficient in light of the applicable risk.

Bridgeporth shall provide Bridger with all information reasonably requested by Bridger to evaluate the proposed mission and associated risks and shall cooperate in satisfying requirements imposed by Bridger, its insurers, reinsurers, brokers, or applicable governmental authorities. Bridger shall have no obligation to obtain any particular coverage or limit solely because such coverage or limit is requested by Bridgeporth.

If additional premiums, deductibles, security requirements, evacuation requirements, or other incremental costs arise or materially increase after Bridgeporth's initial approval but before or during the applicable operation, Bridgeporth shall approve and fund such additional amounts before Bridger is required to commence or continue the affected operation. Bridger may suspend the affected operation without liability until such approval and funding are received.

3.4.3 Mission Delay, Change, or Cancellation Costs

Following Bridgeporth's written approval of a proposed operation, Bridgeporth shall remain responsible for all costs and financial commitments incurred or committed by Bridger in preparation for or support of such operation. If the operation is delayed, suspended, materially changed, relocated, reduced in scope, or canceled for any reason other than Bridger's material breach or an Aircraft being unavailable due to Unavailable Aircraft Time, Bridgeporth shall pay or reimburse Bridger for all resulting or non-recoverable costs, including cancellation charges, standby costs, demobilization and remobilization costs, insurance premiums and fees, deductibles or self-insured retentions incurred, security costs, medical and evacuation arrangements, personnel and travel costs, lodging, transportation, permits, visas, taxes, governmental charges, vendor commitments, and other third-party or out-of-pocket costs reasonably incurred or committed by Bridger in connection with the operation.

Bridgeporth's payment obligations under this paragraph shall apply whether such amounts have been paid by Bridger or constitute binding, non-cancelable, or otherwise non-recoverable commitments made by Bridger in reasonable reliance on Bridgeporth's approval. Bridger shall use commercially reasonable efforts to mitigate avoidable costs following notice of a delay, change, suspension, or cancellation; provided, however, that Bridger shall not be required to

incur additional cost, accept cancellation penalties greater than the underlying commitment, or

take any action that Bridger reasonably determines would adversely affect its personnel, Aircraft, operations, insurance coverage, or other contractual obligations.

Any amounts due under this Section 3.4.3 shall be in addition to, and shall not reduce or offset, any Monthly Fixed Fee, Flight-Hour Rate, minimum utilization commitment, or other amount otherwise due under this Agreement, except to the extent expressly agreed by Bridger in writing.

3.4.4 Aviation Environmental Liability and Cargo Coverage

For all operations under this Agreement, regardless of location, Bridger shall procure or maintain the following coverages, subject to the terms, conditions, exclusions, deductibles, and limitations of the applicable insurance policies:

Aviation Environmental Liability: coverage for pollution, contamination, and environmental remediation arising from aircraft operations or incidents, with limits not less than [***] dollars ($[***]) per occurrence.

Aircraft-on-Ground (AOG) Parts and Spares in Transit: marine cargo coverage for spare parts, rotables, and ground support equipment in transit between Bridger facilities and remote operating locations, with limits adequate to the replacement cost of items shipped. To the extent required by the applicable insurance policy and commercially available on reasonable terms, Bridgeporth may be identified as an additional loss payee solely with respect to Bridgeporth-owned property or equipment for which Bridgeporth bears the risk of loss under this Agreement. Ground Equipment and Spares Pool: property coverage for the Spare Parts + GSE pool at Bridger's base facility and at any designated forward operating location, with limits adequate to replacement cost.

The designation of Bridgeporth as an additional loss payee shall not grant Bridgeporth any ownership, security, lien, possessory, or other proprietary interest in any Aircraft, component, modification, equipment, or other property owned by Bridger, regardless of whether such property was acquired, installed, modified, or otherwise used in connection with services performed for Bridgeporth.

Bridger shall retain sole authority to present, administer, negotiate, settle, and otherwise control any insurance claim relating to an Aircraft or Bridger-owned property, subject to the terms and conditions of the applicable insurance policy. Insurance proceeds attributable to Bridger-owned property shall be payable to or for the benefit of Bridger and shall be applied as Bridger reasonably determines appropriate toward the repair, replacement, restoration, or other disposition of the damaged or lost Aircraft, component, equipment, or property.

Bridger shall have sole discretion to determine whether damaged Bridger-owned property will be repaired, replaced, restored, or, in the case of a constructive or actual total loss, otherwise disposed of, taking into account safety, airworthiness, regulatory requirements, availability of replacement aircraft or components, insurance proceeds, repair economics, and operational

requirements. Nothing in this Section shall require Bridger to repair or replace an Aircraft or component where Bridger reasonably determines that repair or replacement is unsafe, impracticable, uneconomic, prohibited by applicable law, or not commercially reasonable.

With respect to Bridgeporth-owned sensor or mission equipment (including "Bridgeporth Equipment" as defined herein), Bridgeporth shall retain title to such equipment, and insurance proceeds specifically attributable to the loss of or damage to such Bridgeporth-owned equipment shall be applied toward its repair or replacement or otherwise paid as required by the applicable insurance policy. Bridger shall not be required to fund any repair or replacement cost exceeding the insurance proceeds actually received for Bridgeporth-owned property, except to the extent the loss or deficiency results from Bridger's responsibility under another express provision of this Agreement.

For the avoidance of doubt, payment by Bridgeporth of any Modification Fee, Advance Payment, pass-through cost, reimbursement, milestone payment, or other amount under this Agreement shall not, by itself, transfer title to any Aircraft, component, modification, equipment, intellectual property, or other Bridger-owned property. Any transfer of title must be expressly stated in this Agreement or documented in a separate written instrument executed by Bridger.

3.4.5 Coverage Zones and Mission Notice

The following Zones shall be determined at the time of the proposed operation based on the then-current terms, exclusions, territorial limitations, and requirements of Bridger's applicable insurance policies and, where applicable, then-current classifications or designations used by Bridger's insurers, underwriters, the Lloyd's Joint War Committee (JWC), or any successor or comparable aviation war-risk authority recognized by Bridger's insurers.

Standard Coverage Zones are locations treated as standard territories under Bridger's then-current applicable insurance program. The United States, Canada, the United Kingdom, European Union member states, Australia, New Zealand, and Japan are illustrative examples only and do not constitute a fixed or exhaustive list.

Extended Coverage Zones are locations that are not then treated as Standard Coverage Zones and that require additional insurance, underwriting approval, security, operational review, or other risk-mitigation measures, but are not then classified as Restricted Zones.

3.4.6 Cost Allocation

The cost of Standard Coverage maintained under Section 3.4.1, and Aviation Environmental Liability coverage maintained under Section 3.4.4 is included in the Monthly Fixed Fee except as otherwise expressly provided.

AOG Parts and Spares in Transit coverage and Ground Equipment and Spares Pool coverage under Section 3.4, when required or increased because of mission-specific requirements, shall be reimbursed by Bridgeporth at Bridger's direct cost plus the applicable [***]% handling charge specified in Section 2.5.

All incremental insurance, security, medical, evacuation, repatriation, regulatory, governmental, operational-risk, and other risk-mitigation costs associated with an Extended Coverage Zone or Restricted Zone operation shall be borne by Bridgeporth in accordance with Section 3.4, including premiums, deductibles, self-insured retentions, broker fees, security costs, medical and evacuation arrangements, repatriation costs, taxes, governmental charges, surcharges, and other incremental costs described in Section 3.4. Without limiting the foregoing, any incremental insurance premium, war-risk premium, territorial surcharge, deductible, self-insured retention, security cost, evacuation cost, or other insurance-related expense resulting from Bridgeporth-requested operations outside the United States shall be reimbursed by Bridgeporth, together with Bridger's handling markup specified in Section 2.5

Cancellation, delay, suspension, relocation, standby, demobilization, remobilization, and other costs resulting from an approved Extended or Restricted Zone operation shall be allocated in accordance with Section 3.4, including costs arising from binding, non-cancelable, or non-recoverable commitments made by Bridger in reasonable reliance upon Bridgeporth's approval. Amounts payable under Sections 3.4 are separate from and are not subject to the Economic Price Adjustment cap in Section 4.4. Upon reasonable request, Bridger shall provide reasonable supporting documentation for reimbursable third-party costs, subject to Sections 7 and 10.4.

Except as otherwise expressly provided, deductibles and self-insured retentions applicable to an insured loss shall be borne by the Party responsible for the loss under Section 6. Amounts associated with Extended Coverage Zone or Restricted Zone operations remain governed by Section 3.4.

3.4.7 Right to Decline, Suspend, or Modify High-Risk Operations

Notwithstanding anything to the contrary in this Agreement, Bridger may decline, suspend, restrict, reroute, relocate, modify, or discontinue any proposed or ongoing operation in an Extended Coverage Zone or Restricted Zone if Bridger reasonably determines that the insurance, safety, security, regulatory, personnel, Aircraft, or operational risks are unacceptable or that required insurance or risk-mitigation measures are unavailable, commercially unreasonable, materially restricted, or otherwise inadequate.

Bridger may act immediately when reasonably necessary to protect personnel, Aircraft, property, insurance coverage, regulatory compliance, or operational safety and otherwise shall provide as much advance notice as reasonably practicable. Upon Bridgeporth's reasonable request, Bridger shall provide reasonable supporting information regarding an insurance-related determination, including broker information when appropriate and available
Exercise of these rights shall not constitute a breach, default, or failure to perform, and Bridgeporth remains responsible for costs and commitments under Section 3.4.

3.4.8 Bridgeporth Coverage
Bridgeporth shall maintain customary insurance for onboard personnel.

3.5 Mission Response Times

For each Aircraft in active operations, Bridger shall meet the following response commitments:

- Routine tasking acknowledgement: as fast as reasonable and practically possible but in any event within [***] of Bridgeporth request.
- Maintenance defect resolution (mission-critical): commencement of repair within [***] of defect identification at base; within [***] at remote operating locations.
- Spare aircraft / surge support: best commercial effort, with no contractual surge guarantee unless added by amendment.

3.6 Program Continuity Commitments
Bridger makes the following program continuity commitments to Bridgeporth for the full Term:

Termination Rights: Bridger's termination rights are governed by Section 9 and other express termination rights in this Agreement.

Price Protection: The Monthly Fixed Fee and Flight-Hour Rate shall be subject only to Section 2.6 (Escalation), Section 2.9 ([***]), and Section 4 (Economic Price Adjustments), as applicable. Pass-through and separately reimbursable charges are governed by their specific provisions and do not automatically escalate under Section 2.6.

Service Level Continuity: The Service Commitments in this Section 3 remain in effect throughout the Term, including the Renewal Term, subject to the express terms and exclusions of this Agreement.

Right of First Negotiation for Successor Services: If Bridgeporth intends to procure substantially similar aircraft operations, maintenance, mission support, or related services following expiration of the applicable Service Term, Bridgeporth shall first provide Bridger written notice and a reasonable description of anticipated scope and requirements. For sixty (60) days

following notice, the Parties shall negotiate exclusively and in good faith, and Bridgeporth shall

not enter into an agreement with a third party for substantially similar successor services for the applicable Aircraft or program. If no successor agreement is executed during that period, Bridgeporth may thereafter solicit or negotiate with third parties. Bridger is not required to match or accept third-party pricing, terms, risk allocation, configuration, scope, or other terms it determines are commercially, operationally, legally, or technically unacceptable. This provision applies only where the applicable Service Term will expire without renewal.

Successor Operator Transition Support: If transition assistance is applicable following expiration or termination, Bridger shall provide commercially reasonable assistance for up to ninety (90) days, subject to personnel, Aircraft, operational, regulatory, and contractual availability. Assistance beyond ninety (90) days requires Bridger's prior written agreement. Transition assistance is at Bridgeporth's expense at Bridger's then-current rates plus reasonable third-party, travel, relocation, demobilization, shipping, regulatory, and out-of-pocket costs. It does not require Bridger to extend the Service Term, continue flight operations, make Aircraft available beyond the Term, delay other deployments, disclose proprietary IP beyond express requirements, or assume additional risk, and is conditioned on timely payment of all undisputed and transition amounts.

3.7 Performance Credits

If, for any Aircraft, Bridger fails to achieve the [***] percent ([***]%) availability commitment set forth in Section 3.1 during any applicable twelve (12)-month measurement period, after excluding Force Majeure events, scheduled deep maintenance windows, and any other availability exclusions expressly provided under this Agreement, Bridgeporth shall be entitled to a credit against future Monthly Fixed Fees for such Aircraft.

In addition, for purposes of calculating the [***] ([***]) Flight-Hour annual minimum utilization requirement applicable to an Aircraft, such annual minimum shall be reduced for any Unavailable Aircraft Time and any period during which the Aircraft is unavailable due to an event attributable to Bridger and not otherwise excluded from the availability calculation under this Agreement. The annual minimum utilization requirement shall be reduced by [***] ([***]) Flight Hours for each full calendar month that the affected Aircraft remains unavailable. For any partial calendar month of such unavailability, the [***]-hour monthly reduction shall be prorated based on the number of calendar days during such month that the Aircraft was unavailable divided by the total number of calendar days in that month. The applicable reduction shall cease as of the date the Aircraft is returned to service and available for performance of the services. For clarity, Bridgeporth shall not be required to pay for minimum annual utilization attributable to the period of qualifying Aircraft unavailability described in this paragraph including Unavailable Aircraft Time.

The credit shall equal [***] percent ([***]%) of the aggregate Monthly Fixed Fees paid or payable for such Aircraft during the applicable twelve (12)-month measurement period for each full percentage point by which actual availability falls below [***] percent ([***]%).

In no event shall the aggregate Performance Credit exceed [***] percent ([***]%) of the

aggregate Monthly Fixed Fees for such Aircraft during the applicable twelve (12)-month measurement period.

Performance Credits shall be applied prospectively against future Monthly Fixed Fees for the affected Aircraft and shall not constitute a refund or cash payment. Except as otherwise expressly provided in this Agreement, the Performance Credits set forth in this Section 3.7 shall be Bridgeporth's sole and exclusive monetary remedy for Bridger's failure to satisfy the availability commitment in Section 3.1. For clarity, an adjustment to the annual minimum utilization requirement pursuant to this Section is an adjustment to the applicable minimum utilization obligation and shall not constitute a Performance Credit, refund, or other monetary remedy.

3.8 Reporting

Bridger shall provide Bridgeporth the following reports:

- Monthly operational report: flight hours flown, mission-capable rate, maintenance actions, fuel consumed.
- Quarterly program review: availability trends, parts consumption, crew status (including qualifications), upcoming inspection windows.
- Annual program summary: full-year recap, cost reconciliation, Renewal Term planning.

3.9 Additional Operational Protections

3.9.1 Substitute Aircraft.

If an Aircraft becomes unavailable, Bridger may, but is not obligated to, provide a substitute aircraft when Bridger determines that a suitable aircraft is reasonably available and can be provided without materially interfering with Bridger's obligations to other customers, contracts, or operations. A substitute shall be reasonably capable of performing applicable services considering mission requirements, regulatory approvals, insurance, configuration, installed equipment, and operational limitations, but need not be the same make, model, configuration, or tail number unless expressly required elsewhere. Bridger's inability or election not to provide a substitute does not constitute breach, default, or a separate availability failure where the underlying unavailability is excluded under Section 3.1 and Exhibit D. Incremental costs requested by Bridgeporth for a substitute are subject to prior written approval and applicable pricing and change control.

3.9.2 Entry into Service and Operational Readiness

An Aircraft achieves Entry into Service ("EIS") when the applicable Modification Period is completed, the required acceptance or functional flight is satisfactorily completed, and Bridger

determines that the Aircraft is airworthy, appropriately certificated, and operationally ready to perform the services. Minor discrepancies, punch-list items, cosmetic matters, documentation items, or other incomplete items that do not materially impair airworthiness, safety, regulatory compliance, or ability to perform applicable services shall not delay EIS, and Bridger shall address agreed punch-list items within a commercially reasonable period. A deficiency, delay, or limitation attributable to Bridgeporth-furnished sensors, mission equipment, software, data, communications, technical information, approvals, personnel, or other Bridgeporth dependency shall not delay EIS to the extent unaffected services remain performable. Nothing regarding EIS transfers possession or operational control to Bridgeporth; Bridger retains operational control and responsibility for operation under applicable law and this Agreement.

3.9.3 Maintenance Scope and Standards

Bridger shall perform maintenance in accordance with applicable FAA requirements, approved maintenance programs, manufacturer requirements as applicable, and this Agreement. An unexpected component failure or mechanical event does not, by itself, establish breach. Unless expressly included in the agreed scope, maintenance obligations do not include upgrades, enhancements, modernization, capability improvements, configuration changes, obsolescence-driven redesign or replacement, or modifications requested by Bridgeporth or required because of changes to Bridgeporth-furnished equipment, mission requirements, or systems. Such additional work is subject to applicable pricing and change control. Nothing relieves Bridger of ordinary maintenance or component replacement expressly included in its agreed maintenance scope.

3.9.4 Parts Availability and Supply Chain

Bridger shall use commercially reasonable efforts to source required parts and technical support but is not in breach for delays caused by parts, components, engines, propellers, or technical support unavailable for reasons outside Bridger's reasonable control. Any alternative part, redesign, modification, expedited procurement, or other workaround that causes a material incremental cost or configuration change is subject to applicable pricing and change control. 3.9.5 Personnel. Except where this Agreement expressly requires a specifically identified individual, Bridger may assign, replace, substitute, or reassign personnel, provided regulated or qualification-dependent functions are performed by personnel satisfying applicable regulatory, contractual, training, certification, and qualification requirements. Unavailability of a particular individual does not by itself constitute breach, provided Bridger uses commercially reasonable efforts to provide appropriately qualified replacements where necessary to continue affected services.

3.10 No Implied Performance Guarantees

Except for express obligations, warranties, service levels, and performance standards specifically set forth in this Agreement, Bridger does not warrant or guarantee any particular mission result, data or sensor result, number of missions or flight hours, uninterrupted operation,

dispatch reliability, Aircraft availability beyond the expressly stated Availability Percentage, or performance of equipment, systems, software, communications, or services furnished by Bridgeporth or third parties. Forecasts, estimates, schedules, planning assumptions, expected utilization, anticipated mission profiles, technical discussions, proposals, demonstrations, historical performance information, and similar information do not constitute a warranty or guarantee unless expressly incorporated as a binding performance requirement. Nothing in this Section limits Bridger's obligation to perform the services in accordance with the express requirements and standards of this Agreement.

3.11 Bridgeporth Equipment

Bridgeporth's right to possess, use and operate its owned sensor and mission equipment (the "Bridgeporth Equipment") shall not be affected by any Bridger insolvency event or by the default of Bridger under any financing arrangement, or by any sale, transfer, assignment, financing, refinancing, mortgage, charge or other dealing in respect of any of the Bridgeporth Equipment or any interest of Bridger. Bridger shall use commercially reasonable efforts to procure that any administrator, insolvency practitioner, purchaser, transferee, assignee, mortgagee, financier or other person acquiring any interest in any of the Aircraft shall not impede Brideporth's rights of possession, use and operation of the Bridgeporth Equipment, and shall at all times ensure that the Bridgeporth Equipment is labeled as "Property of Bridgeporth Ltd," by fireproof nameplate on the Bridgeport Equipment if possible, and, when not installed on the Aircraft, is kept separate and distinct from other equipment in the possession of Bridger, and take any other steps reasonably requested by Bridgeporth to record or protect its ownership interests in the Bridgeporth Equipment.

For the avoidance of doubt, Bridger nor any other entity with an ownership interest in the Aircraft, is permitted to sell, transfer, or otherwise dispose of Bridgeporth Equipment even if such Bridgeporth Equipment is installed or otherwise affixed to the Aircraft or airframe. To the extent Bridger or any entity with an ownership interest in the Aircraft wishes to sell, transfer or otherwise dispose of the Aircraft, or any enforcement action has been taken with respect to an Aircraft, Bridger shall remove, or cause to remove, the Bridgeporth Equipment from the Aircraft in a time, manner and location reasonably agreeable to Bridgeporth.

3.12 Right of First Refusal

Promptly after the date hereof, but in any event no later than 90 days after the Effective Date, Bridgeporth, Bridger Aerospace Group Holdings, Inc. and Bain Capital Credit LP, in its capacity as administrative agent and collateral agent ("Bain") under that certain credit agreement dated October 28, 2025 by and among Bridger Aerospace Group Holdings, Inc., Bain, and the lenders party thereto, shall execute a tripartite agreement in form and substance reasonably satisfactory to Bridgeporth and consistent with the terms set forth in this Section 3.12. For the avoidance of doubt, failure to enter into such tripartite agreement by the end of the 90-day period shall

constitute a material breach and provide Bridgeporth the rights of non-breaching Party as set forth

in Section 9.2.

If Bridger becomes insolvent, enters administration, liquidation or any analogous insolvency proceeding, experiences a change in control, ceases to carry on business, defaults on a lease agreement in relation to any Aircraft, and any Aircraft is thereafter proposed to be sold or otherwise disposed of by or on behalf of Bridger, its administrator, lessor, liquidator or other insolvency office-holder or person conducting business on Bridger's behalf, Bridger shall use commercially reasonable efforts in advance of such a scenario to procure that the party holding the ownership rights of such Aircraft (the "Owner") shall first offer the Aircraft for sale to Bridgeport by written notice specifying the proposed sale price and the other material terms of the proposed sale (the **"ROFR Notice"**). Bridgeport shall have 30 business days following receipt of the ROFR Notice to notify the Owner in writing that it elects to purchase the Aircraft on the terms set out in the ROFR Notice. If Bridgeport does not so elect within that period, the Owner or relevant insolvency office holder may sell the Aircraft to a third party, provided that the sale price is not less than, and the other material terms are no more favorable to the third party than, those set out in the ROFR Notice.

If the Aircraft is not sold pursuant to the ROFR Notice within 90 days, or if the proposed sale terms are materially changed, the Aircraft shall again be subject to this right of first refusal before being sold to a third party.

4. Economic Price Adjustments

The Parties acknowledge that this Agreement contemplates long-term operations across multiple jurisdictions, and that certain extraordinary events outside the Parties' control may materially affect Bridger's cost of performance. In such events, the pricing in Section 2 may be adjusted only as expressly provided in this Section 4. These provisions are intended to share extraordinary risk in a balanced manner; ordinary inflation and normal cost variation are addressed exclusively by the escalation in Section 2.6.

4.1 Triggering Events

An "EPA Event" means any of the following events that, individually or in aggregate, results in a sustained increase in Bridger's direct cost of performance under this Agreement by more than [***] percent ([***]%) of the affected cost component, as measured by the annual review described in Section 4.2, based on the change in the Consumer Price Index for All Urban Consumers (CPI-U):

- Outbreak of war, armed conflict, sustained hostilities, or sanctions regimes materially affecting fuel, parts, insurance, or operating costs.

- Changes in U.S. or foreign import/export regulations (including ITAR, EAR, OFAC sanctions, or equivalent foreign restrictions) materially restricting Bridger's access to required parts, components, technology, services, or operating jurisdictions.
- Tariffs, duties, or import taxes newly imposed (or materially increased) on aircraft, parts,

components, fuel, or services material to performance.

- Withdrawal, suspension, or material restriction of insurance coverage in markets material to the program, or a sustained insurance premium increase of more than [***] percent ([***]%) on a like-for-like coverage basis.
- Force Majeure events of a duration exceeding ninety (90) days that materially increase Bridger's cost of continued performance.

4.2 EPA Process

Beginning January 1, 2029, and on each January 1 thereafter during the Term, the Parties shall assess, within the first sixty (60) days of that calendar year, whether an EPA Event occurred during the preceding calendar year, based on the percentage change in the Consumer Price Index for All Urban Consumers (CPI-U), U.S. City Average, All Items, Not Seasonally Adjusted, as published by the U.S. Bureau of Labor Statistics at https://www.bls.gov/cpi/ (or its successor site or publication). If an EPA Event has occurred under Section 4.1, Bridger shall, within that same sixty (60)-day window, notify Bridgeporth in writing and provide reasonable supporting documentation regarding the event, affected cost components, actual cost impact, and proposed adjustment.

Within forty-five (45) days of notice, the Parties shall confer in good faith regarding an appropriate adjustment. The [***] percent ([***]%) threshold in Section 4.1 is solely a trigger. Once satisfied, the equitable adjustment shall be based on the full documented incremental cost impact of the qualifying EPA Event, together with Bridger's reasonable and consistently applied indirect costs, overhead, G&A, administrative costs, and a reasonable profit or fee appropriate to the affected services. Ordinary inflation or cost increases already compensated through Section 2.6 escalation shall not be duplicated. If the Parties cannot agree within sixty (60) days, the dispute shall be resolved under Section 10.2.

4.3 Sunset and Reversal

If the underlying EPA Event subsequently abates such that Bridger's cost of performance returns to within [***] percent ([***]%) of pre-Event levels, the price adjustment shall be reduced or eliminated proportionally upon thirty (30) days' written notice by either Party. Bridger shall use commercially reasonable efforts to source affected items from alternative suppliers or jurisdictions to minimize EPA exposure.

4.4 Annual Aggregate Adjustment Cap

The aggregate increase in charges resulting from Economic Price Adjustments under this Section 4 shall not exceed [***] percent ([***]%) during any twelve (12)-month period without Bridgeporth's prior written approval.

If a qualifying adjustment would exceed that threshold, the Parties shall promptly negotiate in good faith an equitable adjustment sufficient to address the documented extraordinary cost impact. Pending resolution, Bridger is not required to absorb, finance, or continue incurring extraordinary incremental costs exceeding the threshold and may suspend or modify affected services without breach, default, or adverse availability or performance impact.

If the Parties cannot reach agreement within thirty (30) days after negotiations commence, Bridger may, upon written notice, discontinue the affected Service or terminate the affected Aircraft or portion of the Agreement without liability other than obligations accrued before the effective date.

The cap does not limit pass-through costs, insurance costs, taxes, governmental charges, or other amounts expressly reimbursable under another provision of this Agreement.

5. Bridgeporth Obligations

5.1 Sensor Systems and Personnel

Bridgeporth shall: (i) provide all sensor-related technical data, specifications, prior installation information, approvals, decisions, and other dependencies reasonably required for the services; (ii) supply, hire, train, compensate, and support all personnel to operate and manage Bridgeporth's onboard sensor systems and related mission equipment; (iii) supply all software, hardware, licensing, data, technical support, manufacturer support, and related systems required to operate and interpret Bridgeporth's sensor data; and (iv) be responsible for export-control and international-operations clearances relating to Bridgeporth's sensors and mission systems.

Bridgeporth is solely responsible for its employees, contractors, representatives, observers, sensor operators, mission personnel, and other persons authorized by or on behalf of Bridgeporth aboard an Aircraft, including their compensation, benefits, workers' compensation, employer liability, medical, disability, travel, accident, evacuation, repatriation, and other insurance or benefits. Bridger shall maintain aviation liability insurance required by Section 3.4 and, to the extent available and subject to policy terms, Bridgeporth shall be an additional insured as provided there. Individual Bridgeporth onboard personnel need not be named as additional insureds or loss payees under hull, physical-damage, or property coverage.

Bridgeporth shall ensure its onboard personnel comply with Bridger's safety, security, operational, crew, weight-and-balance, training, and access requirements. The Pilot in

Command and Bridger retain final authority to deny boarding, remove a person, or restrict participation for safety, regulatory, security, insurance, weight-and-balance, or operational reasons. Except for Bridger's gross negligence or willful misconduct, Bridgeport is responsible for claims, costs, liabilities, and losses arising from acts or omissions of Bridgeport Onboard Personnel, subject to Section 6.

5.2 Mission Planning

Bridgeport shall coordinate mission requirements and operational tasking with Bridger's designated Project Coordinator, generally providing at least [***] ([***]) hours' notice for non-emergent missions and as much notice as practicable for time-sensitive missions. Bridgeport may communicate mission objectives, desired collection requirements, destinations, priorities, and other mission-related requests consistent with this Agreement; however, such communications constitute request rights only and do not obligate Bridger to undertake any mission, flight or deployment that Bridger, in its sole discretion, determines to be operationally unsuitable. Bridger retains exclusive operational control of the Aircraft at all times. Bridger and the Pilot in Command have final and exclusive authority regarding safe operation, including whether to commence, continue, divert, modify, delay, or terminate a flight based on weather, Aircraft condition, fuel, weight and balance, airspace, crew condition, regulatory requirements, security, safety, or other operational considerations. No Bridgeport person may direct Bridger personnel to act inconsistently with applicable law, Bridger's operational requirements or procedures, or the Pilot in Command's authority. Good-faith exercise of such operational or safety authority shall not constitute breach, default, or an availability or performance failure.

5.3 Operating Limitations

Bridgeport's missions shall be conducted within the Aircraft's certified flight envelope, applicable regulations, and the operating limitations set out in Exhibit B (Operating Limitations and Procedures), and Bridgeport shall not request any missions that would violate FAA regulations, Bridger's operations specifications, or applicable export-control or sanctions regimes.

5.4 Payment Obligations

Bridgeport shall pay all amounts when due under Section 2.7 and shall make the Minimum Annual Utilization Commitment payments described in Section 2.3.1 regardless of actual hours flown. Except for an adjustment expressly permitted under Section 8.1 for a qualifying Force Majeure Event, exclusion of any period from the Availability Percentage under Section 3.1 or Exhibit D shall not reduce, prorate, excuse, or otherwise affect the [***]-hour Minimum Annual Utilization Commitment. Any Force Majeure adjustment applies only to the affected Aircraft and the period during which flight operations were actually prevented.

5.5 Bridgeport Dependencies and Furnished Equipment

Bridger's performance of any obligation dependent upon information, technical data, equipment, sensors, software, approvals, decisions, access, personnel, specifications, configuration requirements, governmental documentation, or other action to be provided or performed by Bridgeporth or on its behalf is conditioned upon timely and complete satisfaction of that dependency. A Bridgeporth-caused delay extends each affected milestone, delivery date, EIS date, or other performance deadline day-for-day plus such additional reasonable time as necessary for disruption, resequencing, remobilization, vendor availability, production-slot availability, or other consequential schedule effects. Bridgeporth shall reimburse reasonable incremental costs incurred or irrevocably committed as a result, subject to applicable pricing and change control. No such delay constitutes a Bridger breach or adversely affects a performance metric. Bridger shall use commercially reasonable mitigation efforts but need not incur additional cost, displace another customer or program, surrender a production or maintenance slot, or accelerate performance unless Bridgeporth agrees in writing to resulting impacts.

Bridgeporth remains responsible for the functionality, performance, compatibility, licensing, software, data, technical support, maintenance requirements, and manufacturer support of all equipment furnished by or on behalf of Bridgeporth, except to the extent Bridger expressly assumes responsibility for a specific item. Bridger is responsible only for installation, integration, maintenance, or related services expressly included in Bridger's agreed scope and does not warrant the inherent performance, reliability, functionality, data quality, software performance, communications availability, or fitness for purpose of Bridgeporth-furnished equipment. Additional work required because such equipment is defective, incompatible, changed, unsupported, obsolete, or otherwise fails to perform is subject to applicable pricing and change control. Equipment failure does not constitute Aircraft unavailability or a Bridger performance failure except to the extent directly caused by Bridger's failure to perform its expressly agreed obligations.

Bridgeporth is responsible for loss of or damage to an Aircraft or other Bridger-owned property to the extent caused by a defect, malfunction, incompatibility, failure, or unsafe condition inherent in Bridgeporth-furnished equipment, except to the extent caused by Bridger's negligence, willful misconduct, or failure to properly perform installation, integration, maintenance, or other services expressly assigned to Bridger. Resulting work follows applicable pricing and change control; resulting downtime is excluded from Unavailable Aircraft Time except to the extent directly attributable to Bridger; and deductibles and self-insured retentions are allocated under Sections 3.4 and 6.

6. Indemnification and Liability

6.1 Liability between the Parties

Other than as otherwise prescribed by Section 6, a Party (the "Indemnifying Party") shall be responsible for and shall defend, indemnify and hold harmless the other Party and its affiliates

and their respective officers, directors, employees, contractors and agents (collectively, the "Indemnified Party") from and against all claims, demands, proceedings, losses, damages, costs and expenses arising out of or in connection with (a) loss of or damage to any property belonging to or leased, hired or otherwise provided by the Indemnifying Party or its affiliates,

and (b) death, illness, injury or disease of any of the Indemnifying Party's or its affiliates' officers, directors, employees, contractors and agents in each case irrespective of cause and notwithstanding any negligence, breach of contract or other fault of the Indemnified Party, except to the extent such claims, demands, proceedings, losses, damages, costs and expenses arise from the willful misconduct or gross negligence ("Gross Negligence", meaning conduct that evinces a reckless indifference to the rights of others or that smacks of intentional wrongdoing) of the Indemnified Party, and except to the extent that such liability cannot lawfully be excluded or limited.

6.1.1 Bridgeporth Liability

Bridgeporth shall be responsible for damage to any Aircraft caused by Bridgeporth's willful misconduct or Gross Negligence, Bridger shall maintain hull insurance for the Aircraft in accordance with Section 3.4, and Bridger shall use commercially reasonable efforts to cause its hull insurer(s) to waive any right of subrogation against Bridgeporth, except with respect to losses caused by Bridgeporth's willful misconduct or Gross Negligence. Bridgeporth shall be responsible for the applicable insurance deductible for any loss falling within this Section 6.1.1 that is otherwise covered by Bridger's hull insurance, and for the full amount of any such loss to the extent not covered by Bridger's hull insurance, subject to the limitations set forth in Section 6.4.

6.1.2 Bridger Liability

Bridger shall be responsible for damage to any Bridgeporth property and Bridgeporth Equipment onboard the Aircraft (including, for avoidance of doubt, the Bridgeporth-supplied sensor equipment) caused by (a) Bridger's willful misconduct or Gross Negligence, or (b) Bridger's installation workmanship performed in a manner contrary to Bridgeporth-supplied installation specifications.

6.2 Mutual Indemnification

Subject to Section 6.1 and notwithstanding anything in this Section 6.2 to the contrary, the indemnification obligations in this Section 6.2 apply only to claims, losses, damages, liabilities, costs, and expenses not otherwise allocated under Section 6.1.

To the extent not otherwise allocated under Section 6.1, the Indemnifying Party shall defend, indemnify, and hold harmless the Indemnified Party from and against third-party claims, losses, damages, liabilities, judgments, penalties, and reasonable attorneys' fees to the extent arising from the Indemnifying Party's negligence, willful misconduct, or material breach of this Agreement.

Section 6.2 shall not reallocate to either Party any risk expressly assumed by the Indemnified Party under Section 6.1 solely because the claim or loss is alleged to have resulted in whole or in part from the negligence of the Party seeking indemnification, except to the extent Section 6.1 expressly provides otherwise.

The Indemnified Party shall provide prompt written notice of a claim, provided that failure to provide prompt notice shall relieve the Indemnifying Party of its obligations only to the extent it is materially prejudiced thereby. The Indemnifying Party may control the defense with reasonably acceptable counsel but may not settle in a manner admitting fault by or imposing a non-monetary obligation on the Indemnified Party without prior written consent, not unreasonably withheld. The Indemnified Party may participate with its own counsel at its own expense.

6.3 Sensor Indemnification

Bridgeporth shall additionally indemnify, defend and hold harmless Bridger, in accordance with the procedure set forth in Section 6.2, from and against Losses arising out of the operation, design, manufacture or output of Bridgeporth's sensor systems, including claims of intellectual property infringement, regulatory violations relating to sensor operations, and product liability, except to the extent such Losses arise from Bridger's negligence or willful misconduct in installing, maintaining or operating such sensor systems.

6.4 Limitation of Liability

Except for the Excluded Liabilities below, each Party's aggregate liability arising out of or relating to this Agreement, whether in contract, tort (including negligence), strict liability, or otherwise, shall not exceed the aggregate amounts paid or payable to Bridger under this Agreement with respect to the affected Aircraft (or, if the claim does not relate to a specific Aircraft, under this Agreement as a whole) during the twelve (12) months immediately preceding the event giving rise to the claim.

The foregoing limitation does not apply to the following ("Excluded Liabilities"): (i) each Party's indemnification obligations to the other Party pursuant to this Agreement; (ii) Bridgeporth's payment obligations to Bridger hereunder; (iii) breach by a Party of its confidentiality obligations hereunder (iv) breach by a Party of its obligations under the anti-corruption, export control or sanctions provisions of this Agreement; (v) either Party's obligations under Section 6.1 with respect to injury to or death of its personnel or loss of or damage to its own property; (vi) Bridgeporth's liability for damage to or loss of an Aircraft under Section 6.1.1, or Bridger's liability for damage to Bridgeporth's property under Section 6.1.2, which shall instead be governed by the cap set forth in the following paragraph; (vii) fraud, willful misconduct or Gross Negligence; (viii) obligations arising from infringement or misappropriation of the other Party's intellectual property; or (ix) liabilities that cannot lawfully be limited or excluded.

Bridgeporth's aggregate liability for damage to or loss of an Aircraft under Section 6.1.1, and Bridger's aggregate liability for damage to Bridgeporth's property under Section 6.1.2, shall not exceed, per occurrence, the lesser of (x) the actual cost of repair or (y) the agreed value of the applicable Aircraft or property as reflected in the then-current insured value under Section 3.4.1 or Section 3.4.3, as applicable; provided that this cap shall not apply, and liability shall be uncapped, to the extent the damage or loss is caused by the responsible Party's willful misconduct or Gross Negligence.

Except for Excluded Liabilities, the limitations apply collectively to all claims arising from the same or related events. Neither Party is liable for consequential, indirect, incidental, special, or punitive damages, including lost profits, except to the extent such exclusion is prohibited by law or such damages are payable to a third party in connection with a claim for which indemnification is owed under Section 6.2 or 6.3.

For the avoidance of doubt, Bridgeporth's payment obligations referenced in part (ii) of the definition of "Excluded Liabilities" include the Monthly Fixed Fee, Flight-Hour Rate, minimum utilization amounts (whether or not yet due and payable at the time of the event giving rise to the claim), Modification Fees, Advance Payments, pass-through costs, insurance and risk-mitigation costs, transition costs, cancellation or demobilization costs, taxes, reimbursements and amounts payable under Section 2.4.5, each of which constitutes payments for services rendered or amounts otherwise due under the express terms of this Agreement, rather than damages, and is therefore also excluded from the limitation on consequential, indirect, incidental, special or punitive damages set forth in the foregoing sentence; provided that this sentence shall not apply to any portion of the amounts that is the subject of a good faith dispute between the Parties as to whether it is owed, or as to its calculation, under the express terms of this Agreement.

7. Confidentiality, Data, and Intellectual Property

7.1.Confidentiality Obligations

All technical, operational, commercial, mission-related, proprietary, financial, and strategic information exchanged in connection with this Agreement is "Confidential Information" and shall remain strictly confidential; provided that Confidential Information excludes information that: (i) is or becomes generally available to the public through no fault of the receiving Party (the "Receiving Party"); (ii) was lawfully in the Receiving Party's possession before disclosure; (iii) is lawfully obtained from a third party not known to be subject to a confidentiality obligation; or (iv) is independently developed without use of the Confidential Information of the disclosing Party (the "Disclosing Party"). Each Party shall protect the other Party's Confidential Information with at least reasonable care. These obligations survive for five (5) years after the termination or expiration of this Agreement, except that material non-public information disclosed under Section 2.8 remains governed by Section 2.8 to the extent of any conflict.

If the Receiving Party or its representative is required by applicable law, regulation, subpoena,

court order, governmental request, public-records request, a relevant securities commission, stock exchange regulations or other compulsory legal process to disclose Confidential Information, the Receiving Party shall, to the extent legally permitted, provide prompt written notice and a reasonable opportunity for the Disclosing Party to seek a protective order, confidential treatment, exemption from disclosure, or other remedy. The Receiving Party shall reasonably cooperate, at the Disclosing Party's expense, with efforts to prevent or limit disclosure. If disclosure remains legally required, the Receiving Party shall disclose only the portion legally required and use commercially reasonable efforts to obtain confidential treatment or protection. Such compelled disclosure does not, by itself, cause the disclosed information to cease to be Confidential Information.

Each Party acknowledges that breach of this Section may cause irreparable harm for which monetary damages may be inadequate, and the non-breaching Party may seek injunctive or other equitable relief in addition to other remedies without the necessity of posting a bond.

7.2 Public Announcements

Except as expressly permitted under Section 7 neither Party shall issue or make any press release, public announcement, marketing material, investor presentation, social media post or other public statement (each, a "Public Announcement") disclosing the existence, terms or subject matter of this Agreement, or using the other Party's name, logo or trademarks, without the other Party's prior written consent. Notwithstanding anything to the contrary in this Section 7.2, Bridger may make a Public Announcement without Bridgeporth's consent to the extent Bridger reasonably determines, based on advice of counsel, that the Public Announcement is required by applicable law, regulation or stock exchange listing standards (including, without limitation, Bridger's obligations under the Securities Exchange Act of 1934, as amended (the "Exchange Act") and the listing standards of the Nasdaq Stock Market), provided that, to the extent legally permissible and practicable, Bridger shall provide Bridgeporth with advance notice of, and a reasonable opportunity (not to exceed three (3) business days) to comment on, the content of such Public Announcement before it is made.

Notwithstanding anything to the contrary in this Section 7.2, Bridgeporth may make a Public Announcement without Bridger's consent to the extent Bridgeporth reasonably determines, based on advice of counsel, that the Public Announcement is required by applicable law, regulation or stock exchange listing standards (including, without limitation, Bridgeporth's obligations under the Ontario Securities Exchange Act and the listing standards of the Toronto Stock Exchange), provided that, to the extent legally permissible and practicable, Bridgeporth shall provide Bridger with advance notice of, and a reasonable opportunity (not to exceed three (3) business days) to comment on, the content of such Public Announcement before it is made.

7.3 Securities Law Disclosure

Notwithstanding anything to the contrary in this Section 7.3, Bridger may, without breach of this Agreement and without following the notice or protective-order procedures set forth above: (i) disclose the existence of this Agreement and such of its material terms as Bridger reasonably

determines, based on advice of counsel, are required to be disclosed under the Exchange Act and the rules and regulations of the U.S. Securities and Exchange Commission ("SEC") or the listing standards of the Nasdaq Stock Market, including in a Current Report on Form 8-K, Annual Report on Form 10-K or Quarterly Report on Form 10-Q; and (ii) file a copy of this Agreement as an exhibit to any such report, subject to redaction of terms Bridger reasonably determines to be confidential commercial or financial information not required to be disclosed, in accordance with Item 601(b)(10) of Regulation S-K or any successor provision. Prior to filing a redacted copy of this Agreement, Bridger shall provide Bridgeporth with a reasonable opportunity (not to exceed three (3) business days) to review and comment on the proposed redactions, provided that Bridger shall retain final authority to determine the scope of redactions necessary to comply with its disclosure obligations, and provided further that nothing in this Section 7.3 shall be construed to require Bridger to seek Bridgeporth's consent to, or delay, any filing or disclosure required to comply with Bridger's obligations as a public reporting company.

7.4 Bridgeporth Mission Data and Sensor IP

All mission data, imagery, sensor outputs, sensor system designs, and operational results generated by Bridgeporth's sensors and all intellectual property therein or developed by or on behalf of Bridgeporth during the Term shall be and remain Bridgeporth's exclusive property. Bridger shall have no rights to use, copy, distribute, or analyze Bridgeporth's mission data except as strictly necessary to perform its duties or as authorized by Bridgeporth for Bridger's marketing use under this Agreement. Bridger may retain anonymized aggregated aircraft performance metrics (e.g., engine hours, fuel burn, mission-capable rates) for fleet operations and improvement. Bridgeporth grants Bridger a non-exclusive, royalty-free license during the Term to access, power and physically interact with Bridgeporth's sensor systems solely to the extent necessary to perform aircraft maintenance, modification and operational services under this Agreement.

7.5 Bridger Operational Methods and IP

All engineering, designs, drawings, specifications, analyses, processes, methods, procedures, software, configurations, integration data, technical data, know-how, modifications, improvements, and other intellectual property developed by or on behalf of Bridger specifically for the installation, integration, modification, operation, maintenance, or support of equipment or systems on any Aircraft owned or leased by Bridger (to the extent of such development, collectively, "Aircraft-Specific IP") remain Bridger's property.

Notwithstanding the foregoing, Bridgeporth retains all right, title, and interest in intellectual property owned, developed, acquired, or controlled by Bridgeporth prior to or independently of this

Agreement, including engineering, designs, drawings, specifications, configurations, integration data, technical data, know-how, and other intellectual property associated with the original installation or configuration of Bridgeporth's aircraft, equipment, or systems ("Bridgeporth Background IP"). Bridger does not acquire ownership of Bridgeporth Background IP solely by virtue of its use, reference, incorporation, adaptation, or modification in connection with the Aircraft. However, any new engineering, installation design, configuration, integration, modification, adaptation, improvement, or other intellectual property developed by or on behalf of Bridger specifically for the installation or integration of equipment or systems onto an Aircraft owned or leased by Bridger shall constitute Aircraft-Specific IP and shall be owned by Bridger, excluding any underlying Bridgeporth Background IP incorporated therein.

Bridger shall provide or maintain required maintenance and aircraft records, instructions for continued airworthiness, approvals, certificates, and documentation as required by applicable law, but such provision does not transfer ownership of underlying Bridger IP or Aircraft-Specific IP. Following expiration or termination, Bridgeporth may use Bridger-provided Aircraft-Specific IP only to the extent required by law or governmental regulation relating to required record-keeping and it shall not use or permit a third party to use Aircraft-Specific IP to design, manufacture, reproduce, reverse engineer, modify, replicate, commercialize, or install similar modifications or systems on another aircraft or for an unrelated purpose without Bridger's prior written consent, such consent not to be unreasonably withheld or delayed.

8. Force Majeure, Export Control, and Compliance

8.1 Force Majeure

Neither Party shall be liable for delay or failure to perform to the extent and for the duration actually prevented or materially delayed by events beyond its reasonable control, including acts of God, war, terrorism, civil disturbance, government action, industry-wide labor disputes, pandemic, embargo, or material supply-chain disruption beyond commercially reasonable substitution (each a "Force Majeure Event"). A Force Majeure Event shall not include any event to the extent caused by the affected Party's negligence, willful misconduct or failure to take reasonable measures to avoid or mitigate the effects of such event or Unavailable Aircraft Time. The affected Party shall give prompt notice and use commercially reasonable efforts to resume performance.

The Monthly Fixed Fee and all accrued or committed amounts shall continue during a Force Majeure Event because the Monthly Fixed Fee supports Aircraft availability, ownership or financing, insurance, maintenance capability, personnel, facilities, program infrastructure, and other fixed costs.

If a Force Majeure Event prevents operation of an affected Aircraft for more than thirty (30) consecutive days, the Parties shall meet in good faith regarding an equitable adjustment to the Minimum Annual Utilization Commitment under Section 2.3.1 based only on the period flight

operations were actually prevented; any such adjustment applies only to the affected Aircraft and does not reduce the Monthly Fixed Fee.

If a Force Majeure Event prevents substantially all services for an affected Aircraft for more than ninety (90) consecutive days, either Party may request a good-faith commercial review, but no reduction of the Monthly Fixed Fee, termination, or other modification occurs absent written agreement or another express right under this Agreement. Sustained Force Majeure may also qualify for an Economic Price Adjustment under Section 4.

8.2 Export Control and Sanctions Compliance

8.2.1 General Compliance

Each Party shall comply with all applicable U.S. and foreign export-control laws and sanctions regimes, including the Export Administration Regulations (“EAR”), International Traffic in Arms Regulations (“ITAR”), and economic sanctions administered by the U.S. Department of the Treasury’s Office of Foreign Assets Control (“OFAC”), and any applicable export control or sanctions laws of the United Kingdom, Canada or other jurisdiction in which either Party operates in connection with this Agreement.

8.2.2 Allocation of Responsibility

As between the Parties, Bridgeporth bears primary responsibility for export control and sanctions compliance relating to its sensor systems, sensor-related technical data and mission data; Bridger bears primary responsibility for export control and sanctions compliance relating to the Aircraft, aircraft modifications and flight operations. This allocation addresses the Parties' respective compliance obligations as between themselves and does not limit either Party's independent legal obligations under applicable law.

8.2.3 Restricted Party Representations

Each Party represents and warrants, as of the Effective Date and continuing throughout the Term, that neither it nor, to its knowledge, any of its officers, directors or personnel performing services under this Agreement: (i) is identified on the U.S. Department of the Treasury's Specially Designated Nationals and Blocked Persons List, the U.S. Department of Commerce's Entity List or Denied Persons List or any equivalent restricted-party list maintained by the United Kingdom, Canada or the European Union; or (ii) is organized, resident or located in a country or territory subject to comprehensive U.S. sanctions. Each Party shall promptly notify the other Party in writing if it becomes aware that this representation is no longer accurate.

8.2.4 Deemed Export / Technology Transfer

Each Party shall not, without first obtaining any required government authorization, disclose, transfer or provide access to any export-controlled technical data, technology or software provided by or on behalf of, the other Party under this Agreement to any foreign person, whether by physical transfer, visual inspection, oral disclosure, network access or otherwise,

where such disclosure, transfer or access would itself constitute a regulated export, re-export or

transfer under the EAR, ITAR or other applicable export control law.

8.2.5 No Use of Prohibited Intermediaries

Neither Party shall use any agent, subcontractor or other third party to accomplish, directly or indirectly, any act that such Party is prohibited from performing under this Section 8.2.

8.2.6 Notification

Each Party shall promptly notify the other Party in writing of any compliance issue, government inquiry, subpoena, voluntary or involuntary disclosure or enforcement action relating to export control or sanctions matters that affects, or could reasonably be expected to affect, the program contemplated by this Agreement, to the extent such notification is not prohibited by applicable law.

8.2.7 Indemnification

Each Party shall indemnify, defend, and hold harmless the other Party, in accordance with the procedure set forth in Section 6.2, from and against Losses arising out of the indemnifying Party's breach of this Section 8.2, to the extent such breach relates to a matter within the indemnifying Party's area of primary responsibility under Section 8.2 or arises from the indemnifying Party's own act or omission.

8.2.8 Suspension and Termination

If either Party reasonably determines, based on a change in applicable law, a governmental enforcement action, or the other Party's breach of this Section 8.2, that continued performance would violate applicable export control or sanctions laws, such Party may suspend performance of the affected portion of this Agreement upon written notice to the other Party for so long as such circumstance continues. If a Party's breach of this Section 8.2 is material and, if capable of cure, is not cured within thirty (30) days of written notice, or if either Party becomes a person described in Section 8.2, the other Party may terminate this Agreement immediately upon written notice, without penalty, in addition to any other remedies available under this Agreement or at law.

8.3 Anti-Corruption

Each Party represents that it complies with the U.S. Foreign Corrupt Practices Act, U.K. Bribery Act, and all other applicable anti-corruption laws. Neither Party shall offer or pay anything of value to any government official (including officials of state-owned or state-controlled entities, political parties, or candidates for public office, or any person acting on their behalf) to obtain or retain business under this Agreement. Neither Party shall use any agent, consultant or other third party to make, offer or promise any payment or benefit that such Party would itself be prohibited from making under this Section 8.3. If either Party materially breaches this Section 8.3, the non-breaching Party may terminate this Agreement immediately upon written notice, without penalty and without any cure period, in addition to any other remedies available under this Agreement or at law. For the avoidance of doubt, indemnification for Losses arising from a

breach of this Section 8.3 shall be governed by Section 6.2, and such Losses shall not be subject to the limitation of liability set forth in Section 6.4.

8.4 Operational Authorizations

Bridger shall maintain all FAA Part 135 certifications, operations specifications, and other regulatory authorizations required to perform under this Agreement. If a required authorization is suspended, revoked, or materially restricted through no fault of Bridgeporth, Bridger shall promptly notify Bridgeporth and use diligent efforts to restore the authorization or implement equivalent compliance measures. If such non-compliance continues for a period of thirty (30) consecutive days, this shall be treated as a material breach of this Agreement in accordance with Section 9.2.

8.5 Changes in Law or Regulatory Requirements

If, after the Effective Date, a change in applicable law, regulation, governmental requirement, airworthiness directive, mandatory regulatory interpretation, or other legally binding requirement materially affects (i) the manner or cost of performing the services (being no less than a cost increment of [***]%), (ii) the configuration or operation of an Aircraft, or (iii) the equipment or personnel required, Bridger shall notify Bridgeporth as soon as reasonably practicable. To the extent the change requires a material modification to agreed scope, Aircraft configuration, equipment, certification, staffing, schedule, or manner of performance, Bridger shall provide Bridgeporth a written impact assessment describing the required modification and its estimated cost and schedule impact within thirty (30) days of identifying the requirement. Bridgeporth shall approve or request modification of the proposed change within fifteen (15) business days of receipt; absent a timely response, Bridger may implement the minimum modification reasonably necessary for compliance. Cost impacts are addressed on a T&M basis consistent with Section 2.4.2, or, where Section 4 requirements are satisfied, through the Economic Price Adjustment provisions. Bridger is not required to perform services in violation of applicable law, regulation, airworthiness requirements, or binding governmental requirements, and any reasonable suspension or modification necessary for compliance shall not constitute breach, default, or availability failure. This does not relieve Bridger of responsibility for legal and regulatory requirements applicable to Bridger and contemplated by the agreed scope as of the Effective Date.

9. Term and Termination

9.1 Term

This Agreement commences on the Effective Date and continues for the Term as defined in Section 1.4, unless terminated earlier as provided in this Section 9.

9.2 Termination for Material Breach

Either Party may terminate this Agreement for the other Party’s material breach if the breach remains uncured for thirty (30) days after written notice specifying the breach; provided that, if a

non-payment breach is not reasonably capable of cure within thirty (30) days, the breaching Party shall have such additional reasonable period, as determined in the non-breaching Party's sole opinion, if it commences cure within the thirty-day period and diligently pursues cure.

Bridgeporth's failure to pay an undisputed material amount when due is a material breach if it continues for ten (10) business days after written notice. Following such nonpayment, Bridger may exercise its rights under Section 2.8 and may suspend performance, decline to incur additional costs or commitments, and/or terminate the affected Aircraft, Service, or Agreement as reasonably appropriate. Suspension for nonpayment does not constitute breach, default, or availability failure, and Bridgeporth remains responsible for amounts acruing or committed during suspension.

9.3 No Convenience Termination

Neither Party may terminate this Agreement for convenience during the Term.

9.4 Termination for Insolvency, Unavailable Aircraft Time

Subject to applicable bankruptcy and insolvency law, either Party may terminate upon written notice if the other Party: (i) makes an assignment for the benefit of creditors; (ii) commences a voluntary bankruptcy or similar proceeding; (iii) becomes subject to an involuntary bankruptcy or similar proceeding not dismissed within sixty (60) days; (iv) becomes subject to a receiver, trustee, administrator, or similar fiduciary not discharged within sixty (60) days; (v) transfers all or substantially all of its assets; or (vi) ceases substantially all business operations.

No payment or service right under this Agreement grants Bridgeporth any ownership, leasehold, security, possessory, lien, or proprietary interest in an Aircraft or Bridger-owned property unless granted in a separate written instrument. Bridgeporth has only the contractual right to receive services and no independent right to possess, operate, control, retain, or prevent repossession or disposition of an Aircraft following expiration or termination. Nothing restricts or subordinates the rights of an owner, lessor, lender, mortgagee, secured party, insurer, receiver, trustee, or similar person except under a separate written agreement. Accrued obligations and survival provisions remain effective. Notwithstanding the foregoing, Bridger shall inform any prospective lessor of any Aircraft of the rights of Bridgeporth under this Agreement prior to the completion of such lease, in the event of a default by Bridger under such lease agreement, or upon its insolvency or other analogous procedure affecting Bridger, Bridger shall use commercially reasonable efforts to support Bridgeporth's negotiations with any third party having rights of ownership over any of the Fleet or any administrator, receiver, trustee or any other person claiming through Bridger, including but not limited to making written introductions to the relevant representatives of such person, to permit the continued operation of the Fleet as closely as practicable in accordance with the terms of this Agreement.

Bridgeport may terminate this Agreement as to an Aircraft upon written notice to Bridger if such Aircraft experiences Unavailable Aircraft Time in excess of (i) thirty (30) consecutive days; (ii) sixty (60) days over a period of three (3) consecutive months; or (iii) resulting in an availability rate of less than [***] ([***]) percent on a rolling twelve-month basis.

9.5 Termination by Mutual Agreement

The Parties may terminate this Agreement by mutual written agreement at any time. Such termination shall include a mutually agreed wind-down schedule, financial settlement, and aircraft and equipment disposition plan.

9.6 Effect of Termination

Upon expiration or termination: (a) Bridgeporth shall pay all amounts accrued, earned, incurred, or irrevocably committed through the effective date of such expiration or termination, including any applicable minimum utilization amounts and amounts due under Section 2.4.6; (b) prepaid Monthly Fixed Fee attributable to periods after the effective date shall be reconciled as required by the applicable termination provision; (c) transition assistance, when applicable, is governed by Section 3.6 and does not exceed ninety (90) days absent Bridger's prior written agreement; and (d) Sections 6, 7, 8, 10, and provisions that by their nature should survive shall survive.

9.7 Effect of LOI Termination

This Agreement controls and supersedes the LOI with respect to operational, commercial, pricing, performance, payment, risk-allocation, and other matters addressed herein. Only LOI provisions expressly identified in this Agreement by section or subject as surviving remain effective, and this Agreement controls in the event of conflict. Accrued obligations under the LOI survive only to the extent expressly stated to survive. Any parent or affiliate guaranty must be contained in a separate executed guaranty and shall not arise solely from incorporation of the LOI.

Bridger is the contracting party under this Agreement. Any obligations of Bridger Aerospace Group Holdings, Inc. arising under the LOI remain only to the extent expressly preserved under this Agreement or another separate written instrument.
Bridgeporth is the contracting party under this Agreement. Any obligations of Metatek-Group Ltd. arising under the LOI remain only to the extent expressly preserved under this Agreement or another separate written instrument.

10. General Provisions

10.1 Governing Law

This Agreement shall be governed by and construed in accordance with the laws of the State of New York, without giving effect to conflict of laws or other principles which may result in the application of laws other than the internal laws of the State of New York.

10.2 Dispute Resolution and Venue

The Parties shall first attempt to resolve disputes through good-faith negotiation between senior executives within thirty (30) days of written notice of dispute. Unresolved disputes shall be submitted to non-binding mediation administered by JAMS in New York, New York. If mediation does not resolve the dispute within sixty (60) days of initiation, either Party may commence proceedings in the Federal Court for the Southern District of New York (or, in the absence of federal jurisdiction, in the Supreme Court of the State of New York sitting in the Borough of Manhattan), to whose jurisdiction each Party hereby irrevocably and unconditionally submits for itself and in respect of its property. EACH PARTY HEREBY KNOWINGLY AND FREELY WAIVES ALL RIGHTS TO TRIAL BY JURY IN ANY LITIGATION ARISING UNDER OR RELATING TO THIS AGREEMENT. Notwithstanding the foregoing, either Party may seek temporary or preliminary injunctive relief in a court of competent jurisdiction at any time, without first complying with the negotiation or mediation requirements of this Section 10.2, to the extent necessary to prevent irreparable harm.

10.3 Assignment and Change of Control

Neither Party may assign, delegate, transfer, or otherwise dispose of this Agreement or its material obligations herein without the other Party's prior written consent, not to be unreasonably withheld, conditioned, or delayed. Any assignment in violation of this Section shall be void to the maximum extent permitted by law.

Notwithstanding the foregoing:

Bridger may without Bridgeporth's consent assign or transfer all or part of this Agreement to: (i) an affiliate; (ii) a successor in connection with a merger, reorganization, or consolidation; (iii) a purchaser of all or substantially all of the business or assets relating to the Aircraft or services; or (iv) an owner, lessor, lender, financing party, or secured party in connection with ownership or financing of an Aircraft, provided such assignment does not reduce Bridgeporth's service rights hereunder.

Bridgeporth may without Bridger consent assign or transfer all or part of this Agreement to: (i) an affiliate; (ii) a successor in connection with a merger, reorganization or consolidation; (iii) a purchaser of all or substantially all of Bridgeporth's airborne survey business and/or assets or (iv) any future secured party taking legal title to Bridgeporth's assets as a consequence of any future financing exercise.

Neither Party may assign this Agreement to a competitor of the other Party or to an entity lacking financial capacity reasonably sufficient to perform the assigning Party's obligations without the non-assigning Party's prior written consent, which may be withheld in such non-assigning Party's reasonable discretion. No permitted assignment relieves accrued obligations unless expressly agreed in writing.

10.4 Audit Rights

Bridgeporth may, not more than once in any twelve (12)-month period and upon at least fifteen (15) business days' prior written notice, audit only records reasonably necessary to verify

charges (i) expressly identified as reimbursable, pass-through, or auditable, and (ii) flight-hour logs, availability calculations, Economic Price Adjustment supporting documentation and any time-and-materials charges, in all cases for the preceding twenty-four (24) months. Audits shall occur during normal business hours without unreasonable interference and be conducted by an independent third-party auditor that is not a Bridger competitor and is bound by confidentiality obligations at least as protective as this Agreement.

Bridger need not disclose profit margins, internal pricing methods, unrelated customer information, proprietary cost structures, unrelated payroll, or other sensitive information except to the minimum extent strictly necessary to verify an auditable charge. A verified overcharge shall be credited or refunded with interest at the Section 2.7 rate from payment through credit or refund; a verified undercharge may be invoiced under ordinary payment terms. Bridgeporth bears audit costs unless a verified net overcharge exceeds [***] percent ([***]%) of the audited charges, in which case Bridger shall reimburse reasonable third-party audit costs.

10.5 Insurance Certificates

Each Party shall provide certificates or other reasonable evidence of insurance required by this Agreement upon request. To the extent available under the applicable policy or endorsement, each Party shall use commercially reasonable efforts to obtain advance notice of cancellation, non-renewal, or material reduction in required coverage. A Party is not in breach solely because an insurer, underwriter, or broker fails or declines to provide advance notice beyond that required by policy or law.

Bridger shall promptly notify Bridgeporth after Bridger receives notice from its insurer or broker of cancellation, non-renewal, or a material reduction that could materially affect performance. Nothing requires disclosure of privileged, proprietary, insurer-confidential, or commercially sensitive underwriting, loss, premium, policy, or communication information except as expressly required.

10.6 Independent Contractors

The Parties are independent contractors. Nothing in this Agreement creates a partnership, joint venture, agency, or employment relationship between the Parties. Bridger shall at all times retain sole operational control of the Aircraft. Bridger’s personnel, including flight crew and maintenance personnel, remain at all times employees or agents of Bridger and shall not be deemed employees, agents or joint employees of Bridgeporth. Neither Party has authority to bind the other Party except as expressly set forth herein.

10.7 No Third-Party Beneficiaries

This Agreement is solely for Bridger, Bridgeporth, and their permitted successors and assigns, except that persons or entities expressly identified as indemnified, released, protected, or benefited under Section 6 or another provision are intended third-party beneficiaries only of those specific express rights or protections. A guarantor, lender, lessor, Aircraft owner, secured party, insurer, or other third party has only rights expressly granted in this Agreement or a separate executed agreement of which both Parties have had sight prior to the Effective Date. Nothing creates an implied ownership, leasehold, possessory, security, lien, operational-control, or proprietary interest in an Aircraft or property owned by either Party.

10.8 Entire Agreement

This Agreement, together with its Exhibits and documents expressly incorporated by specific reference, constitutes the entire agreement between the Parties regarding its subject matter and supersedes all prior and contemporaneous negotiations, proposals, representations, understandings, agreements, letters of intent, term sheets, correspondence, and communications, subject only to the express survival provisions of Section 9.7.

Unless expressly stated otherwise, the order of precedence is: (i) later-executed amendments or change orders expressly identifying the provision of this Agreement modified; (ii) the body of this Agreement; and (iii) the Exhibits. No purchase order, work order, invoice, acknowledgment, email, proposal, schedule, meeting minutes, technical direction, operational coordination, engineering discussion, approval, acknowledgement, work instruction, or other communication or document amends, supplements, or overrides this Agreement unless it expressly states that it is intended as an amendment or modification and is executed by authorized representatives of both Parties.

10.9 Amendment and Waiver

This Agreement may be amended, modified, changed, or supplemented only by a written instrument executed by authorized representatives of both Parties. The Parties shall follow **Exhibit F** in identifying, discussing, and formalizing amendments.

No Bridgeporth employee, representative, technical advisor, program manager, or other person may direct Bridger to perform work outside the agreed scope without an executed modification or other written authorization expressly permitted by this Agreement, and Bridger need not proceed until applicable scope, price, and schedule impacts are agreed in writing. This does not prevent Bridger from performing emergency, safety-critical, preservation-of-property, or other work expressly authorized elsewhere; such work remains subject to applicable pricing, notice, and reimbursement provisions.

Open and TBD Items (Exhibit F). Items identified as "TBD," "to be determined," "to be confirmed," or similar language are intentionally open as of the Effective Date and may be finalized after execution. Such an item does not affect the validity or enforceability of the

remainder of the Agreement and does not require Bridger to provide additional scope, equipment, modifications, personnel, services, performance, or financial commitment beyond the expressly agreed scope and pricing. Pending resolution, Bridger is not in breach or default, and no availability, schedule, delivery, EIS, or other performance metric is adversely affected to the extent performance depends on resolution of the item or information, approval, direction, equipment, or other action required from Bridgeporth or a third party. Resolution of a TBD item that materially affects scope, cost, schedule, Aircraft configuration, certification, insurance, staffing, operational requirements, or Bridger's performance obligations is expressly subject to the existing contract modification and change-control process and is not deemed included in existing scope or pricing solely because the matter was identified as TBD.

No waiver of any provision is effective unless in writing and signed by the waiving Party. A waiver of one breach is not a waiver of a subsequent breach.

10.10 Severability

If any provision of this Agreement is held invalid or unenforceable, the remaining provisions shall continue in full force and effect, and the invalid provision shall be reformed to the minimum extent necessary to render it enforceable while preserving its commercial intent.

10.11 Notices

Notices under this Agreement shall be in writing and delivered by personal delivery, nationally recognized overnight courier with tracking, or email to the addresses below. Personal-delivery notices are effective when delivered; overnight-courier notices are effective upon documented delivery; and email notices are effective when acknowledged by the recipient or when the sender receives other written confirmation of receipt. Either Party may change its notice information by notice under this Section without formal amendment.

If to Bridger:

Bridger Aerospace Group, LLC
90 Aviation Lane
Belgrade, Montana 59714, USA
Attention: [***]
Email: [***]

With a copy (which shall not constitute notice) to:

Bridger Aerospace Group Holdings, Inc.
90 Aviation Lane
Belgrade, Montana 59714, USA
Attention: [***]
Email: [***]

If to Bridgeporth:

Bridgeporth Ltd.
35-36 Linford Forum
Milton Keynes,
MK14 6LY
United Kingdom
Attention: [***]
Email: [***]

10.12 Counterparts and Electronic Signatures
This Agreement may be executed in counterparts, each of which is deemed an original and all of which together constitute one agreement. Electronic signatures and PDF copies are valid and enforceable.

10.13 Exhibits
The following Exhibits are incorporated into this Agreement by reference:
Exhibit A — Aircraft Specification and Modifications
Exhibit B — Operating Limitations and Procedures
Exhibit C — Sample Contract Modification
Exhibit D — Service Level Measurement Methodology
Exhibit E — Pass-Through Documentation Standards
Exhibit F — Amendment and Negotiation Protocol

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed by their duly authorized representatives as of the Effective Date first written above.
BRIDGER AEROSPACE GROUP, LLC

By: BRIDGER AEROSPACE GROUP HOLDINGS, LLC, its sole member

/s/ Samuel C. Davis
Signature

Name: Samuel C. Davis
Title: Manager

BRIDGEPORTH LTD.

/s/ Mark Davies
Signature

Name: Mark Davies
Title: CEO

The following exhibits to this Agreement have been omitted pursuant to Item 601(a)(5) of Regulation S-K because they do not contain information material to an investment or voting decision and such information is not otherwise disclosed in the exhibit or disclosure document.

Exhibit A — Aircraft Specification and Modifications
Exhibit B — Operating Limitations and Procedures
Exhibit C — Sample Contract Modification
Exhibit D — Service Level Measurement Methodology
Exhibit E — Pass-Through Documentation Standards
Exhibit F — Amendment and Negotiation Protocol

The registrant agrees to furnish supplementally a copy of any omitted exhibit to the Securities and Exchange Commission upon request.

Exhibit 31.1

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: November 16, 2026

By: /s/ Sam Davis

Name: Sam Davis

Title: President and Chief Executive Officer

Exhibit 31.2

CERTIFICATION

I, Anne Hayes, 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: November 16, 2026

By: /s/ Anne Hayes

Name: Anne Hayes

Title: Chief Financial Officer

Exhibit 31.3

CERTIFICATION

I, Rebecca Gerleman, 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: November 16, 2026

By: /s/ Rebecca Gerleman

Name: Rebecca Gerleman

Title: Chief Accounting Officer

Exhibit 32.1

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 September 30, 2026, 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 or her 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: November 16, 2026

By: /s/ Sam Davis
Name: Sam Davis
Title: President and Chief Executive Officer

Dated: November 16, 2026

By: /s/ Anne Hayes
Name: Anne Hayes
Title: Chief Financial Officer

Dated: November 16, 2026

By: /s/ Rebecca Gerleman
Name: Rebecca Gerleman
Title: Chief Accounting Officer