

**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 **March 31, 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
(State or Other Jurisdiction of
Incorporation or Organization)

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

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

59714
(Zip code)

(406) 813-0079

(Registrant's telephone number, including area code)

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

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

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

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

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

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

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

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

As of May 4, 2026, there were 57,637,641 shares of the registrant's common stock, par value \$0.0001 per share, issued and outstanding.

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PART I – FINANCIAL INFORMATION

ITEM 1. FINANCIAL STATEMENTS.

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

	As of March 31, 2026	As of December 31, 2025
ASSETS		
Current assets:		
Cash and cash equivalents	\$ 9,000	\$ 31,381
Accounts receivable	6,838	3,190
Aircraft support parts	1,239	1,654
Prepaid expenses and other current assets	2,147	3,994
Total current assets	19,224	40,219
Property, plant, and equipment, net	221,998	218,814
Intangible assets, net	5,912	6,023
Goodwill	20,888	20,888
Other noncurrent assets	46,349	44,362
Total assets	<u>\$ 314,371</u>	<u>\$ 330,306</u>
LIABILITIES, MEZZANINE EQUITY, AND STOCKHOLDERS' DEFICIT		
Current liabilities:		
Accounts payable ¹	\$ 5,817	\$ 3,417
Accrued expenses and other current liabilities ²	9,652	9,794
Operating right-of-use current liabilities	2,954	2,384
Current portion of long-term debt, net of debt issuance costs	2,920	926
Total current liabilities	21,343	16,521
Long-term accrued expenses and other noncurrent liabilities	12,675	7,576
Operating right-of-use noncurrent liabilities	30,289	29,163
Long-term debt, net of debt issuance costs	215,897	212,380
Total liabilities	280,204	265,640
COMMITMENTS AND CONTINGENCIES		
MEZZANINE EQUITY		
Series A Preferred Stock, \$0.0001 par value; 315,789,473,684 shares authorized, issued and outstanding at March 31, 2026 and December 31, 2025	414,285	407,257
STOCKHOLDERS' DEFICIT		
Common Stock, \$0.0001 par value; 1,000,000,000 shares authorized; 57,528,748 shares issued and outstanding at March 31, 2026; 55,894,663 shares issued and outstanding at December 31, 2025	6	6
Additional paid-in capital	77,350	82,315
Accumulated deficit	(456,403)	(425,099)
Accumulated other comprehensive (loss) income	(1,071)	187
Total stockholders' deficit	(380,118)	(342,591)
Total liabilities, mezzanine equity and stockholders' deficit	<u>\$ 314,371</u>	<u>\$ 330,306</u>

¹ Includes related party accounts payable of \$0.3 million and zero as of March 31, 2026 and December 31, 2025, respectively.

² Includes related party accrued expenses of zero and \$0.4 million as of March 31, 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 March 31,	
	2026	2025
Revenues	\$ 8,512	\$ 15,646
Cost of revenues:		
Flight operations ¹	6,561	6,252
Maintenance	10,487	10,955
Total cost of revenues	17,048	17,207
Gross loss	(8,536)	(1,561)
Selling, general and administrative expense ²	(16,730)	(8,590)
Interest expense	(6,150)	(5,735)
Other income	140	599
Loss before income taxes	(31,276)	(15,287)
Income tax expense	(28)	(251)
Net loss	\$ (31,304)	\$ (15,538)
Series A Preferred Stock - adjustment to maximum redemptions value	(7,028)	(6,561)
Loss attributable to Common stockholders - basic and diluted	\$ (38,332)	\$ (22,099)
Loss per share - basic and diluted	\$ (0.69)	\$ (0.41)
Weighted average Common Stock outstanding - basic and diluted	55,289,231	53,814,596

¹ Includes related party cost of revenues of zero and \$1.0 million for the three months ended March 31, 2026 and 2025, respectively.

² Includes related party selling, general and administrative expense of \$0.3 million and zero for the three months ended March 31, 2026 and 2025, respectively.

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

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

	For the three months ended March 31,	
	2026	2025
Net loss	\$ (31,304)	\$ (15,538)
Other comprehensive loss, net of tax:		
Foreign currency translation adjustment	(1,258)	(32)
Unrealized loss on derivative instruments	—	(184)
Total other comprehensive loss, net of tax	(1,258)	(216)
Comprehensive loss	\$ (32,562)	\$ (15,754)

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

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF STOCKHOLDERS' DEFICIT
(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	<u>315,789</u>	<u>\$ 414,285</u>	<u>57,528,748</u>	<u>\$ 6</u>	<u>\$ 77,350</u>	<u>\$ (456,403)</u>	<u>\$ (1,071)</u>	<u>\$ (380,118)</u>
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	<u>315,789</u>	<u>\$ 386,740</u>	<u>54,742,646</u>	<u>\$ 6</u>	<u>\$ 96,583</u>	<u>\$ (444,777)</u>	<u>\$ 820</u>	<u>\$ (347,368)</u>

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 three months ended March 31,	
	2026	2025
Cash Flows from Operating Activities:		
Net loss	\$ (31,304)	\$ (15,538)
Adjustments to reconcile net loss to net cash used in operating activities, net of acquisitions:		
Loss (gain) on sale/disposal of fixed assets	82	(111)
Depreciation and amortization	2,050	1,979
Stock-based compensation expense	2,432	1,991
Change in fair value of the Warrants	5,063	266
Amortization of debt issuance costs and revolver asset	524	252
Change in fair value of earnout consideration	(30)	(152)
Changes in operating assets and liabilities		
Accounts receivable	(3,663)	(4,294)
Aircraft support parts	415	(12)
Prepaid expense and other current and noncurrent assets	2,938	1,024
Accounts payable, accrued expenses and other liabilities ¹	376	(3,061)
Net cash used in operating activities	<u>(21,117)</u>	<u>(17,656)</u>
Cash Flows from Investing Activities:		
Purchases and improvements of property, plant and equipment	(5,697)	(3,311)
Capitalized costs related to in-process research and development (“IPR&D”)	(288)	(280)
Sale of property, plant and equipment	—	948
Net cash used in investing activities	<u>(5,985)</u>	<u>(2,643)</u>
Cash Flows from Financing Activities:		
Drawdown of revolving credit facility	6,000	—
Repayments on debt	(710)	(812)
Cash paid for taxes related to net share settlement of equity awards	(520)	(342)
Payment of finance lease liability	(7)	(5)
Net cash provided by (used in) financing activities	<u>4,763</u>	<u>(1,159)</u>
Effects of exchange rate changes	(42)	(32)
Net change in cash, cash equivalents and restricted cash	(22,381)	(21,490)
Cash, cash equivalents and restricted cash – beginning of the period	31,381	53,083
Cash, cash equivalents and restricted cash – end of the period	<u>\$ 9,000</u>	<u>\$ 31,593</u>
Less: Restricted cash – end of the period	—	9,244
Cash and cash equivalents – end of the period	<u>\$ 9,000</u>	<u>\$ 22,349</u>

¹ Includes related party accounts payable of \$0.3 million and zero for the three months ended March 31, 2026 and 2025, respectively.

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

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

NOTE 1 – ORGANIZATION AND BASIS OF PRESENTATION**Nature of Business**

Bridger Aerospace Group Holdings, Inc. and its subsidiaries (“Bridger”, “the Company,” “we,” “us” or “our”) provide aerial wildfire surveillance, relief and suppression, and aerial firefighting services using next-generation technology and environmentally friendly and sustainable firefighting methods primarily throughout the United States, as well as airframe modification and integration solutions for governmental and commercial customers. 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 March 31, 2026, the Company’s fleet consists of the following:

Aircraft Type	Number
CL-415EAF	6
Canadair CL-215T (“Spanish Scooper”)	2
Pilatus PC-12 (“Pilatus”) ¹	6
Daher Kodiak 100 (“Daher Kodiak”)	4
Beechcraft King Air 350 (“King Air”)	2
Twin Commander	1
Total aircraft	21

¹ The Company owns three and leases three.

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 March 31, 2026 and for the three months ended March 31, 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 March 31, 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

On March 3, 2026, the Company entered into a purchase agreement for a King Air aircraft for approximately \$1.4 million. This aircraft is expected to be delivered in 2027.

On March 27, 2026, the Company drew an aggregate of \$6.0 million under its Revolving Credit Facility (the “Revolver”). Refer to “*Note 15 – Long-Term Debt*,” 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 \$1.50 per share;
- 17,250,000 public warrants (“Public Warrants”) to purchase shares of Common Stock at an exercise price of \$1.50 per share; and
- 6,581,497 restricted stock units issued to the executives and senior management of the Company.

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

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

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 months ended March 31, 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 March 31, 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. We also entered into a services agreement with MAB whereby we will manage the return-to-service upgrades of the Spanish Scoopers through our wholly-owned Spanish subsidiary, Albacete Aero, S.L., while they are owned and funded by MAB. The service agreement also provides that we have the right, but not the obligation, to acquire each Spanish Scooper as it is ready to be contracted and returned to service. 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. 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 months ended March 31, 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 months ended March 31, 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 March 31, 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 Delayed Draw Term Loan (“DDTL”). In our Condensed Consolidated Balance Sheets, unamortized deferred financing costs related to the DDTL are reported as other non-current 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 toward complete satisfaction of the performance obligation. As the Company has a right to consideration from customers in an amount that corresponds directly with the value to the customer of the Company’s performance completed to date, the Company has applied the practical expedient to recognize revenue in the amount to which we have the right to invoice. We have elected to exclude from the transaction price all taxes assessed by governmental and foreign authorities.

Maintenance, Repair and Overhaul (“MRO”) revenues

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

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

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

Contract estimates

Actual revenues and project costs may vary from previous estimates due to changes in a variety of factors. The cost estimation process is based upon the professional knowledge and experience of our engineers, project managers and financial professionals. Factors that are considered in estimating the work to be completed and ultimate contract recovery include the availability and productivity of labor, the nature and complexity of the work to be performed, the availability of materials and the effect of any delays on our project performance. We periodically review our job performance, job conditions, estimated profitability and final contract settlements, including our estimate of total costs and make revisions to costs and income in the period in which the revisions are probable and reasonably estimable. We bear the risk of cost overruns in most of our contracts, which may result in reduced profits. Whenever revisions of estimated contract costs and contract values indicate that the contract costs will exceed estimated revenues, thus creating a loss, a provision for the total estimated loss is recorded in that period. Contracts can be modified to account for changes in contract specifications and requirements. Contract modifications are considered to exist when the modification either creates new or changes the existing enforceable rights and obligations. Most of the Company's contract modifications are for goods or services that are not distinct from the existing contract due to the significant integration service provided in the context of the contract and are accounted for as if they were part of that existing contract. The effect of a contract modification on the transaction price, and the measure of progress for the performance obligation to which it relates, is recognized as an adjustment to revenue (either as an increase in or a reduction of revenue) on a cumulative catch-up basis. Total cumulative catch-up adjustments were not material for the three months ended March 31, 2026 and 2025.

Other revenues

Other revenues primarily consists of training services and lease revenue when we lease our owned aircraft to third parties, typically on an hourly or daily basis. For the three months ended March 31, 2026 and 2025, we had other revenue of \$18,000 and \$0.3 million, respectively.

Contract assets & liabilities

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

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

Net contract assets (liabilities) are as follows:

dollars in thousands	As of March 31, 2026	As of December 31, 2025	Net Change
Contract assets	\$ 3,086	\$ 2,250	\$ 836
Contract liabilities	2,079	3,434	(1,355)
Net contract assets (liabilities)	\$ 1,007	\$ (1,184)	\$ 2,191

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 three months ended March 31, 2026, the Company recognized revenues of \$2.5 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. There were no significant impairment losses related to any receivables or contract assets arising from the Company's contracts with customers during the three months ended March 31, 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 March 31, 2026, the Company has remaining unsatisfied performance obligations of \$10.4 million, of which 98% is expected to be recognized as revenue in the next twelve months and 2% 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:

dollars in thousands	For the three months ended March 31,	
	2026	2025
Fire suppression	\$ 2,265	\$ 5,783
Aerial surveillance	1,581	1,711
MRO	4,648	7,890
Other services	18	262
Total revenues	\$ 8,512	\$ 15,646

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

dollars in thousands	For the three months ended March 31,	
	2026	2025
United States	\$ 6,819	\$ 9,737
Spain	1,693	5,909
Total revenues	\$ 8,512	\$ 15,646

Concentration Risk

The Company had three customers who individually accounted for 28%, 20% and 17% of total revenues for the three months ended March 31, 2026, and two customers who individually accounted for 48% and 38% of total revenues for the three months ended March 31, 2025. The Company had three customers who individually accounted for 43%, 18% and 14% of trade accounts receivable as of March 31, 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 the RSUs is recognized as the performance condition of the Closing of the transaction was met and over the requisite service period based on the graded-vesting method.

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 Company's 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.

Loss Per Share

Basic loss per share is based on the weighted average number of shares of Common Stock outstanding during the period. Diluted loss per share is based on the weighted average number of shares of Common Stock used for the basic loss per share calculation, adjusted for the dilutive effect of RSUs, 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, loss for diluted loss per share is adjusted for the after-tax impact of changes to the fair value of the Warrants, to the extent they are dilutive. Loss per share is calculated based on the weighted average number of shares of Common Stock outstanding.

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 September 2025, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“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 three months ended March 31,	
	2026	2025
Cash paid for interest	\$ 5,656	\$ 10,228
Cash paid for income taxes, net of refunds	18	—
Fixed assets in accounts payable	1,498	14
Non-cash investing and financing activities:		
Series A Preferred Stock - adjustment to maximum redemption value	7,028	6,561
Issuance of Common Shares upon settlement of liability-classified award	883	—
Recognition of new right-of-use asset and corresponding operating lease liabilities	2,343	2,217
Recognition of new right-of-use asset and corresponding financing lease liabilities	15	69
Derecognition or modification of right-of-use assets and corresponding finance lease liabilities	—	13

NOTE 4 – CASH EQUIVALENTS

Cash equivalents consist of the following:

dollars in thousands	As of March 31, 2026	As of December 31, 2025
	Carrying Value	
Cash equivalents:		
Money market fund	\$ 6,733	\$ 25,035

NOTE 5 – ACCOUNTS RECEIVABLE

Accounts receivable consist of the following:

dollars in thousands	As of March 31, 2026	As of December 31, 2025
Trade accounts receivable	\$ 2,972	\$ 835
Contract assets	3,086	2,250
Unbilled receivable	486	—
Foreign tax receivable	294	105
Total accounts receivable	\$ 6,838	\$ 3,190

Substantially all accounts receivable as of March 31, 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 March 31, 2026	As of December 31, 2025
Repairables and expendables	\$ 611	\$ 623
Other	628	1,031
Total aircraft support parts	\$ 1,239	\$ 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 March 31, 2026	As of December 31, 2025
Prepaid insurance	\$ 746	\$ 1,546
Deposits	631	1,639
Prepaid subscriptions	489	518
Other	281	291
Total prepaid expenses and other current assets	\$ 2,147	\$ 3,994

NOTE 8 – PROPERTY, PLANT AND EQUIPMENT, NET

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

dollars in thousands	As of March 31, 2026	As of December 31, 2025
Aircraft	\$ 266,773	\$ 262,013
Less: Accumulated depreciation	(49,973)	(48,607)
Aircraft, net	<u>216,800</u>	<u>213,406</u>
Vehicles and equipment	7,100	7,049
Buildings	1,173	1,200
Leasehold improvements	673	645
Licenses	235	235
Finance lease right-of-use asset	132	117
Capitalized software and development costs	39	35
Less: Accumulated depreciation	(4,154)	(3,873)
Leasehold improvements and equipment, net	<u>5,198</u>	<u>5,408</u>
Total property, plant and equipment, net	<u>\$ 221,998</u>	<u>\$ 218,814</u>

For the three months ended March 31, 2026, the Company recorded \$1.6 million of depreciation expense in Cost of revenues and zero of depreciation expense in Selling, general and administrative expense. For the three months ended March 31, 2025, the Company recorded \$1.3 million of depreciation expense in Cost of revenues and \$0.4 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 months ended March 31, 2026 and 2025, the Company recorded no impairment charges.

For the three months ended March 31, 2026, the Company recorded a loss on disposal of assets of \$0.1 million and for the three months ended March 31, 2025, the Company recorded a gain on disposal of assets of \$0.1 million in Selling, general and administrative expense in the Condensed Consolidated Statements of Operations.

NOTE 9 – ACQUISITION ACTIVITY**2024 Acquisition Activity**

On June 28, 2024, the Company completed the acquisition of all the outstanding equity interests of Flight Test & Mechanical Solutions, Inc. (“FMS” and the “FMS Acquisition”), a turn-key provider of integration solutions for government and commercial customers including instrumentation, flight testing and airworthiness certification, for total initially estimated fair value consideration of \$21.2 million, payable in unregistered shares of Bridger’s Common Stock, with \$19.0 million fair value of Common Stock consideration paid at closing and upon settlement of certain post-closing purchase price adjustments to the former stockholders of FMS (consisting of 3,867,289 restricted shares of Common Stock determined based upon a volume-weighted average per-share price (“VWAP”) of the Common Stock for the 90 consecutive trading days ended June 27, 2024). The shares issued at close were issued at the fair value upon the closing date. The remaining \$2.2 million of fair value Common Stock consideration is contingent upon the achievement of certain earnout conditions and, assuming achievement of such conditions, will be issued to the former stockholders of FMS in 2026 and 2027 based on the 2025 and 2026 results, respectively, with the price per share determined based upon a trailing 90-day VWAP of the Common Stock at the time of each issuance. During the measurement period, the Company revised the total purchase consideration of the FMS Acquisition due to changes in working capital adjustments, closing price adjustments and a deferred tax liability adjustment. As a result, total consideration decreased by \$4.8 million. These adjustments resulted in a corresponding decrease in goodwill of \$3.9 million. The maximum number shares of Common Stock issuable to the former FMS stockholders as contingent earnout consideration will not exceed 5,754,165 shares in the aggregate. All of the shares of Common Stock to be issued in the FMS Acquisition will be subject to transfer restrictions for an 18-month period after each issuance, with the transfer restrictions expiring with respect to 1/18th of the total shares of Common Stock each month over the 18-month period following such issuance.

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

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

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

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

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	<u>\$ 16,342</u>

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	<u>8,756</u>	<u>(139)</u>	<u>8,617</u>
Goodwill	7,586	139	7,725
Total purchase price	<u>\$ 16,342</u>	<u>\$ —</u>	<u>\$ 16,342</u>

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

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 months ended March 31, 2026. Goodwill was \$0.9 million as of March 31, 2026 and December 31, 2025. As of March 31, 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 March 31, 2026 and December 31, 2025, due to the inclusion of the mezzanine equity, refer to "Note 18 – Mezzanine Equity." As of March 31, 2026, goodwill of \$10.7 million was allocated to the Company's Ignis reporting unit, which has a negative carrying amount of net assets as of March 31, 2026. There were no impairment charges recorded for goodwill for the three months ended March 31, 2026 and 2025.

Intangible assets consisted of the following:

dollars in thousands	Estimated Life (Years)	As of March 31, 2026		
		Gross Carrying Amount	Accumulated Amortization	Net Carrying Amount
In-process research and development ("IPR&D")	5	\$ 4,398	\$ (1,149)	\$ 3,249
Contracts	5.5	3,400	(1,082)	2,318
Trade name	9.5	300	(55)	245
Internal-use software	3	297	(297)	—
Customer relationships	3.5	200	(100)	100
Licenses	10	68	(68)	—
Total intangible assets		\$ 8,663	\$ (2,751)	\$ 5,912

dollars in thousands	Estimated Life (Years)	As of December 31, 2025		
		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 three months ended March 31, 2026 and 2025, the Company capitalized costs of \$0.3 million related to IPR&D.

Amortization expense for intangible assets and other noncurrent assets was \$0.4 million and \$0.3 million for the three months ended March 31, 2026 and 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 March 31, 2026	As of December 31, 2025
Operating lease right-of-use asset	\$ 32,980	\$ 31,416
Investment in MAB	4,000	4,000
Deferred debt issuance costs	3,904	4,150
Deposits	2,726	1,937
Investment in Overwatch Imaging, Inc.	1,000	1,000
Prepaid expenses	869	986
Other	870	873
Total other noncurrent assets	<u>\$ 46,349</u>	<u>\$ 44,362</u>

NOTE 12 – ACCRUED EXPENSES AND OTHER LIABILITIES

Accrued expenses and other liabilities consisted of the following:

dollars in thousands	As of March 31, 2026	As of December 31, 2025
Warrant liabilities	\$ 10,393	\$ 5,330
Accrued salaries, wages and bonuses	3,749	2,548
Contingent consideration	2,713	2,743
Deferred revenue	2,079	3,434
Deferred underwriting fee payable	1,500	1,500
Accrued foreign tax	925	925
Finance right-of-use liability	104	96
Accrued interest expense	19	52
Other	845	742
Total accrued expenses and other liabilities	22,327	17,370
Less: Current accrued expenses and other current liabilities	(9,652)	(9,794)
Total long-term accrued expenses and other noncurrent liabilities	<u>\$ 12,675</u>	<u>\$ 7,576</u>

Warrant liabilities

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

Public Warrants

The Company 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 March 31, 2026 and December 31, 2025, 17,249,874 Public Warrants remain outstanding. The Public Warrants are liability-classified with a balance of \$6.7 million and \$3.4 million, respectively, and a fair value of \$0.39 and \$0.20 per warrant as of March 31, 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 March 31, 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 \$3.7 million and \$1.9 million, respectively, and a fair value of \$0.39 and \$0.20 per warrant as of March 31, 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 payment was made as of the quarter ended June 30, 2024. During the second quarter of 2025, the Company issued 617,189 restricted shares of Common Stock to the former Ignis shareholders (determined based upon a trailing 120-day VWAP of the Common Stock for the 120 consecutive trading days ended June 30, 2025). The shares were issued at fair value, resulting in a total issuance value of approximately \$1.2 million. This amount was previously recognized as part of the contingent consideration liability as of March 31, 2025, and the issuance did not result in any additional expense during the period. The remaining \$1.9 million of Common Stock consideration will be issued to the former Ignis shareholders in 2026, with the price per share determined based upon a trailing 120-day VWAP of the Common Stock at the time of such issuance. The liability for the remaining contingent consideration has been recorded at fair value and is classified as a current liability on the Condensed Consolidated Balance Sheet.

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

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

As part of the June 2024 FMS Acquisition, the Company agreed to pay contingent earnout consideration to the former stockholders of FMS contingent upon the achievement of certain earnout conditions based on 2025 and 2026 results. The earnout consideration, if earned, will be settled in shares of Common Stock, with the price per share determined based upon a trailing 90-day VWAP of the Common Stock at the time of each issuance, with payments expected to be made in 2026 and 2027, respectively. 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 vesting each month over the 18-month period following each issuance. None of the shares of Common Stock issued or issuable in connection with the FMS Acquisition were registered under the Securities Act in reliance on the exemption provided by Section 4(a)(2) of the Securities Act. Recipients of shares will have customary resale registration rights pursuant to the terms of the FMS Acquisition.

As of March 31, 2026 and December 31, 2025, the Company recognized \$2.0 million and \$2.0 million, respectively, in Accrued expenses and other current liabilities and \$0.7 million and \$0.7 million, respectively, in Long-term accrued expenses and other noncurrent liabilities in the Condensed Consolidated Balance Sheets.

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

dollars in thousands	As of March 31, 2026	As of December 31, 2025
Contingent consideration, beginning of period	\$ 2,743	\$ 6,219
Change in fair value of contingent consideration	(30)	(2,285)
Settlement of contingent consideration	—	(1,191)
Contingent consideration, end of period	<u>\$ 2,713</u>	<u>\$ 2,743</u>

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 March 31, 2026.

NOTE 14 – FAIR VALUE MEASUREMENTS

Long-term debt

As of March 31, 2026 and December 31, 2025, the Company had \$0.1 million of fixed rate debt outstanding and \$227.7 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 March 31, 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:

dollars in thousands	As of March 31, 2026		
	Level 1	Level 2	Level 3
Assets			
Cash	\$ 9,000	\$ —	\$ —
Total Assets	\$ 9,000	\$ —	\$ —
Liabilities			
Warrant liabilities - Public Warrants	\$ 6,727	\$ —	\$ —
Warrant liabilities - Private Placement Warrants	—	3,666	—
Contingent consideration	—	—	2,713
Total liabilities	\$ 6,727	\$ 3,666	\$ 2,713
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 are recorded in earnings through Selling, general and administrative expense on the Condensed Consolidated Statements of Operations included in this Quarterly Report on Form 10-Q.

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

Contingent Consideration

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

Non-Recurring Fair Value Measurements

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

As of March 31, 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. The Company has drawn \$210.0 million under the Initial Term Loans and \$10.3 million under the DDTL, with \$89.7 million remaining in borrowing capacity on the DDTL, and has drawn \$6.0 million under the Revolver, with \$15.5 million remaining in borrowing capacity on the Revolver as of March 31, 2026.

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 Company was in compliance with the covenants contained in the Credit Agreement as of March 31, 2026.

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 March 31, 2026 and management anticipates the Company will remain in compliance with the such covenants at future quarterly measurement periods during the next 12 months.

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.

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 \$27,000 for the three months ended March 31, 2026 and are included in interest expense.

On March 27, 2026, the Company drew \$6.0 million from the Revolver, for working capital needs. The Company has elected the SOFR rate plus 6.00% for the Revolver as of the draw. The Company recorded \$0.9 million of upfront fees and issuance costs allocated to the Revolver as a deferred asset, of which \$0.3 million were reclassified as a discount to the \$6.0 million drawn, as of March 31, 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 for the three months ended March 31, 2026 and are included in interest expense.

On December 17, 2025, the Company drew \$10.3 million from the DDTL, to fund the purchase of two Pilatus. The Company has elected the SOFR rate plus 6.00% for the DDTL as of the draw. The Company recorded \$3.8 million of upfront fees and issuance costs allocated to the DDTL as a deferred asset, of which \$0.4 million were reclassified as a discount to the \$10.3 million drawn.

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 \$0.3 million for the three months ended March 31, 2026 and 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 March 31, 2026, the Company pledged or restricted substantially all of the assets (consisting principally of including 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 March 31, 2026	As of December 31, 2025
Initial Term Loan	\$ 208,950	\$ 209,475
DDTL	10,199	10,224
Revolver	6,000	—
UMB Loan (Kodiak Aircraft)	2,557	2,697
Other	76	96
Loans payable	227,782	222,492
Less: noncurrent debt issuance costs	(7,000)	(7,276)
Less: current debt issuance costs	(1,965)	(1,910)
Less: current portion of long-term debt, net of debt issuance costs	(2,920)	(926)
Total long-term debt, net of debt issuance costs	\$ 215,897	\$ 212,380

NOTE 16 – LEASES

Under ASC 842, leases are separated into two classifications: operating leases and financial leases. Lease classification under ASC 842 is relatively similar to ASC 840. 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 for 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.

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 Consolidated Balance Sheets and are expensed on a straight-line basis over the lease term in our 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.

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.

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

dollars in thousands	Financial Statement Line Item	As of March 31, 2026	As of December 31, 2025
Assets			
Operating lease right-of-use assets	Other noncurrent assets	\$ 32,980	\$ 31,416
Finance lease right-of-use assets, net	Property, plant and equipment, net	91	92
Liabilities			
Operating lease right-of-use liabilities (current)	Operating right-of-use liability (current)	\$ 2,954	\$ 2,384
Finance lease right-of-use liabilities (current)	Accrued expenses and other current liabilities	26	23
Operating lease right-of-use liabilities (noncurrent)	Operating right-of-use liability (noncurrent)	30,289	29,163
Finance lease right-of-use liabilities (noncurrent)	Accrued expenses and other noncurrent liabilities	78	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.

The Company recorded \$1.4 million and \$0.7 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 months ended March 31, 2026 and 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:

dollars in thousands	For the three months ended March 31,	
	2026	2025
Cash paid for amounts included in the measurement of lease liabilities:		
Operating cash flows from operating leases	\$ 1,255	\$ 716
Right-of-use assets obtained in exchange for lease liabilities:		
Operating leases	\$ 2,343	\$ 2,217
Finance leases	15	69

Cash paid for amounts included in the measurement of finance lease liabilities was immaterial for the three months ended March 31, 2026 and 2025.

As of March 31, 2026, future minimum lease payments are as follows:

dollars in thousands	Operating Leases	Finance Leases
Year Ending December 31:		
Remainder of 2026	\$ 4,065	\$ 27
2027	5,306	36
2028	5,085	36
2029	5,202	25
2030	4,783	1
Thereafter	22,176	—
Total lease payments	46,617	125
Less: interest	(13,374)	(21)
Total lease liabilities	\$ 33,243	\$ 104
Weighted average remaining lease term:	8.9 years	3.7 years
Weighted average discount rate:	8.1 %	10.3 %

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 conditions, cash flows or results of operations. In the ordinary course of its operations, the Company will continue to vigorously enforce its legal and contractual rights to ensure that its business and operations continue on an unimpaired basis.

Contingencies

On November 17, 2023, the Company entered into a series of agreements with MAB and its subsidiary designed to facilitate the purchase and return to service of four Spanish Scoopers originally awarded to the Company in September 2023 via a public tender process from the Government of Spain. The terms of the agreements provide that the Company will manage the return to service upgrades of the Spanish Scoopers while they are owned and funded by MAB. The Company has the right, but not the obligation, to acquire each plane as it is ready to be contracted and returned to service. In the event that Bridger does not purchase the aircraft within the time periods set forth in the agreements, then either party may initiate a sales process for the sale of all aircraft that have not been purchased by the Company, which sales process the Company will oversee and manage. If the aircraft are sold to a third party through such process, then the Company must pay MAB's subsidiary a cash fee equal to the amount, if any, by which the aggregate price of the Company's purchase options for such aircraft exceeds the consideration paid by the third-party purchaser for the same aircraft, not to exceed \$15.0 million in aggregate. If the aircraft are not sold to a third party and MAB's subsidiary has not otherwise entered into an operating lease with a third party for the aircraft, then the Company must pay MAB's subsidiary \$15.0 million. 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 March 31, 2026. The Company will continue to monitor the situation and assess the need for recognition or further disclosure in future periods.

NOTE 18 – MEZZANINE EQUITY

The Company's 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 \$ 7.0 million and \$6.6 million for the three months ended March 31, 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 March 31, 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, the 50% multiplier, valued at \$156.4 million, was removed. As of March 31, 2026 and December 31, 2025, the Series A Preferred Stock had both a carrying value and redemption value of \$414.3 million and \$407.3 million, respectively. Refer to the table below.

As of March 31, 2026 and December 31, 2025, the fair value of the embedded derivative related to an event of default is zero, as there have been no triggering events.

The Company determined the fair value of the other features requiring bifurcation, both individually and in the aggregate were immaterial at March 31, 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.

dollars in thousands	Redeemable Series A Preferred Stock	
	Shares	Amounts
Balance as of December 31, 2025	315,789.473684	\$ 407,257
Adjustment to maximum redemptions value	—	7,028
Balance as of March 31, 2026	315,789.473684	\$ 414,285
Balance as of December 31, 2024	315,789.473684	\$ 380,179
Adjustment to maximum redemptions value	—	6,561
Balance as of March 31, 2025	315,789.473684	\$ 386,740

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 March 31, 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 months ended March 31, 2026. The total unrecognized compensation cost related to this award was \$750,000 as of March 31, 2026.

Restricted Common Stock activity for the three months ended March 31, 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 March 31, 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 a period of 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 three months ended March 31, 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	1,645,640	2.65
Vested	(1,188,421)	4.53
Forfeited/Cancelled	(61,877)	3.41
Outstanding as of March 31, 2026	<u>5,922,007</u>	<u>\$ 4.10</u>
Outstanding as of December 31, 2024	4,472,950	\$ 6.94
Granted	778,000	3.07
Vested	(760,118)	6.20
Forfeited/Cancelled	(77,077)	4.54
Outstanding as of March 31, 2025	<u>4,413,755</u>	<u>\$ 6.43</u>

The total fair value of RSUs vested during the three months ended March 31, 2026 and 2025 was \$0.0 million and \$2.3 million, respectively, based on the closing stock price on the date of vesting.

For the three months ended March 31, 2026 and 2025, the Company recorded stock-based compensation expense related to RSUs of \$0.3 million and \$0.3 million, respectively, within Total cost of revenues and \$1.4 million and \$1.7 million, respectively, within Selling, general and administrative expense on the Condensed Consolidated Statements of Operations.

As of March 31, 2026, there was \$11.5 million of unrecognized total compensation expense related to unvested RSUs, which is expected to be recognized over a weighted-average period of 1.8 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 March 31, 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 months ended March 31, 2026 and 2025, the Company recorded stock-based compensation expense related to liability-classified awards for common shares of \$0.2 million and zero, respectively, within Total cost of revenues and \$0.5 million and zero, respectively, within Selling, general and administrative expense on the Condensed Consolidated Statements of Operations.

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 March 31, 2026. As of March 31, 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 three months ended March 31, 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 corporate litigation and regulatory compliance services. Mr. Heller recused himself from all related approval discussions. The Company incurred professional service expenses of approximately \$0.3 million and zero for the three months ended March 31, 2026 and 2025, respectively. The Company had approximately \$0.3 million in Accounts payable as of March 31, 2026 and \$0.4 million in Accrued expenses related to professional services as of December 31, 2025.

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 and \$0.6 million for the three months ended March 31, 2026 and 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 (“Avenue Investor”) made capital contributions totaling \$13.0 million in exchange for 13,031 voting Class A Units of MAB. Avenue Investor holds approximately 10% of Bridger’s outstanding convertible Series A Preferred Stock which represents approximately 6.6% interest in BAER Common Stock on a fully diluted basis.

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 and \$0.4 million for the three months ended March 31, 2026 and 2025, respectively.

NOTE 21 – INCOME TAXES

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

For the three months ended March 31, 2026 and 2025, the Company recorded income tax expense of \$8,000 and \$0.3 million, respectively. The effective tax rate for the three months ended March 31, 2026 and 2025 was (0.1)% and (1.6)%, respectively. The effective tax rate differs from the statutory rate primarily as a result of having a full valuation allowance in the U.S. and a state tax expense accrual in separate company filings with forecasted income.

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 – LOSS PER SHARE

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

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

Loss per share calculations for all periods prior to the Closing have been retrospectively adjusted by the Exchange Ratio for the equivalent number of shares outstanding immediately after the Closing to effect the Reverse Recapitalization. Subsequent to the Closing, Loss per share is calculated based on the Weighted average Common Stock outstanding.

Restricted common stock issued to Alder Securities LLC during the three months ended March 31, 2026 was excluded from both basic and diluted weighted-average shares outstanding, as the applicable performance condition had not been satisfied as of March 31, 2026. In addition, inclusion of these shares would have been anti-dilutive given the net loss reported for the period.

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

dollars in thousands, except per share amounts	For the three months ended March 31,	
	2026	2025
Net loss	\$ (31,304)	\$ (15,538)
Adjustments to Net loss:		
Series A Preferred Stock—adjustment to maximum redemptions value	(7,028)	(6,561)
Loss attributable to Common stockholders – basic and diluted	<u>\$ (38,332)</u>	<u>\$ (22,099)</u>
Weighted average Common Stock outstanding - basic and diluted	55,289,231	53,814,596
Loss per share - basic and diluted	\$ (0.69)	\$ (0.41)

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

	For the three months ended March 31,	
	2026	2025
Series A Preferred Stock	37,662,289	35,158,152
Unvested Restricted Stock Units	5,922,007	4,413,755
Performance-Based Restricted Common Stock	303,890	—
Public Warrants	17,249,874	17,249,874
Private Placement Warrants	9,400,000	9,400,000
Unvested Legacy Bridger Incentive Units	40,404	40,404
Sponsor Earnout Shares	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, 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 months ended March 31, 2026 and 2025:

dollars in thousands	For the three months ended March 31,	
	2026	2025
Revenues	\$ 8,512	\$ 15,646
Cost of revenues:		
Flight operations	6,561	6,252
Maintenance	10,487	10,955
Total cost of revenues	17,048	17,207
Gross loss	(8,536)	(1,561)
Selling, general and administrative expense	(16,730)	(8,590)
Interest expense	(6,150)	(5,735)
Other income	140	599
Loss before income taxes	(31,276)	(15,287)
Income tax expense	(28)	(251)
Net loss	\$ (31,304)	\$ (15,538)

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

Total United States revenues were \$6.8 million and \$9.7 million for the three months ended March 31, 2026 and 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 three customers who individually accounted for 28%, 20% and 17% of total revenues for the three months ended March 31, 2026, and two customers who individually accounted for 48% and 38% of total revenues for the three months ended March 31, 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 March 31, 2026	As of December 31, 2025
United States	\$ 204,320	\$ 198,301
Spain	50,658	51,928

NOTE 24 – SUBSEQUENT EVENTS

Management has evaluated subsequent events and transactions that occurred after March 31, 2026 up to the date of issuance of these Condensed Consolidated Financial Statements.

As part of an executive separation agreement effective on April 11, 2026, Management is evaluating a modification event under ASC 718 that will be reflected in the condensed consolidated financial statements for the quarterly period ending June 30, 2026.

On April 14, 2026, the Company drew \$14.0 million under its DDTL, which is part of the Credit Agreement dated October 28, 2025. The DDTL provides up to \$100.0 million in aggregate term loan commitments, available through October 28, 2027. Following the draw, the Company had \$75.7 million of remaining availability under the DDTL.

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

The following discussion and analysis is intended to help you understand our business, financial condition, results of operations, liquidity and capital resources. The discussion and analysis should be read together with the Condensed Consolidated Financial Statements as of March 31, 2026 and December 31, 2025, for the three months ended March 31, 2026 and 2025, and the related notes thereto, that are included elsewhere in this Quarterly Report on Form 10-Q (this "Quarterly Report"). This discussion and analysis should also be read together with the historical audited annual Consolidated Financial Statements as of and for the years ended December 31, 2025 and 2024, included in the 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 airframe modification 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 three core offerings:

- **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.
- **Maintenance, Repair and Overhaul ("MRO"):** Consists of maintenance and repair services for return-to-service upgrades of certain Canadair CL-215T Amphibious ("Spanish Scoopers") aircraft as well as airframe modification and integration solutions for governmental and commercial customers.

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

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

The Reverse Recapitalization

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

KEY FACTORS AFFECTING OUR RESULTS OF OPERATIONS

We are exposed to certain risks inherent to an aerial firefighting business. These risks are further described in the section entitled "Risk Factors" in the 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 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.

KEY COMPONENTS OF OUR RESULTS OF OPERATIONS

Revenues

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

Cost of Revenues

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

Selling, General and Administrative Expense

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

Interest Expense

Interest expense consists of interest costs related to the prior Gallatin municipal bonds (the “Series 2022 bonds”), that were refinanced during 2025 and the new debt issued in connection with that refinancing, as well as our other various loan agreements. Interest expense also reflects the net effect of the interest rate swap prior to its termination and also includes amortization of debt issuance costs associated with our loan agreements. Refer to “*Liquidity and Capital Resources—Indebtedness*” included in this Quarterly Report for a discussion of our loan commitments.

RESULTS OF OPERATIONS

Comparison of the Three Months ended March 31, 2026 to the Three Months Ended March 31, 2025

The following table sets forth our Condensed Consolidated Statements of Operations information for the three months ended March 31, 2026 and 2025 and should be reviewed in conjunction with the financial statements and notes included elsewhere in this Quarterly Report.

dollars in thousands	For the three months ended March 31,		Period Over Period Change (\$)	Period Over Period Change (%)
	2026	2025		
Revenues	\$ 8,512	\$ 15,646	\$ (7,134)	(46%)
Cost of revenues:				
Flight operations	6,561	6,252	309	5%
Maintenance	10,487	10,955	(468)	(4%)
Total cost of revenues	17,048	17,207	(159)	(1%)
Gross loss	(8,536)	(1,561)	6,975	447%
Selling, general and administrative expense	(16,730)	(8,590)	8,140	95%
Interest expense	(6,150)	(5,735)	415	7%
Other income	140	599	(459)	(77%)
Loss before income taxes	(31,276)	(15,287)	15,989	105%
Income tax expense	(28)	(251)	(223)	(89%)
Net loss	\$ (31,304)	\$ (15,538)	\$ 15,766	101%

Revenues

Revenues decreased by \$7.1 million, or 46%, to \$8.5 million for the three months ended March 31, 2026, from \$15.6 million for the three months ended March 31, 2025.

Revenues by service offering for the three months ended March 31, 2026 and 2025 were as follows:

dollars in thousands	For the three months ended March 31,		Period Over Period Change (\$)	Period Over Period Change (%)
	2026	2025		
Fire suppression	\$ 2,265	\$ 5,783	\$ (3,518)	(61)%
Aerial surveillance	1,581	1,711	(130)	(8)%
MRO	4,648	7,890	\$ (3,242)	(41)%
Other services	18	262	(244)	(93)%
Total revenues	\$ 8,512	\$ 15,646	\$ (7,134)	(46)%

Fire suppression revenue decreased by \$3.5 million, or 61%, to \$2.3 million for the three months ended March 31, 2026, from \$5.8 million for the three months ended March 31, 2025. The decrease was primarily driven by decreased flight hours for our Super Scoopers for the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

Aerial surveillance decreased by \$0.1 million, or 8%, to \$1.6 million for the three months ended March 31, 2026, from \$1.7 million for the three months ended March 31, 2025. The decrease was primarily driven by unfavorable rate decreases for our surveillance aircraft for the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

Maintenance repair decreased by \$3.2 million, or 41% to \$4.6 million for the three months ended March 31, 2026 from \$7.9 million for the three months ended March 31, 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 three months ended March 31, 2026 compared to the three months ended March 31, 2025. 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 details.

Other services revenue decreased by \$0.2 million, or 93%, to \$18,000 for the three months ended March 31, 2026, from \$0.3 million for the three months ended March 31, 2025. The decrease was primarily due to third-party training and flight operations services utilizing our aircraft for the three months ended March 31, 2025 that did not occur for the three months ended March 31, 2026.

Revenues by geographic area for the three months ended March 31, 2026 and 2025 were as follows:

dollars in thousands	For the three months ended March 31,		Period Over Period Change (\$)	Period Over Period Change (%)
	2026	2025		
United States	\$ 6,819	\$ 9,737	\$ (2,918)	(30)%
Spain	1,693	5,909	(4,216)	(71)%
Total revenues	\$ 8,512	\$ 15,646	\$ (7,134)	(46)%

United States revenue decreased by \$2.9 million, or 30%, to \$6.8 million for the three months ended March 31, 2026, from \$9.7 million for the three months ended March 31, 2025. The decrease was primarily driven by decreased flight hours for our Super Scoopers for the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

Spain revenue decreased by \$4.2 million, or 71%, to \$1.7 million for the three months ended March 31, 2026, from \$5.9 million for the three months ended March 31, 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 three months ended March 31, 2026 compared to the three months ended March 31, 2025. 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 details.

Cost of Revenues

Total cost of revenues decreased by \$0.2 million, or 1%, to \$17.0 million for the three months ended March 31, 2026, from \$17.2 million for the three months ended March 31, 2025.

Flight Operations

Flight operations expenses increased by \$0.3 million, or 5%, to \$6.6 million for the three months ended March 31, 2026, from \$6.3 million for the three months ended March 31, 2025. The increase reflects an increase in personnel costs necessary to support operational growth of \$0.7 million. The increase was partially offset by a decrease in aircraft lease expense of \$0.4 million for the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

Maintenance

Maintenance expenses decreased by \$0.5 million, or 4%, to \$10.5 million for the three months ended March 31, 2026, from \$11.0 million for the three months ended March 31, 2025. The decrease was primarily driven by a decrease in return-to-service work performed on the Spanish Scoopers in connection with the MAB services agreement of \$1.7 million. The decrease was partially offset by an increase in hangar lease expense of \$0.7 million and an increase in depreciation expense of \$0.5 million, for the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

Selling, General and Administrative Expense

Selling, general and administrative expense increased by \$8.1 million, or 95%, to \$16.7 million for the three months ended March 31, 2026, from \$8.6 million for the three months ended March 31, 2025. The increase was primarily attributable to a change in the fair value of the Warrants, which resulted in an unfavorable period-over-period variance of \$4.8 million, an increase in higher workforce costs of \$2.1 million and an increase in non-recurring deal and organizational costs of \$1.2 million, for the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

Interest Expense

Interest expense increased by \$0.4 million, or 7%, to \$6.2 million for the three months ended March 31, 2026, from \$5.7 million for the three months ended March 31, 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 \$0.5 million, or 77%, to \$0.1 million for the three months ended March 31, 2026, from \$0.6 million for the three months ended March 31, 2025. The decrease was primarily driven by a decrease in dividend income on cash equivalents of \$0.3 million, for the three months ended March 31, 2026 compared to the three months ended March 31, 2025.

Income Tax Expense

Income tax expense decreased by \$0.3 million, or 89%, to \$28,000 for the three months ended March 31, 2026, from \$0.3 million for the three months ended March 31, 2025. The decrease was driven by a decrease in the state taxes for the three months ended March 31, 2026 compared to the three months ended March 31, 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).

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

The reconciliation of Net loss, the most directly comparable GAAP measure, to EBITDA and Adjusted EBITDA for the three months ended March 31, 2026 and 2025 is as follows:

dollars in thousands	For the three months ended March 31,		Period Over Period Change (\$)	Period Over Period Change (%)
	2026	2025		
Net loss	\$ (31,304)	\$ (15,538)	\$ (15,766)	101%
Income tax expense	28	251	(223)	(89%)
Depreciation and amortization	2,050	1,980	70	4%
Interest expense	6,150	5,735	415	7%
EBITDA	(23,076)	(7,572)	(15,504)	205%
Stock-based compensation ¹	2,432	1,991	441	22%
Business development & integration expenses ²	804	232	572	247%
Change in fair value of earnout consideration ³	(30)	(152)	122	80%
Change in fair value of Warrants ⁴	5,063	266	4,797	1803%
Offering costs ⁵	42	158	(116)	(73%)
Non-recurring executive transition costs ⁶	284	—	284	100%
Adjusted EBITDA	\$ (14,481)	\$ (5,077)	\$ (9,404)	185%
Net loss margin ⁷	(368%)	(99%)		
Adjusted EBITDA margin ⁷	(170%)	(32%)		

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

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

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

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

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

⁶ Represents expenses associated with the build out and transition of the executive leadership team.

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

LIQUIDITY AND CAPITAL RESOURCES

For the three months ended March 31, 2026, the Company had net loss of \$31.3 million and cash flow used in operating activities of \$21.1 million. In addition, as of March 31, 2026, the Company had unrestricted cash of \$9.0 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 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 May 4, 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.

Cash and Marketable Securities

As of March 31, 2026, our principal sources of liquidity were cash and cash equivalents of \$9.0 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 March 31, 2026, the closing price of our Common Stock was \$1.98 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 March 31, 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 this Quarterly Report on Form 10-Q, 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) a \$21.5 million Revolving Credit Facility (“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.

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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 March 31, 2026, the Company had drawn \$210.0 million on the Initial Term Loans, \$10.3 million under the DDTL, and \$6.0 million under the Revolver, with remaining availability of \$89.7 million on the DDTL and \$15.5 million on the Revolver.

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 covenants under the Credit Agreement as of March 31, 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 March 31, 2026, the Company had drawn \$6.0 million for working capital needs with \$15.5 million remaining under the facility.

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 March 31, 2026, the Company had drawn \$10.3 million, with \$89.7 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%. Debt issuance costs totaled \$0.1 million.

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 March 31, 2026, it was probable that the Series A Preferred Stock may become redeemable on April 25, 2032. As of March 31, 2026, the Series A Preferred Stock had both a carrying value and redemption value of \$414.3 million.

Historical Cash Flows

Our consolidated cash flows from operating, investing and financing activities for the three months ended March 31, 2026 and 2025 were as follows:

dollars in thousands	For the three months ended March 31,	
	2026	2025
Net cash used in operating activities	\$ (21,117)	\$ (17,656)
Net cash used in investing activities	(5,985)	(2,643)
Net cash provided by (used in) financing activities	4,763	(1,159)
Effects of exchange rate changes	(42)	(32)
Net change in cash and cash equivalents	\$ (22,381)	\$ (21,490)

Operating Activities

Net cash used in operating activities was \$21.1 million for the three months ended March 31, 2026, compared to Net cash used in operating activities of \$17.7 million for the three months ended March 31, 2025. Net cash used in operating activities reflects Net loss of \$31.3 million for the three months ended March 31, 2026 compared to Net loss of \$15.5 million for the three months ended March 31, 2025. Net cash used in operating activities for the three months ended March 31, 2026 reflects add-backs to Net loss for non-cash charges totaling \$10.1 million, primarily attributable to a change in fair value of warrants of \$5.1 million, stock-based compensation expense of \$2.4 million and depreciation and amortization expense of \$2.1 million net of changes in working capital. Net cash used in operating activities for the three months ended March 31, 2025 reflects add-backs to Net loss for non-cash charges totaling \$4.2 million, primarily attributable to depreciation and amortization expense of \$2.0 million and stock-based compensation expense of \$2.0 million, net of changes in working capital.

Investing Activities

Net cash used in investing activities was \$6.0 million for the three months ended March 31, 2026, compared to Net cash used in investing activities of \$2.6 million for the three months ended March 31, 2025. Net cash used in investing activities for the three months ended March 31, 2026 reflects purchases of property, plant and equipment of \$5.7 million, which is primarily comprised of aircraft purchases and aircraft improvements and capitalized costs related to IPR&D of \$0.3 million. Net cash used in investing activities for the three months ended March 31, 2025 reflects purchases of property, plant and equipment of \$3.3 million, capitalized costs related to IPR&D of \$0.3 million and partially offset by sales of property, plant and equipment of \$0.9 million.

Financing Activities

Net cash provided by financing activities was \$4.8 million for the three months ended March 31, 2026, compared to Net cash used in financing activities of \$1.2 million for the three months ended March 31, 2025. Net cash provided by financing activities for the three months ended March 31, 2026 primarily reflects drawdown of the Revolver of \$6.0 million and partially offset by repayments on debt of \$0.7 million and cash paid for taxes related to net share settlement of equity awards of \$0.5 million. Net cash used in financing activities for the three months ended March 31, 2025 primarily reflects repayments of debt of \$0.8 million and cash paid for taxes related to net share settlement of equity awards of \$0.3 million.

Contractual Obligations

Our principal contractual commitments consist of obligations for outstanding leases and debt. The following table summarizes our contractual obligations as of March 31, 2026:

dollars in thousands	Payments Due by Period		
	Total	Current	Noncurrent
Lease obligations	\$ 33,339	\$ 2,978	\$ 30,361
Debt obligations	227,783	4,885	222,898
Total	\$ 261,122	\$ 7,863	\$ 253,259

On November 17, 2023, the Company entered into a series of agreements with MAB and its subsidiary designed to facilitate the purchase and return-to-service of four Spanish Scoopers originally awarded to the Company in September 2023 via a public tender process from the Government of Spain. The terms of the agreements provide that the Company will manage the return-to-service upgrades of the Spanish Scoopers while they are owned and funded by MAB. The Company has the right, but not the obligation, to acquire each plane as it is ready to be contracted and returned to service. In the event that the Company does not purchase the aircraft within the time periods set forth in the agreements, then either party may initiate a sales process for the sale of all aircraft that have not been purchased by the Company, which sales process the Company will oversee and manage. If the aircraft are sold to a third party through such process, then the Company must pay MAB's subsidiary a cash fee equal to the amount, if any, by which the aggregate price of the Company's purchase options for such aircraft exceeds the consideration paid by the third-party purchaser for the same aircraft, not to exceed \$15.0 million in aggregate. If the aircraft are not sold to a third party and MAB's subsidiary has not otherwise entered into an operating lease with a third party for the aircraft, then the Company must pay MAB's subsidiary \$15.0 million. 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 March 31, 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 whereby we will manage the return-to-service upgrades of the Spanish Scoopers through our wholly-owned Spanish subsidiary, Albacete Aero, S.L., while they are owned and funded by MAB. The service agreement also provides that we have the right, but not the obligation, to acquire each Spanish Scooper as it is ready to be contracted and returned to service. 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. 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 March 31, 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.

QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

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

CRITICAL ACCOUNTING POLICIES AND ESTIMATES

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

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

Revenue Recognition

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

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

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

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

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

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

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

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

Business Combinations

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

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

Stock-Based Compensation

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

The Omnibus Plan expires on January 23, 2033. As of March 31, 2026, the Omnibus Plan authorized an aggregate of 18,196,755 shares of Common Stock for issuance, of which 15,099,137 shares are currently registered for issuance. As of March 31, 2026, 6,761,008 shares of Common Stock remain available under the Omnibus Plan, of which, 3,663,388 shares of Common Stock are currently registered for issuance.

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As of March 31, 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 Company's 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 months ended March 31, 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 rotatable parts is recorded over the estimated useful life based on flight hours. Depreciation for vehicles and equipment, buildings, and leasehold improvements is computed using the straight-line method over the estimated useful lives of the property, plant and equipment. Airplane hangars located on leased airport property are considered leasehold improvements with useful lives determined based on the estimated life of the underlying ground lease. Depreciable lives by asset category are as follows:

	Estimated useful life
Aircraft, engines and rotatable parts	1,500 –6,000 flight hours
Vehicles and equipment	3 – 5 years
Buildings	50 years
Leasehold improvements	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 March 31, 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 months ended March 31, 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.

RECENT ACCOUNTING PRONOUNCEMENTS

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

EMERGING GROWTH COMPANY AND SMALLER REPORTING COMPANY STATUS

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

We will use this extended transition period for complying with new or revised accounting standards that have different effective dates for public business entities and non-public business entities until the earlier of the date that we (a) are no longer an emerging growth company or (b) affirmatively and irrevocably opt out of the extended transition period provided in the JOBS Act. The extended transition period exemptions afforded by our emerging growth company status may make it difficult or impossible to compare our financial results with the financial results of another public company that is either not an emerging growth company or is an emerging growth company that has chosen not to take advantage of this exemption because of the potential differences in accounting standards used. Refer to “*Note 2 – Summary of Significant Accounting Policies*” of the Notes to 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 months ended March 31, 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 will be a “smaller reporting company” as defined in Item 10(f)(1) of Regulation S-K. Smaller reporting companies may take advantage of certain reduced disclosure obligations, including, among other things, providing only two years of audited financial statements. We will remain a smaller reporting company until the last day of the fiscal year in which (i) the market value of our common stock held by non-affiliates is greater than or equal to \$250 million as of the end of that fiscal year’s second fiscal quarter, and (ii) our annual revenues are greater than or equal to \$100 million during the last completed fiscal year or the market value of our common stock held by non-affiliates exceeds \$700 million as of the end of that fiscal year’s second fiscal quarter.

CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

Certain statements included in this Quarterly Report are not historical facts but are forward-looking statements, including for purposes of the safe harbor provisions under the United States Private Securities Litigation Reform Act of 1995. Forward-looking statements generally are accompanied by words such as “believe,” “may,” “will,” “estimate,” “continue,” “anticipate,” “intend,” “expect,” “should,” “would,” “plan,” “project,” “forecast,” “predict,” “poised,” “positioned,” “potential,” “seem,” “seek,” “future,” “outlook,” “target,” and similar expressions that predict or indicate future events or trends or that are not statements of historical matters, but the absence of these words does not mean that a statement is not forward-looking. These forward-looking statements include, but are not limited to, 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; and (7) anticipated investments in additional aircraft, capital resources, and research and development and the effect of these investments. These statements are based on various assumptions and estimates, whether or not identified in this Quarterly Report, and on the current expectations of Bridger’s management and are not predictions of actual performance. These forward-looking statements are provided for illustrative purposes only and are not intended to serve as, and must not be relied on by any investor as, a guarantee, an assurance, a prediction or a definitive statement of fact or probability. Actual events and circumstances are difficult or impossible to predict and will differ from assumptions. Many actual events and circumstances are beyond the control of Bridger. These forward-looking statements are subject to a number of risks and uncertainties, including: the duration or severity of any domestic or international wildfire seasons; changes in domestic and foreign business, market, financial, political and legal conditions; Bridger’s failure to realize the anticipated benefits of any acquisitions; Bridger’s successful integration of any aircraft (including achievement of synergies and cost reductions); Bridger’s ability to successfully and timely develop, sell and expand its services, and otherwise implement its growth strategy; risks relating to Bridger’s operations and business, including information technology and cybersecurity risks, loss of requisite licenses, flight safety risks, loss of key customers and deterioration in relationships between Bridger and its employees; risks related to increased competition; risks relating to potential disruption of current plans, operations and infrastructure of Bridger, including as a result of the consummation of any acquisition; risks that Bridger is unable to secure or protect its intellectual property; risks that Bridger experiences difficulties managing its growth and expanding operations; Bridger’s ability to compete with existing or new companies that could cause downward pressure on prices, fewer customer orders, reduced margins, the inability to take advantage of new business opportunities, and the loss of market share; the ability to successfully select, execute or integrate future acquisitions into Bridger’s business, which could result in material adverse effects to operations and financial conditions; and those factors discussed in the sections entitled “Risk Factors” and “Cautionary Statement Regarding Forward-Looking Statements” included in Bridger’s 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 March 31, 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 March 31, 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 March 31, 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.

ITEM 1A. RISK FACTORS.

See Part I, Item 1A of our Annual Report on Form 10-K (“Form 10-K”) for the year ended December 31, 2025 for a discussion of our risk factors. There have been no material changes during the three months ended March 31, 2026 to the risk factors disclosed in our Form 10-K for the year ended December 31, 2025.

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

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

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES.

None.

ITEM 4. MINE SAFETY DISCLOSURES.

Not applicable.

ITEM 5. OTHER INFORMATION.

During the three months ended March 31, 2026, none of the Company’s directors or executive officers adopted or terminated a “Rule 10b5-1 trading arrangement” or “non-Rule 10b5-1 trading arrangement,” each as defined in Item 408(a) of Regulation S-K.

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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*†	Bridger Aerospace Group Holdings, Inc. Executive Severance Plan.
10.2*†+	Letter Agreement, dated as of December 20, 2025 for employment effective as of March 2, 2026, by and between Bridger Aerospace Group Holdings, Inc. and Adolphus (Bill) Andrews.
10.3*†	Retention and Transition Agreement, dated as of March 10, 2026, by and between Bridger Aerospace Group Holdings, Inc. and Eric Gerratt.
10.4*†	Transition Agreement and General Release, dated as of March 25, 2026, by and between Bridger Aerospace Group Holdings, Inc. and James Muchmore.
31.1*	Certification of the Company's Chief Executive Officer Pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (18 U.S.C. Section 7241).
31.2*	Certification of the Company's Chief Financial Officer Pursuant to Section 302 of the Sarbanes Oxley Act of 2002 (18 U.S.C. Section 7241).
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.

† Management contract and compensatory plan or arrangement.

+ Certain personally identifiable information has been redacted pursuant to Item 601(a)(6) 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: May 8, 2026

BRIDGER AEROSPACE GROUP HOLDINGS, INC.

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

By: /s/ Anne Hayes
Name: Anne Hayes
Title: Chief Financial Officer
(Principal Accounting and Financial Officer)

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
EXECUTIVE SEVERANCE PLAN

(for Senior Vice Presidents and above)

Plan Document/Summary Plan Description

Bridger Aerospace Group Holdings, Inc. (the “Company”) has adopted this Executive Severance Plan (the “Plan”) for the benefit of Eligible Executives of the Company and its subsidiaries (hereinafter referred to as the “Company Group”), on the terms and conditions hereinafter stated. Participation in the Plan is generally intended to be limited to those executive employees designated as eligible for the Plan by the Plan Administrator who receive and, within 30 days thereof, return a Participation Notice in the form attached hereto as Exhibit A. The purpose of the Plan is to encourage the retention of key management employees of the Company and to foster their continued dedication to their assigned duties without distraction.

The Plan shall be effective on the Effective Date. The Plan supersedes, solely for the Eligible Executives, any prior plans, policies, guidelines, arrangements, agreements, letters and/or other communication, whether formal or informal, written or oral sponsored, maintained, or delivered by any member of the Company Group or any predecessor entity thereof (including Wildfire New Pubco, Inc.) and/or entered into by any representative of the Company Group that might otherwise provide severance payments or benefits (collectively, the “Other Severance Arrangements”). As such, the Plan represents the exclusive severance benefit provided to Eligible Executives, and such individuals shall not be eligible for any other severance payments or benefits provided in the Other Severance Arrangements.

The Plan is not intended to be an “employee pension benefit plan” or “pension plan” within the meaning of Section 3(2) of ERISA. Rather, the Plan is intended to be an unfunded “top hat” “welfare plan” within the meaning of Section 3(1) of ERISA and a “severance pay arrangement” within the meaning of Section 3(2)(B)(i) of ERISA. The Plan shall be administered in a manner consistent with this intent and any provision that would cause the Plan to fail to constitute a welfare plan under ERISA shall have no force and effect.

1. Definitions.

(a) “Accrued Obligations” means, with respect to an Eligible Executive (i) all accrued but unpaid Base Salary due through the date of such Eligible Executive’s Termination and (ii) following the submission of proper expense reports by the Eligible Executive, any unpaid or unreimbursed expenses reasonably and necessarily incurred by him or her in connection with the business of the Company Group, in accordance with the policies of the Employer, prior to the date of such Eligible Employee’s Termination.

(b) “Affiliate” means any entity that, directly or indirectly through one or more intermediaries controls, is controlled by or is under common control with, a Person.

(c) “Base Salary” means an Eligible Executive’s annual base salary rate immediately prior to his or her Termination (or, if higher, the annual base salary immediately prior to an event that constitutes Good Reason and which served as the basis of a Qualifying Termination) exclusive of any bonus payments or additional payments, unpaid or unreimbursed expenses, under any benefit plan sponsored or maintained by the Company Group, including but not limited to, any plans subject to ERISA, stock plans, incentive and deferred compensation plans, insurance coverage or medical benefits and without regard to any salary deferrals under the benefit or deferred compensation plans or programs of the Company Group.

(d) “Board” means the Board of Directors of the Company.

(e) “Bonus Multiple” means as to any Eligible Executive, with respect to a Covered Termination or CIC Termination, the applicable Bonus Multiple set forth in Exhibit B applicable to the Eligible Executive’s Plan Tier as set forth in the Eligible Executive’s Participation Notice.

(f) “Cause” means, as determined by the Plan Administrator in its discretion, the occurrence of any of the following with respect to an Eligible Executive: (i) willful misconduct or gross negligence in the performance of the Eligible Executive’s duties that causes or could reasonably be expected to cause material harm to the Company Group; (ii) the Eligible Executive’s conviction or plea of guilty or no contest to a felony or crime involving fraud, dishonesty, or moral turpitude; (iii) the Eligible Executive’s fraud, embezzlement, or theft involving property or funds of the Company Group; (iv) willful failure or refusal by the Eligible Executive to carry out lawful and reasonable directives of the Board (and, for any Eligible Executive that is not the Chief Executive Officer of the Company, the Chief Executive Officer of the Company or his or her supervisor), after, in the case of this clause (iv) only, written notice and a reasonable opportunity to cure; or (v) a material breach by the Eligible Executive of any written agreement between the Eligible Executive and any member of the Company Group or the Eligible Executive’s material violation of the written policies of any member of the Company Group, including, but not limited to, those relating to sexual harassment or the disclosure or misuse of confidential information, or those set forth in the manuals or statements of policy of the Company Group.

(g) “Change in Control” has the meaning set forth in the Omnibus Incentive Plan, provided such event or circumstances constitutes a change in the ownership or effective control of the Company, or in the ownership of a substantial portion of the Company’s assets, in each case within the meaning of Section 409A of the Code.

(h) “CIC Period” means the 18-month period immediately following the occurrence of a Change in Control.

(i) “CIC Termination” means any Qualifying Termination which occurs during the CIC Period (or, solely with respect to a Qualifying Termination that occurs as a result of a resignation by the Eligible Executive for Good Reason, for which the Eligible Executive provided proper notice of Good Reason within the CIC Period).

(j) “COBRA” means the Consolidated Omnibus Budget Reconciliation Act of 1985, as amended from time to time, and the regulations promulgated thereunder.

(k) “Code” means the Internal Revenue Code of 1986, as amended, and the rules, regulations or other interpretative guidance promulgated thereunder, as well as any successor laws in replacement thereof.

(l) “Committee” means the compensation committee of the Board, unless another committee or subcommittee is designated by the Board for such purpose under the Plan, which may include one or more Company directors or executive officers to the extent permitted under applicable law. If there is no compensation committee of the Board and the Board does not designate another committee, references herein to the “Committee” shall refer to the Board.

(m) “Covered Termination” means a Qualifying Termination which occurs other than during the CIC Period (excluding, solely with respect to a Qualifying Termination that occurs as a result of a resignation by the Eligible Executive for Good Reason, a Qualifying Termination for which the Eligible Executive provided proper notice of Good Reason within the CIC Period).

(n) “Effective Date” means March 24, 2026.

(o) “Eligible Executive” means any executive who is selected by the Plan Administrator to participate in the Plan and, within 30 days of receipt of the same, returns to the Company an executed Participation Notice.

(p) “Employer” means, with respect to any Eligible Executive, (i) prior to a Change in Control, the member of the Company Group at which such Eligible Executive is employed, and (ii) following a Change in Control, the entity that the Eligible Executive is employed by immediately after such Change in Control.

(q) “ERISA” means the Employee Retirement Income Security Act of 1974, as amended, and the rules, regulations or other interpretive guidance promulgated thereunder, as well as any successor laws in replacement thereof.

(r) “Good Reason” means the occurrence, without the Eligible Executive’s consent, of any of the following events with respect to such Eligible Executive: (i) a material reduction in the Eligible Executive’s total compensation opportunity (measured as base salary, annual target bonus opportunity, and annual target long-term incentive award opportunity in the aggregate) (in each case, other than a broad reduction applied to all executive employees of the Company); (ii) a material diminution in the Eligible Executive’s authority, title, duties, or responsibilities; (iii) a relocation of the Eligible Executive’s principal place of employment as reflected in Company records to a place that increases such Eligible Executive’s one-way commute by more than 50 miles from its current location; or (iv) a material breach by the Company of the Company’s obligations under any material agreement with the Eligible Executive; provided, however, that in order for the Eligible Executive’s resignation to be deemed to have been for Good Reason, the Eligible Executive must provide written notice to the Company, as applicable, of such Eligible Executive’s intent to resign for Good Reason within 30 days after the Eligible Executive first has actual knowledge of the event giving rise to Good Reason, which notice shall describe the event(s) the Eligible Executive believes give rise to Good Reason; thereafter allow the Company 30 days from receipt of the written notice to cure the event (such period, the “Cure Period”); and if the event is not reasonably cured within the Cure Period, must resign from all positions held with the Company effective not later than 30 days after the expiration of the Cure Period; provided, further that the following shall not in and of themselves constitute “Good Reason”: (a) the transactions contemplated by a definitive agreement entered into in order to consummate a Change in Control, (b) the Company or any of its Affiliates becoming a subsidiary in connection with a Change in Control, (c) any changes in reporting structure that would require the Eligible Executive to report to a new supervisor (including a committee or a general manager) in connection with a Change in Control, or (d) changes to the Eligible Executive’s authority, reporting responsibilities, or duties arising solely by reason of the Company or any of its Affiliates ceasing to be a public company in connection with a Change in Control.

(s) “Health Continuation Period” means, as to any Eligible Executive, with respect to a Covered Termination or CIC Termination, the applicable Health Continuation Period set forth in Exhibit B applicable to the Eligible Executive’s Plan Tier as set forth in the Eligible Executive’s Participation Notice; provided, however, that the Health Continuation Period shall terminate immediately as of any earlier date on which the Eligible Executive becomes eligible to receive any health benefits as a result of subsequent employment or service or otherwise.

(t) “Omnibus Incentive Plan” means the Company’s 2023 Omnibus Incentive Plan, as amended from time to time.

(u) “Participation Notice” means the form of participation notice and agreement to the terms of the Plan, substantially in the form set forth in Exhibit A hereto.

(v) “Person” means any individual, entity or group (within the meaning of Section 13(d)(3) or 14(d)(2) of the Securities Exchange Act of 1934, as amended, and any successor thereto).

(w) “Plan Administrator” means the Committee or such other individual or group of individuals as may be appointed as the Plan Administrator under the Plan by the Committee from time to time.

(x) “Plan Tier” means the tier to which an Eligible Executive is assigned for purposes of participation in the Plan, as determined by the Plan Administrator, and as set forth in the Eligible Executive’s Participation Notice.

(y) “Qualifying Equity Award” means each outstanding equity award in the Company issued under the Omnibus Incentive Plan and held by the Eligible Executive that is subject solely to time-based vesting conditions.

(z) “Qualifying Termination” means, with respect to an Eligible Executive, a Termination (i) by the Company Group without Cause or (ii) as a result of the Eligible Executive’s resignation for Good Reason. The following shall not constitute a Qualifying Termination for purposes of the Plan: (i) a termination of employment for Cause; (ii) the Eligible Executive’s resignation for any reason other than for Good Reason; (iii) the cessation of the Eligible Employee’s employment due to death or disability; or (iv) the cessation of the Eligible Executive’s employment with the Company Group as the result of a Change in Control if the Eligible Executive is offered employment with the purchaser or successor in interest to the Eligible Executive’s Employer as of immediately prior to the Change in Control, and such offer of employment is on terms and conditions substantially comparable in the aggregate (as determined by the Plan Administrator in its sole discretion) to the terms and conditions of the Eligible Executive’s employment with the Company Group immediately prior to the Change in Control.

(aa) “Release Agreement” means a release of claims in a form satisfactory to the Company Group, pursuant to which an Eligible Executive may be required to (i) acknowledge the receipt of the severance payment and other benefits and (ii) release the Company Group and its Affiliates (including the Employer) and other persons and entities designated by the Company from any liability, including as arising from the Eligible Executive’s employment or termination of employment (other than with respect to the Eligible Executive’s rights under the Plan); provided, that, such agreement shall not contain any additional restrictive covenants.

(ab) “Release Effectiveness Date” means the date the Release Agreement becomes effective and irrevocable pursuant to its terms.

(ac) “Severance Multiple” means, as to any Eligible Executive, with respect to a Covered Termination or CIC Termination, the applicable Severance Multiple set forth in Exhibit B applicable to the Eligible Executive’s Plan Tier as set forth in the Eligible Executive’s Participation Notice.

(ad) “Short Term Incentive Bonus Program” means the annual cash incentive bonus program sponsored by the Company Group in which the Eligible Executive participates as of the date of a Qualifying Termination.

(ae) “Target Bonus” means an Eligible Executive’s target annual cash bonus under the Short Term Incentive Bonus Program for the year in which the Eligible Executive’s Termination occurs.

(af) “Termination” means the termination of an Eligible Executive’s employment or service, as applicable, with all members of the Company Group for any reason (including death), other than any termination of an Eligible Executive’s employment with the Employer solely as a result of a transfer to the employ of another member of the Company Group.

2. **Eligibility.** Eligibility to participate in the Plan shall be limited to any employee of the Company Group that is designated in writing as an Eligible Executive by the Plan Administrator; provided that, as a condition of participation in the Plan and receipt of severance payments or benefits hereunder, the Eligible Executive must execute and return a Participation Notice, and following the Eligible Executive’s Termination, a Release Agreement, in each case by the deadline set forth in such agreement.

3. **Termination of Employment.**

(a) Payments and Benefits on Qualifying Terminations. If an Eligible Executive’s Termination is a Qualifying Termination, in addition to any Accrued Obligations, subject to such Eligible Executive’s execution and delivery, and non-revocation of the Release Agreement as contemplated in Section 3(c) below, the Eligible Executive shall be entitled to the following payments and benefits:

(i) Base Severance. A cash amount equal to the product of (x) such Eligible Executive’s applicable Severance Multiple (based on whether the Qualifying Termination is a Covered Termination or a CIC Termination, as applicable), multiplied by (y) such Eligible Executive’s Base Salary, paid (A) in the case of a Covered Termination, in regular installments through the Employer’s normal payroll process and on the Employer’s normal payroll dates over the period of months that is equal to the multiple of (x) 12 months and (y) the Severance Multiple, commencing within 60 days following the date of Termination and (B) in the case of a CIC Termination, in a lump sum no later than the 60th day following the date of Termination;

(ii) Bonus Severance. A cash amount equal to the product of (x) such Eligible Executive’s applicable Bonus Multiple (based on whether the Qualifying Termination is a Covered Termination or a CIC Termination, as applicable), multiplied by (y) such Eligible Executive’s Target Bonus, paid (A) in the case of a Covered Termination, in regular installments through the Employer’s normal payroll process and on the Employer’s normal payroll dates over the period of months that is equal to the multiple of (x) 12 months and (y) the Bonus Multiple, commencing within 60 days following the date of Termination and (B) in the case of a CIC Termination, in a lump sum no later than the 60th day following the date of Termination;

(iii) COBRA Continuation Payment. Provided the Eligible Executive participated in the Company Group's health plan immediately prior to a Qualifying Termination and elects to continue coverage for the Eligible Executive and his or her spouse and eligible dependents under the Company's group health plans pursuant to COBRA, a cash amount to the applicable insurance carrier during the Health Continuation Period equal to 100% of the monthly insurance premiums for such benefits, payable monthly for each month of the Health Continuation Period in accordance with the Company's payroll practices, with the first such payment in respect of any completed months prior to the Release Effectiveness Date to occur as soon as practicable after the Release Effectiveness Date; provided, that, the Eligible Executive shall notify the Company in writing as soon as practicable (but in no event later than five days) following such time as the Eligible Executive becomes eligible after the date of Termination for group health insurance coverage, if any, through subsequent employment or otherwise (whereupon the Company shall have no further obligation to provide the payments contemplated in this Section 3(a)(iii)); provided, further, notwithstanding the foregoing, if at any time the Company determines, in its sole discretion, that it cannot provide the premium benefits described herein without potentially incurring financial costs or penalties under applicable law (including, without limitation, Section 2716 of the Public Health Service Act), then in lieu of paying such premiums directly to the carrier on the Eligible Executive's behalf, during the balance of any Health Continuation Period, the Company will instead pay to the Eligible Executive on the last day of each remaining month of the Health Continuation Period a fully taxable cash payment equal to the value of the Eligible Executive's monthly premium for the first month of coverage under COBRA, subject to applicable tax withholding, with such amount to be made to the Eligible Executive without regard to the Eligible Executive's election of COBRA coverage or payment of COBRA premiums and without regard to the Eligible Executive's continued eligibility for COBRA coverage during the Health Continuation Period; and

(iv) Equity Award Treatment. Notwithstanding anything in the Omnibus Incentive Plan or any Award Agreement (as defined in the Omnibus Incentive Plan) to the contrary, Qualifying Equity Awards that otherwise would have vested within the number of months following a Termination set forth on Exhibit B (based on whether the Qualifying Termination is a Covered Termination or a CIC Termination, as applicable) will, as of the date of the Qualifying Termination, vest in full and become non-forfeitable.

(b) Other Termination Events. If an Eligible Executive experiences a Termination which does not constitute a Qualifying Termination (including any Termination for Cause), the Eligible Executive shall not be entitled to the payment of any severance or other benefits under the Plan.

(c) Release Agreement. Notwithstanding any provision herein to the contrary, the payment of any amount or provision of any benefit pursuant to Section 3(a) (other than the Accrued Obligations) shall be conditioned upon an Eligible Executive's execution, delivery to the Company, and non-revocation of the Release Agreement and the expiration of any revocation period contained in such Release Agreement within 60 days following the date of Termination. If an Eligible Executive fails to execute the Release Agreement in such a timely manner so as to permit any revocation period to expire prior to the end of such 60 day period, or timely revokes his or her acceptance of such release following its execution, such Eligible Executive shall not be entitled to payment of any severance and other benefits under the Plan. Further, to the extent that any of the payments hereunder constitute "nonqualified deferred compensation" for purposes of Section 409A of the Code, any payment of any amount or provision of any benefit otherwise scheduled to occur prior to the 60th day following the date of such Termination, but for the condition on executing the Release Agreement as set forth herein, shall not be made until the first regularly scheduled payroll date following such 60th day, after which any remaining payments shall thereafter be provided to the Eligible Executive according to the applicable schedule set forth herein.

4. **Additional Terms.**

(a) Taxes. Severance and other payments and benefits under the Plan will be subject to all required federal, state and local taxes and may be affected by any legally required withholdings.

(b) Other Benefit Plans. Payments under the Plan are not deemed "compensation" for purposes of calculating any contributions or accruals under the retirement plans, savings plans, and incentive plans of the Company Group.

(c) Section 409A. It is the intention of the Company that the provisions of the Plan are exempt from or comply with Section 409A of the Code, and all provisions of the Plan shall be construed and interpreted in a manner consistent with Section 409A of the Code. The Company shall administer and operate the Plan in compliance with Section 409A of the Code and in the event that the Company determines that any provision of the Plan does not comply with Section 409A of the Code and that as a result any Eligible Executive may become subject to a Section 409A tax, notwithstanding Section 5, the Company shall have the discretion to amend or modify such provision to avoid the application of such Section 409A tax, and in no event shall any Eligible Executive's consent be required for such amendment or modification. Notwithstanding any provision of the Plan to the contrary, each Eligible Executive shall be solely responsible and liable for the satisfaction of all taxes and penalties that may arise in connection with amounts payable pursuant to the Plan (including any taxes arising under Section 409A of the Code), and no member of the Company Group shall have any obligation to indemnify or otherwise hold such Eligible Executive harmless from any or all of such taxes. Payments under the Plan are designated as separate payments for purposes of the short-term deferral rule under Treasury Regulation Section 1.409A-1(b)(4), the exemption for involuntary terminations under separation pay plans under Treasury Regulation Section 1.409A-1(b)(9)(iii), and the exemption for medical expense reimbursements under Treasury Regulation Section 1.409A-1(b)(9)(v)(B). To the extent any amounts under the Plan are payable by reference to an Eligible Executive's termination of employment, such term and similar terms shall be deemed to refer to such Eligible Executive's "separation from service," within the meaning of Section 409A of the Code. Notwithstanding any other provision in the Plan, to the extent any payments hereunder constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code, and the Eligible Executive is a specified employee (within the meaning of Treasury Regulation Section 1.409A-1(i)), as determined by the Company in accordance with any method permitted under Section 409A of the Code, as of the date of the Eligible Executive's separation from service, each such payment that is payable upon such separation from service and would have been paid prior to the six-month anniversary of such separation from service shall be delayed until the earlier to occur of (i) the first day of the seventh month following the separation from service or (ii) the date of the Eligible Executive's death. Notwithstanding any other provision in the Plan, to the extent any payments hereunder constitute "nonqualified deferred compensation" within the meaning of Section 409A of the Code, and the period to consider and not revoke a release spans two taxable years, then the payments hereunder shall be made in the later of the two taxable years to the extent necessary to comply with Section 409A of the Code. Any reimbursements payable to an Eligible Executive pursuant to the Plan or otherwise shall be paid to such Eligible Executive in no event later than the last day of the calendar year following the calendar year in which such Eligible Executive incurred the reimbursable expense. Any amount of expenses eligible for reimbursement, or in-kind benefit provided, during a calendar year shall not affect the amount of expenses eligible for reimbursement, or in-kind benefit to be provided, during any other calendar year. The right to any reimbursement or in-kind benefit pursuant to the Plan shall not be subject to liquidation or exchange for any other benefit.

(d) **Recoupment; Clawback.** Notwithstanding any provisions in the Plan to the contrary, the Plan Administrator may, in its sole and absolute discretion, in the event of a determination that an event constituting Cause has occurred, regardless of whether such determination happens prior to or following the Termination: (i) terminate the right of such Eligible Executive to receive any severance payments or benefits under the Plan, to the extent they have not been paid and (ii) seek the recoupment of any severance payments or benefits previously paid under the Plan, including through exercising rights of set-off, forfeiture or cancellation, to the fullest extent permitted by law, with respect to any other awards, benefits or payments otherwise due to the Eligible Executive from the Company Group; provided, that, any termination and/or recoupment of payments or benefits under the Plan shall be in addition and without prejudice to any other remedies that the Company might elect to assert. In addition, an Eligible Executive's rights with respect to any payment or benefit under the Plan shall in all events be subject to any right or obligation that the Company may have regarding the clawback of "incentive-based compensation" under Section 10D of the Securities Exchange Act of 1934, as amended, and any applicable rules and regulations promulgated thereunder from time to time by the U.S. Securities and Exchange Commission and any applicable listing exchange.

5. **Termination or Amendment of the Plan.** Except as otherwise set forth in a Participation Notice, the Plan may be amended, terminated or discontinued in whole or in part, at any time and from time to time at the discretion of the Board or the Committee; provided, however that the Plan may not be amended, terminated or discontinued during the 18-month period beginning on a Change in Control (except for an amendment to the administrative provisions of the Plan that is considered by counsel to be required pursuant to applicable law) in a manner that adversely affects an Eligible Executive without such impacted Eligible Executive's written consent, and provided, further, that no amendment, termination, or discontinuance of either the Plan or any provision of the Plan that has the effect of reducing or diminishing the potential benefits an Eligible Executive may receive under the Plan, shall be effective with respect to the Eligible Executive until the first anniversary of such amendment, termination, or discontinuance, except for an amendment to the administrative provisions of the Plan that is considered by counsel to be required pursuant to applicable law.

6. **Section 280G.** Notwithstanding anything to the contrary in the Plan, by participating in the Plan, each Eligible Executive expressly agrees that if the payments and benefits provided for in the Plan or any other payments and benefits which such Eligible Executive has the right to receive from the Company Group or its Affiliates (collectively, the "Parachute Payments"), would constitute a "parachute payment" (as defined in Section 280G(b)(2) of the Code), then the Parachute Payments shall be either (a) reduced (but not below zero) so that the present value of the Parachute Payments will be \$1.00 less than 3 times the Eligible Executive's "base amount" (as defined in Section 280G(b)(3) of the Code) and so that no portion of the Parachute Payments received by the Eligible Executive shall be subject to the excise tax imposed by Section 4999 of the Code or (b) paid in full, whichever produces the better net after-tax position to the Eligible Executive. The reduction of Parachute Payments, if any, shall be made by reducing first any Parachute Payments that are exempt from Section 409A of the Code and then reducing any Parachute Payments subject to Section 409A of the Code in the reverse order in which such Parachute Payments would be paid or provided (beginning with such payment or benefit that would be made last in time and continuing, to the extent necessary, through to such payment or benefit that would be made first in time). The determination as to whether any such reduction in the Parachute Payments is necessary shall be made by the Plan Administrator in good faith.

7. **Claims Procedure; ERISA.**

(a) **Plan Administrator.** The Plan Administrator shall be the "administrator" and a "named fiduciary" under this Plan for purposes of ERISA.

(b) Processing Claims. Although it is not normally necessary to file a claim in order to receive benefits under the Plan, any Eligible Executive who has not been granted benefits under the Plan and who believes that he or she is entitled to any benefits under the Plan shall present such claim in writing to the Company. The processing of claims for benefits and payments under the Plan will be carried out as quickly as possible. If an individual is not selected for participation in the Plan or does not satisfy the conditions for eligibility in the Plan, he or she is not entitled to benefits or payments under the Plan.

(c) Decision. If an individual's claim for benefits under the Plan is denied, the individual will receive a written notice within 90 days (in special cases, more than 90 days may be needed and such individual will be notified in this case):

- (i) requesting additional material or information to further support the claim, and the reasons why these are necessary,
- (ii) setting forth specific reasons as to why the claim was denied,
- (iii) setting forth clear reference to the Plan provisions upon which the denial is based, and

(iv) providing notice of the individual's right to have the denial reviewed as explained below (which explanation shall also include a statement of the individual's right to bring a civil action under Section 502(a) of ERISA following a denial of the claim upon review).

(d) Request for Review of Denial of Benefits. The individual or his or her authorized representative may request a review of his or her claim by giving written notice to the Plan Administrator. Each individual has the right to have representation, review pertinent documents, and present written issues and comments. An individual's request must be made not later than 60 days after he or she receives the notice of denial. If an individual fails to act within the 60-day limit, the individual loses the right to have his or her claim reviewed. The individual may review or receive copies, upon request and free of charge, of any documents, records or other information "relevant" (within the meaning of Department of Labor Regulation 2560.503-1(m)(8)) to the individual's claim. The individual may also submit written comments, documents, records and other information relating to his or her claim.

(e) Decision on Review. Upon receipt of a request for review from an individual, the Plan Administrator shall make a full and fair evaluation and may require additional documents necessary for such a review. The Plan Administrator shall make a decision within 60 days from receipt of the individual's request. In the event of special circumstances, a decision will be given to the individual as soon as possible, but not later than 120 days after receipt of the individual's request for review. The decision on the review shall be in writing and shall include specific reasons for the decision. The final decision of the Plan Administrator shall be conclusive and binding upon all Persons having or claiming to have an interest in the matter being reviewed. Any notice and decisions by the Plan Administrator may be furnished electronically in accordance with Department of Labor Regulation 2520.104b-1(c)(i), (iii) and (iv).

(f) No Limitation of Rights. Nothing in this Section 7 shall limit the Eligible Executive's ability to file or bring a claim, proceeding, or legal action for relief with respect to any right or claim for payments or benefits under the Plan.

8. **General Information.**

(a) No Right to Continued Employment. Nothing contained in the Plan shall confer upon any Eligible Executive any right to continue in the employ of any member of the Company Group nor interfere in any way with the right of the Company to terminate his or her employment, with or without cause.

(b) Plan Not Funded. Amounts payable under the Plan shall be payable from the general assets of the Company, and no special or separate reserve, fund or deposit shall be made to assure payment of such amounts. No Eligible Executive, beneficiary or other person shall have any right, title or interest in any fund or in any specific asset of the Company by reason of participation hereunder. Neither the provisions of the Plan, nor the creation or adoption of the Plan, nor any action taken pursuant to the provisions of the Plan shall create, or be construed to create, a trust of any kind or a fiduciary relationship between the Company and any Eligible Executive, beneficiary or other person. To the extent that an Eligible Executive, beneficiary or other person acquires a right to receive payment under the Plan, such right shall be no greater than the right of any unsecured general creditor of the Company. Notwithstanding the foregoing, the Company shall have the right to implement or set aside funds in a grantor trust, subject to the claims of the Company's creditors or otherwise, to discharge its obligations under the Plan.

(c) Non-Transferability of Benefits and Interests. All amounts payable under the Plan are non-transferable, and no amount payable under the Plan shall be subject in any manner to sale, transfer, anticipation, alienation, assignment, pledge, encumbrance, or charge. This Section 8(c) shall not apply to an assignment of a contingency or payment due after the death of an Eligible Executive to the deceased Eligible Executive's legal representative or beneficiary.

(d) Discretion of Company, Board, Committee and Plan Administrator. Any decision made or action taken by, or inaction of, the Company, the Board, the Committee or the Plan Administrator arising out of or in connection with the creation, amendment, construction, administration, interpretation and effect of the Plan that is within its authority hereunder or applicable law shall be within the absolute discretion of such entity and shall be conclusive and binding upon all Persons. In the case of any conflict, the decision made or action taken by, or inaction of, the Plan Administrator will control.

(e) Indemnification. Neither the Board, the Committee, the Plan Administrator, any employee of the Company, nor any Person acting at the direction thereof (each such Person an “Affected Person”), shall have any liability to any person (including without limitation, any Eligible Executive), for any act, omission, interpretation, construction or determination made in connection with the Plan (or any payment made under the Plan). Each Affected Person shall be indemnified and held harmless by the Company against and from any loss, cost, liability or expense (including attorneys’ fees) that may be imposed upon or incurred by such Affected Person in connection with or resulting from any action, suit or proceeding to which such Affected Person may be a party or in which such Affected Person may be involved by reason of any action taken or omitted to be taken under the Plan and against and from any and all amounts paid by such Affected Person, with the Company’s approval, in settlement thereof, or paid by such Affected Person in satisfaction of any judgment in any such action, suit or proceeding against such Affected Person; provided, that, the Company shall have the right, at its own expense, to assume and defend any such action, suit or proceeding and, once the Company gives notice of its intent to assume the defense, the Company shall have sole control over such defense with counsel of the Company’s choice. The foregoing right of indemnification shall not be available to an Affected Person to the extent that a court of competent jurisdiction in a final judgment or other final adjudication, in either case, not subject to further appeal, determines that the acts or omissions of such Affected Person giving rise to the indemnification claim resulted from such Affected Person’s bad faith, fraud or willful wrongful act or omission. The foregoing right of indemnification shall not be exclusive of any other rights of indemnification to which Affected Persons may be entitled under the Company’s organizational documents, as a matter of law, or otherwise, or any other power that the Company may have to indemnify such person or hold them harmless.

(f) No Duplication. The payments and benefits under the Plan replace and supersede any severance benefits payable upon a Termination previously established under the Other Severance Arrangements. In no event shall any Eligible Executive receive more than the severance payments or benefits provided for herein, and any severance payments benefits provided under any Other Severance Arrangement or otherwise, to the extent paid, shall reduce the amounts to be paid hereunder.

(g) Governing Law. To the extent not preempted by ERISA or other federal law, all questions pertaining to the construction, regulation, validity and effect of the provisions of the Plan shall be determined in accordance with the laws of Montana without regard to its principles of conflicts of law. BY PARTICIPATING IN THE PLAN, EACH ELIGIBLE EXECUTIVE KNOWINGLY, VOLUNTARILY AND INTENTIONALLY WAIVES ANY RIGHTS SUCH PARTY MAY HAVE TO A TRIAL BY JURY IN RESPECT OF ANY LITIGATION BASED HEREON OR ARISING OUT OF OR IN CONNECTION WITH THE PLAN. Any controversy or claim arising out of or in any way relating to the Plan will be resolved exclusively by confidential final and binding arbitration in accordance with the Federal Arbitration Act. The arbitration shall be administered by JAMS in Bozeman, Montana, pursuant to the JAMS Employment Arbitration Rules & Procedures (the “Rules”) in effect at the time of arbitration (see <http://www.jamsadr.com/rules-employment-arbitration/>). If any term or provision of the Rules conflicts with any term or provision of the agreement to arbitrate, the term or provision of the agreement to arbitrate shall prevail. The arbitrator shall apply, as applicable, federal law (as interpreted in or applicable to the District of Montana) or Montana substantive law and law of remedies. Judgment on any award rendered by the arbitrator may be entered and enforced by any court having jurisdiction thereof. An Eligible Executive shall not be required to pay any type or amount of expense relating to the arbitration if such requirement would invalidate this agreement to arbitrate or would otherwise be contrary to the law as it exists at the time of the arbitration. Any interested Person shall submit claims to the arbitrator regarding issues of arbitrability, the validity, scope, and enforceability of the Plan, the arbitrator’s jurisdiction, as well as any gateway, threshold, or any other challenges to the Plan, including claims that the Plan is unconscionable. The purpose of this provision is to avoid and prevent any judicial intervention in the arbitration process as provided herein for resolving disputes. Any arbitration under this Section 8(g) shall be strictly confidential, and nothing about the arbitration proceeding or any information or documents produced in the arbitration proceeding or made a part of the record therein shall be made public or disclosed to anyone other than the arbitrator(s), the parties, counsel and witnesses, all of whom shall be bound by this requirement of confidentiality.

(h) Severability. If a court of competent jurisdiction determines that any provision of the Plan is invalid or unenforceable, then the invalidity or unenforceability of that provision shall not affect the validity or enforceability of any other provision of the Plan, and all other provisions shall remain in full force and effect.

(i) Notice. Any notice or other communication required or which may be given pursuant to the Plan shall be in writing and shall be deemed to have been duly given when delivered by hand or overnight courier or two days after it has been mailed by United States express or registered mail, return receipt requested, postage prepaid, addressed to the Company, at Bridger Aerospace Group Holdings, Inc., 90 Aviation Ln, Bozeman, MT 59714, Attention: General Counsel; or to the Eligible Executive at the Eligible Executive’s most recent address on file with the Company

(j) No Waiver. The failure of the Company Group to insist upon strict adherence to any term of the Plan on any occasion shall not be considered as a waiver of the rights of the Company Group or deprive the Company Group of the right thereafter to insist upon strict adherence to that term or any other term of the Plan. No failure or delay by the Company Group in exercising any right or power hereunder will operate as a waiver thereof, nor will any single or partial exercise of any such right or power, or any abandonment of any steps to enforce such right or power, preclude any other or further exercise thereof or the exercise of any right or power.

(k) Captions. Captions and headings are given to the sections and subsections of the Plan solely as a convenience to facilitate reference. Such headings shall not be deemed in any way material or relevant to the construction or interpretation of the Plan or any provision thereof.

(l) Successors. The Plan shall inure to the benefit of and be binding upon the Company and its successors, including following a Change in Control.

Exhibit A

BRIDGER AEROSPACE GROUP HOLDINGS, INC.
EXECUTIVE SEVERANCE PLAN

Participation Notice and Agreement

Eligible Executive: [●]

Plan Tier: [●]

I hereby agree to the terms and conditions of the Bridger Aerospace Group Holdings, Inc. Executive Severance Plan (the "Plan"), including the terms set forth in this Participation Notice and Agreement and the Restrictive Covenants (as defined below) incorporated hereto. Terms used but not defined in this Participation Notice or in Exhibit A hereto shall have the meanings assigned to them in the Plan.

I understand that as an Eligible Executive under the Plan, the terms of the Plan will exclusively govern all subject matters addressed by the Plan and I understand that, except as expressly provided in the Plan, the Plan supersedes and replaces, as applicable, any and all agreements (including any prior employment agreement), plans, policies, guidelines or other arrangements, including the Other Severance Arrangements, with respect to all subject matters covered under the Plan and my rights to severance upon any Qualifying Termination (whether a Covered Termination or a CIC Termination).

I acknowledge and recognize the highly competitive nature of the businesses of the Company Group, and that I will be allowed access to confidential and proprietary information (including, but not limited to, trade secrets) about those businesses, as well as access to the prospective and actual customers, suppliers, investors, clients and partners involved in those businesses, and the goodwill associated with the Company Group.

Accordingly, I agree to be bound by the provisions of Exhibit A to this Participation Notice (the "Restrictive Covenants"), which are incorporated by reference into this Participation Notice and made a part hereof.

THE EXECUTIVE:

By _____
Name:

EXHIBIT A
Restrictive Covenants

The Eligible Executive acknowledges and recognizes the highly competitive nature of the businesses of the Company and its Affiliates, that the Eligible Executive will be allowed access to confidential and proprietary information (including, but not limited to, trade secrets) about those businesses, as well as access to the prospective and actual customers, suppliers, investors, clients and partners involved in those businesses, and the goodwill associated with the Company and its Affiliates. The Eligible Executive accordingly agrees to the provisions of Exhibit A to this Agreement (the “Restrictive Covenants”). For the avoidance of doubt, the Restrictive Covenants contained in this Agreement are in addition to, and not in lieu of, any other restrictive covenants or similar covenants or agreements between the Eligible Executive and the Company or any of its Affiliates.

1. Protective Covenants.

- (a) Non-Disclosure of Confidential Information. During the Eligible Executive’s employment, the Eligible Executive will have access to Confidential Information (as defined in this Exhibit A) of the Company Group. The Eligible Executive agrees not to use, disclose, or otherwise disseminate any Confidential Information of the Company. The Eligible Executive shall use the same care and discretion in securing and safeguarding the Confidential Information of the Company as the Eligible Executive uses to secure and safeguard the Eligible Executive’s own Confidential Information, but in no event less than reasonable care. The Eligible Executive also agrees to implement appropriate physical and/or electronic controls to secure Confidential Information, to avoid unauthorized or inadvertent disclosure. The Eligible Executive further agrees to segregate Confidential Information from the Eligible Executive’s own materials and the material of others, and not to combine or otherwise aggregate, in whole or in part, Confidential Information with the information or materials of the Eligible Executive or other persons; provided, that the Eligible Executive shall be entitled to store e-mails and other electronic communications received from the Company or its Affiliates or representatives in the same manner as the Eligible Executive stores all other e-mails received from third parties. The Eligible Executive shall not remove, delete, alter, or obscure any proprietary rights legend(s) included in Confidential Information.

For purposes of this Agreement, “Confidential Information” means confidential, proprietary, or non-public information or materials owned or controlled by the Company, including by way of example and not limitation, inventions (whether or not patentable or reduced to practice), trade secrets, techniques, processes, procedures, test criteria, concepts and designs (including without limitation sketches, drawings and models), know-how, algorithms and models, computer software (whether in source or object code form) and documentation related thereto, research, experimental and development work and results therefrom, design details and specifications, technical data, customer information, and business or financial information, including without limitation information related to future business plans, customer solicitations, and initiatives, sources of material and supply and other sensitive business information. Subject to the conditions set forth in the immediately following paragraph, all proprietary information of the Company disclosed or made available to or otherwise accessed by the Eligible Executive pursuant to the Eligible Executive’s employment contemplated herein shall be considered “Confidential Information” and subject to the terms and conditions of this Section 1(a) regardless of how disclosed or by what medium or means, including without limitation disclosures effected in writing, by delivery of items, by initiation of access, including, by way of example, in an electronic data repository, or by oral and/or visual presentation. Unless the Company advises the Eligible Executive otherwise, all confidential, proprietary, or non-public information, data, or materials provided by the Company to the Eligible Executive shall be considered Confidential Information.

Notwithstanding the above, Confidential Information shall not include any information, data, or materials that: (i) are received by or made available to the Eligible Executive without restriction from another source, where such source has not breached any duty of confidentiality to the Company; (ii) are or become available to the public other than by the Eligible Executive’s breach of this Section 1(a) or an act or action by an Affiliate or representative of the Eligible Executive which, if done or performed by the Eligible Executive, would have been a breach of this Exhibit; (iii) were already known to the Eligible Executive prior to disclosure of the Confidential Information without obligation of confidentiality; or (iv) are independently developed by the Eligible Executive without use of, or access or reference to the Confidential Information.

This provision shall survive the termination of the Participation Notice to the maximum duration permissible under applicable law and the parties intend for this provision to survive indefinitely. In any event, it is the intent of the parties that any Confidential Information which constitutes a trade secret shall remain subject to the confidentiality obligations of this Agreement for as long as it remains a trade secret under applicable law.

(b) Acknowledgement of Non-Disclosure Limitations. Notwithstanding the obligations set forth in Section 1(a), the Eligible Executive acknowledges and understands that:

- (i) Pursuant to 18 U.S.C. § 1833(b), the Eligible Executive has been and is hereby advised that notwithstanding the confidentiality obligations set forth in this Exhibit, the Eligible Executive shall not be held criminally or civilly liable under any federal or state trade secret law for the disclosure of a trade secret that is made in confidence to a Federal, State, or local government official, either directly or indirectly, or to an attorney and solely for the purpose of reporting or investigating a suspected violation of law or is made in a complaint or other document filed in a lawsuit or other proceeding, provided such filing is made under seal; and
- (ii) Neither this Section, nor any other provision of this Exhibit, is intended to, nor shall, limit the Eligible Executive's ability to testify truthfully at a judicial proceeding, to disclose information about a sexual assault or sexual harassment disputes, to speak with law enforcement, the equal employment opportunity commission, the state division of human rights, the attorney general, a local commission on human rights, or an attorney retained by the Eligible Executive; to testify, assist, or participate in an investigation, hearing or proceeding conducted by a government administrative agency; or to engage in any other activity compelled or protected by law.

(c) Intellectual Property, Intangible Property, and Inventions.

- (i) The Eligible Executive agrees that any inventions, processes, designs, materials, products, developments or discoveries (whether or not subject to patent, trademark or copyright protection) that the Eligible Executive may conceive, make, invent, develop, suggest, or reduce to practice within the course of the Eligible Executive's employment with the Company (whether individually or jointly with any other person or persons) (collectively, "Work Product") are exclusively owned by the Company, and shall be the sole and exclusive property of the Company immediately upon their creation. To the extent any Work Product is not deemed to be automatically and exclusively owned by the Company upon creation for any reason, the Eligible Executive with effect from creation of any and all Work Product, agrees to assign, and hereby does assign, to the Company all right, title and interest in and to such Work Product, including but not limited to all copyrights, right thereunder, and similar protections and renewals and extensions thereof; all trademarks, trade names, service names, service marks, logos, trade dress, brand names, and domain names, whether common law or otherwise, as well as all trademark registrations, applications and all issuances, extensions, and renewals thereof ("Trademarks") together with the goodwill of the business connected with the use of, and symbolized by, the Trademarks; all patents, patent applications, patentable subject matters, and all issuances, divisions, continuations-in-part, reissues, extensions, reexaminations, and renewals thereof, and any subsequent patents with the same inventive subject matter; any and all causes of action that may have accrued or accrue after the date hereof in the Eligible Executive's favor for infringement of the Work Product; any and all royalties, fees, income, payments and other proceeds due or payable with respect to any and all of the foregoing; and all other rights of any kind of the Eligible Executive accruing under any of the foregoing as provided by applicable law, including all extensions and renewals thereof. The foregoing assignment includes all rights of paternity, integrity, attribution, withdrawal, and other so-called "moral rights" that may be recognized in any jurisdiction, and to the extent such rights cannot be legally assigned, the Eligible Executive expressly waives such rights to the maximum extent permitted under applicable law.

- (ii) The Eligible Executive agrees to provide all assistance reasonably requested by the Company, both during and subsequent to the Eligible Executive's employment, in the establishment, preservation, and enforcement of the Company's rights in the Work Product, including, without limitation, the execution of confirmatory assignments, licenses, waivers, or other documentation. The Eligible Executive shall not use or incorporate any intellectual property or proprietary material owned or controlled by a third party in any Work Product without the Company's express prior authorization. The Eligible Executive will disclose promptly to the Company all Work Product that the Eligible Executive creates, invents, conceives, discovers, develops, improves, or reduces to practice, whether solely or jointly with others, during the term of employment.
- (iii) The Company and the Eligible Executive agree that the foregoing assignments of Work Product shall not apply to intellectual property and/or proprietary materials for which no equipment, supplies, facilities or Company property or materials were used, and which were developed entirely and exclusively using the Eligible Executive's own time and resources, unless: the material relates directly to the Company's business or to the Company's actual or demonstrably anticipated research or development; or the materials were created or developed as the result of any work performed by the Eligible Executive for the Company or activities performed by the Eligible Executive in furtherance of the duties or responsibilities of his employment. The Company further agrees that any intellectual property and/or inventions that are wholly unrelated to the Company's business, that have been made by the Eligible Executive (independently or jointly with others) prior to the date of this Agreement entirely without any involvement, input, or collaboration with the Company, and are the subject of a pending patent application or issued patent, are specifically excluded from the assignment of rights contained in this Exhibit.

- (d) Restrictive Covenants. The Eligible Executive acknowledges that, in the course of the Eligible Executive's employment, the Eligible Executive will have access to Confidential Information, strategic plans, financial data, acquisition strategies, financing relationships, and other sensitive information, and will develop relationships with employees, suppliers, lenders, investors, and other business partners. Accordingly, the Eligible Executive agrees as follows:
- (i) For purposes of this Exhibit, "Affiliate" means any entity controlling, controlled by, or under common control with the Company, where control may be by management authority, equity interest, trusteeship, membership, or otherwise.
 - (ii) For purposes of this Exhibit, "Competitive Business" means any business that directly competes with a material line of business of the Company or its Affiliates as of the date of termination, in any geographic area in which the Company conducts material business operations or has demonstrable plans to conduct business within the Restricted Period.
 - (iii) For purposes of this Exhibit, "Restricted Period" means the 12 month period following the termination of the Eligible Executive's employment for any reason.
 - (iv) Agreement Not to Compete. During the Restricted Period, the Eligible Executive shall not, directly or indirectly, whether as an employee, consultant, advisor, partner, officer, director, investor (other than as a passive holder of less than 2% of the outstanding securities of a publicly traded company), or otherwise, provide services in a senior executive, financial, operational, or strategic capacity to any Competitive Business in a role that is the same as or substantially similar to the duties and responsibilities the Eligible Executive performed for the Company.
 - (v) Non-Solicitation of Employees. During the Restricted Period, the Eligible Executive shall not, directly or indirectly, solicit for employment, hire, or assist any other person or entity in hiring any employee of the Company or its Affiliates with whom the Eligible Executive worked or about whom the Eligible Executive obtained Confidential Information during the last 12 months of his or her employment.

- (vi) Non-Solicitation of Business Relationships. During the Restricted Period, the Eligible Executive shall not, directly or indirectly, solicit, divert, or attempt to divert any material customer, supplier, lender, investor, or other business partner of the Company or its Affiliates with whom the Eligible Executive had material contact or about whom the Eligible Executive received Confidential Information during the last 12 months of his employment, for the purpose of providing products or services that compete with those offered by the Company.
- (vii) Non-Disparagement. During the Restricted Period, the Eligible Executive shall not make any knowingly false or materially misleading statements that disparage the Company, its Affiliates, or their respective officers, directors, products, or services; provided, however, that nothing herein restricts truthful statements made in response to legal process or protected whistleblower activity.
- (viii) Reasonableness; Judicial Modification. The Eligible Executive acknowledges that the restrictions set forth in this Exhibit are reasonable in terms of duration, geographic scope, and subject matter, and are necessary to protect the Company's legitimate business interests. If any provision of this Exhibit is determined to be unenforceable, a court of competent jurisdiction shall modify such provision to the minimum extent necessary to render it enforceable and, as modified, enforce such provision.
- (ix) Remedies. The Eligible Executive acknowledges that a breach of this Exhibit may cause irreparable harm for which monetary damages may be inadequate. Accordingly, in addition to any other remedies available at law or in equity, the Company shall be entitled to seek injunctive or equitable relief to enforce this Exhibit, without the necessity of posting bond except as required by applicable law.

2. **Return of The Company Property**. Upon termination of the Eligible Executive's employment for any reason, or at any other time upon the Company's reasonable written request, the Eligible Executive shall promptly return to the Company all property, materials, and documentation relating to or belonging to the Company that are in the Eligible Executive's possession, custody, or control, including, without limitation, equipment, records, reports, memoranda, documents, notes, manuals, drawings, lists, Confidential Information, and Work Product, whether in physical or electronic form, together with all copies thereof.

Notwithstanding the foregoing, the Eligible Executive may retain (i) personal contact information, (ii) documents relating solely to the Eligible Executive's compensation, benefits, or equity awards, (iii) documents required to be retained for tax or personal recordkeeping purposes, and (iv) one archival copy of materials reasonably necessary to comply with legal or regulatory obligations, provided that such retained materials do not contain Confidential Information beyond what is necessary for such purposes and remain subject to the confidentiality obligations of this Exhibit.

The Eligible Executive agrees that, except as expressly permitted above, the Eligible Executive shall not retain any Company documents, data, or other materials, including any Confidential Information or Work Product, following the termination of employment.

Exhibit B

Plan Tiers

The Severance Multiple, Bonus Multiple, Health Continuation Period, and Equity Vesting applicable to an Eligible Executive under the Plan, in the case of either (a) a Covered Termination or (b) a CIC Termination, in each case, shall be consistent with the below table, based on the corresponding Plan Tier set forth in an Eligible Executive's Participation Notice.

	Tier A	Tier B	Tier C
(a) Covered Termination			
Severance Multiple:	1.50x	1.00x	0.75x
Bonus Multiple:	1.00x	1.00x	1.00x
Health Continuation Period (months):	18	12	12
Equity Vesting – Qualifying Equity Awards that would have vested within the stated number of months following a Termination will vest in full and become non-forfeitable	24	12	12
(b) CIC Termination			
Severance Multiple:	2.00x	1.50x	1.00x
Bonus Multiple:	1.50x	1.50x	1.00x
Health Continuation Period (months):	24	18	18
Equity Vesting – Qualifying Equity Awards that would have vested within the stated number of months following a Termination will vest in full and become non-forfeitable	All outstanding Qualifying Equity Awards, regardless of vesting schedule	24	18

+ *Certain personally identifiable information has been redacted pursuant to Item 601(a)(6) of Regulation S-K.*

Date: 12/20/2025

Adolphus "Bill" Andrews
Email: ***

Bill,

I am pleased to offer you employment with Bridger Aerospace Group Holdings, Inc. (the "Company") in the position of Chief Operating Officer in our Belgrade, Montana office with a tentative start date of February 16, 2026 (the "Start Date"). You will report directly to the Company's Chief Executive Officer Sam Davis, and your job responsibilities will encompass those tasks that the Company may assign.

Base Salary. Your annual base salary will be \$400,000. Your salary will be payable in accordance with the regular payroll practices of the Company and subject to adjustment from time to time by the Board or the Compensation Committee of the Board (the "Compensation Committee") at its discretion.

Short Term Incentive (STI). You will be eligible for a discretionary cash bonus, with an initial target bonus opportunity of 40% of your annual base salary, in the amount of \$160,000 (on a pro rata basis) that is in line with Company standards and based on, but not limited to, a combination of both Company and personal performance.

Long Term Incentive (LTI). You will also be eligible to participate in the Company's stock incentive plan. The Company is pleased to offer you a grant of Restricted Stock Units (RSU) in the amount of one (1.25x) times your annual base salary equal to \$500,000 in shares. These RSUs will be subject to the terms and conditions of the 2023 Omnibus Incentive Plan (the "Plan") and the Restricted Stock Unit Award Agreement (the "Agreement"). Subject to the terms of the Plan and the Agreement, the RSUs will vest in equal annual portions over a 3-year period, provided that the vesting of your RSU grant is contingent upon your continued employment at the Company, and a portion of this RSU grant may be subject to forfeiture.

Inducement Equity Grant. As part of your employment offer with Bridger Aerospace, you will be granted a one-time equity award with a grant date fair value of \$500,000 (the "Inducement Grant"). The Inducement Grant will be made in the form of restricted stock units ("RSUs"). The RSUs will be granted on or as soon as reasonably practicable following your start date. The RSUs will vest over a one-year period, with 50% vesting on your start date and the remaining 50% vesting on the one-year anniversary, in each case subject to your continued employment with the Company through each vesting date.

All vesting is subject to continued employment and will cease upon termination, except as otherwise provided under the terms of the award agreement or any applicable severance or change-in-control arrangement.

Relocation Assistance. To support your transition to the Bozeman, Montana area, Bridger Aerospace will provide a relocation package designed to ensure a smooth and timely move. The Company will reimburse reasonable and customary relocation expenses up to \$90,000, including travel to the area, household goods shipment, and other pre-approved moving costs.

Relocation expenses will be reimbursed upon submission of proper documentation in accordance with Company policy.

You agree to relocate to the Bozeman area within 8 months of your start date or another mutually agreed-upon timeframe.

Temporary Housing & Vehicle Support. Bridger Aerospace will provide company-funded temporary housing and a temporary vehicle for a period of up to 8 months from your Start Date. Housing and vehicle arrangements will be coordinated through Bridger, and all costs associated with these temporary accommodations will be covered directly by the company. This support will conclude at the earlier of (i) eight months from your Start Date or (ii) the date you secure permanent housing and transportation.

Reimbursements, the value of temporary housing, vehicle use, or related allowances provided by the company will be treated consistent with applicable tax laws, and any taxable amounts will be included in your regular payroll subject to required withholdings.

Participation in Employee Benefit Plans. You will be eligible to participate in the Company's other benefits including group health, vision and dental insurance as well as the Company's 401k program. Your participation will be subject to the terms of the applicable plan documents and generally applicable Company policies. You will receive 20 days of paid vacation per calendar year earned ratably at 1.67 days per month, and you will receive 7 sick days.

Employment Agreement. Within 30 days of your Start Date, Bridger Aerospace will provide you with a formal Employment Agreement. This agreement will outline the full terms and conditions of your employment, and other key provisions. It will also include detailed terms governing (i) termination by the Company without Cause, (ii) your resignation for Good Reason, and (iii) termination in connection with a Change in Control, including any associated severance benefits. The Employment Agreement will supersede any conflicting terms in this offer letter and will govern the ongoing employment relationship between you and Bridger.

This offer of employment and the Start Date are contingent upon on (i) obtaining legal status for employment in the US; (ii) signing the Company employee handbook and other internal policies and (iii) successful completion of criminal and driving background checks. Bill, we are excited about having you join our team and look forward to working with you to continue the development of our Company.

Best Regards,

/s/ Sam Davis

Sam Davis

Chief Executive Officer

I accept employment with Bridger Aerospace Group Holdings, Inc. on the terms described.

/s/ Adolphus Andrews

Adolphus Andrews

RETENTION AND TRANSITION AGREEMENT

This Retention and Transition Agreement (“Agreement”) is entered into as of March 10, 2026 (“Effective Date”), by and between Bridger Aerospace Group Holdings, Inc., a corporation organized and existing under the laws of the State of Delaware, with its headquarters and principal office located at 90 Aviation Lane, Belgrade, Montana, 59714, referred to in this Agreement as Company, and Eric Gerratt of Meridian, Idaho, referred to in this Agreement as Executive.

AGREEMENT

In consideration of the matters described above, and of the mutual obligations set forth in this Agreement, the parties agree as follows:

1. **Prior Agreements.** This Agreement is intended to supersede and completely replace all prior written and/or oral employment agreements existing between the parties.

2. **Purpose**

The Company and Executive acknowledge that Executive currently serves as Chief Financial Officer and that as a result of the Executive’s planned retirement, the Company is undertaking a leadership transition to a new Chief Financial Officer. This Agreement is intended to (i) retain Executive through the successful completion of the CFO transition, (ii) ensure continuity, knowledge transfer, and operational stability, and (iii) provide Executive with certain retention and transition-related benefits in exchange for continued service and cooperation through the Transition Period (as defined below).

3. **Transition Period and Duties**

(a) **Transition Period.** The “Transition Period” shall begin on the Effective Date and end on April 3, 2026, in good faith, that the transition to the incoming Chief Financial Officer has been successfully completed (the “Transition Completion Date”).

(b) **Transition Services**

During the Transition Period, Executive agrees to:

- i. Continue to perform assigned CFO duties and responsibilities in a professional and cooperative manner;
- ii. Support onboarding, training, and knowledge transfer to the incoming Chief Financial Officer;
- iii. Assist with financial, operational, and strategic matters reasonably requested by the Company to ensure a smooth transition; and

Maintain regular availability and responsiveness consistent with Executive’s role.

4. **Retention Bonus**

(a) **Retention Bonus Amount**

Subject to Executive's continued service through the Transition Completion Date and compliance with this Agreement, the Company shall pay Executive a retention bonus in the gross amount of One Hundred Eighty Thousand Dollars (\$180,000) (the "Retention Bonus").

(b) **Payment Timing**

The Retention Bonus shall be paid in a lump sum within thirty (30) days following the Transition Completion Date, subject to applicable tax withholdings.

(c) **Forfeiture**

If Executive voluntarily resigns prior to the Transition Completion Date or is terminated for Cause (as defined in the applicable employment agreement or plan), Executive shall forfeit any unpaid Retention Bonus.

5. **Equity Vesting**

(a) **Vesting**

Executive currently holds 300,000 unvested restricted stock units ("RSUs"). Effective as of the Transition Completion Date, such RSUs will become non-forfeitable and shall continue to vest in accordance with the following schedule:

- 125,000 RSUs on January 24, 2027
- 50,000 RSUs on January 24, 2028
- 125,000 RSUs on January 24, 2029

(b) **Governing Plan**

The vesting described above shall be subject to and governed by the terms of the Company's applicable equity incentive plan and award agreements, except as expressly modified by this Agreement.

6. **COBRA Premium Payments**

(a) **COBRA Coverage**

Provided Executive elects to continue healthcare coverage, the Company shall pay Executive's COBRA premiums (excluding any dependent coverage unless otherwise required by law) for 12 months following the date of termination (the "COBRA Payment Period").

Tax Treatment

COBRA premium payments shall be structured to comply with applicable law and may be paid directly to the COBRA administrator or reimbursed to Executive, at the Company's discretion. COBRA payments shall cease earlier upon Executive's eligibility for comparable group health coverage through another employer.

7. **No Other Severance Entitlement**

Except as expressly provided in this Agreement, nothing herein shall create any additional severance, bonus, or equity entitlement. This Agreement does not modify any rights or obligations under Executive's existing employment agreement except as explicitly stated.

8. **Confidentiality and Restrictive Covenants**

Executive reaffirms all confidentiality, proprietary information, non-competition, non-solicitation, and non-disparagement obligations owed to the Company under any existing agreements, which shall remain in full force and effect.

9. **Taxes**

Executive shall be solely responsible for all personal tax obligations arising from payments or benefits under this Agreement. The Company may withhold all required taxes.

10. **Governing Law**

This Agreement shall be governed by and construed in accordance with the laws of the State of Delaware, without regard to conflict of laws principles.

11. **Entire Agreement**

This Agreement constitutes the entire agreement between the parties regarding the subject matter hereof and may be amended only by a written agreement signed by both parties.

IN WITNESS WHEREOF, the parties have duly executed this Agreement as of the day and year first written above.

/s/ Eric Gerratt 03/10/2026

Eric Gerratt Date

/s/ Sam Davis 03/10/2026

Sam Davis Date

For: Bridger Aerospace Group Holdings, Inc.

TRANSITION AGREEMENT AND GENERAL RELEASE

This Transition Agreement and General Release (the "**Agreement**") is entered into as of March 25, 2026, to be reaffirmed on April 3, 2026 and to become effective on April 11, 2026, provided it is reaffirmed and not revoked before that time (the "**Effective Date**"), by and between (1) **Bridger Aerospace Group Holdings, Inc.**, a Delaware corporation (the "**Company**"), and (2) **James Muchmore** (the "**Employee**"). The Company and the Employee are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties.**"

RECITALS

WHEREAS, the Employee has been employed by the Company as Chief Legal Officer and Executive Vice President pursuant to an Employment Agreement dated January 13, 2023;

WHEREAS, the Employee's employment with the Company will end on April 3, 2026 (the "**Separation Date**");

WHEREAS, the Parties desire to resolve all matters arising from or related to the Employee's employment and separation therefrom;

NOW, THEREFORE, in consideration of the mutual covenants and agreements set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

1. SEPARATION FROM EMPLOYMENT. Employee shall resign from his position as Chief Legal Officer and Executive Vice President on the Separation Date. The Employee acknowledges that, as of the Separation Date, the Employee is no longer authorized to act on behalf of the Company in any capacity.

2. TRANSITION BENEFITS

a. In consideration of the Employee's execution of this Agreement and compliance with its terms, the Company agrees to pay the Employee a lump sum payment of \$212,500 (the "**Transition Payment**"), less applicable taxes and withholdings, within two days of the Effective Date. The Transition Payment shall be made on April 13, 2026 provided that Employee reaffirms this Agreement on the Separation Date and does not revoke this Agreement during the revocation period.

b. The Company will continue the Employee's group health insurance coverage under COBRA for the later of (i) 12 months following the Separation Date, or (ii) the date that the Employee secures health insurance with another employer, with the Company paying 100% of the applicable premium.

c. No later than 5 days after the Separation Date, Company will issue Employee 108,893 restricted stock units ("RSUs"), which RSUs shall vest immediately, and the Company shall take all necessary steps to make the RSUs available for transfer to

Employee's private brokerage account. All other previously unvested RSUs issued to Employee shall be forfeited and cancelled and Employee shall have no right to receive any such RSUs or other equity benefits. Employee confirms that this forfeiture is knowing and voluntary and is in exchange for the other Transition Benefits and agreements of Employer set forth in this Transition Agreement and General Release.

c. Employee's reaffirmance of this Agreement on April 3, 2026 will serve as Employee's agreement that he has received all wages, salary, accrued and unused vacation, personal days, and any other benefits and compensation that Employee earned during his employment.

3. GENERAL RELEASE OF CLAIMS.

a. In exchange for the Transition Benefits described in Section 2 herein, the Employee, on behalf of himself and his heirs, executors, administrators, successors, and assigns, hereby irrevocably and unconditionally releases, acquits, and forever discharges the Company, and each of its past and present parents, subsidiaries, affiliates, officers, directors, employees, agents, attorneys, insurers, successors, and assigns (collectively, the "**Released Parties**"), from any and all claims, demands, actions, causes of action, suits, damages, losses, and expenses of any nature whatsoever, known or unknown, fixed or contingent (collectively, "Claims"), which the Employee has or may have arising from or relating in any way to the Employee's employment with the Company or the resignation therefrom, including but not limited to:

i. Claims under Title VII of the Civil Rights Act of 1964, the Age Discrimination in Employment Act (ADEA), the Americans with Disabilities Act (ADA), the Family and Medical Leave Act (FMLA), the Equal Pay Act, the Employee Retirement Income Security Act (ERISA), the Genetic Information Act, Colorado's Protected Health/Safety Expression and Whistleblowing law, the Colorado Anti-Discrimination Act, Colorado's Equal Pay for Equal Work Act, and any other federal, state, or local statute, ordinance, regulation, or common laws;

ii. Claims for wrongful termination, breach of contract (express or implied), breach of the covenant of good faith and fair dealing, defamation, invasion of privacy, intentional or negligent infliction of emotional distress, or any other tort;

iii. Claims for unpaid wages, overtime, bonuses, commissions, vacation pay, Transition pay (other than as provided herein), or any other compensation or benefits, to the extent permitted by law; and

iv. Any other claim arising under federal, state, or local law in connection with the Employee's employment or the resignation therefrom.

b. ADEA / OWBPA Compliance

This Agreement is intended to comply with the Older Workers Benefit Protection Act ("**OWBPA**"). The Employee acknowledges that: (a) this Agreement is written in plain language and the Employee understands its terms; (b) the Employee has been advised to consult with an attorney prior to signing; (c) the Employee has been given at least **21 days** to consider this Agreement; (d) the Employee has **7 days** following execution to revoke this Agreement by delivering written notice to the Company; and (e) the release of ADEA claims is in exchange for consideration exceeding anything to which the Employee is already entitled.

c. Exclusions from Release

Notwithstanding the foregoing, this release does not apply to: (a) claims that cannot be waived as a matter of law; (b) claims arising after the Effective Date of this Agreement; (c) the Employee's right to file a charge with or participate in an investigation by a government agency (provided the Employee waives any right to personal monetary relief in connection therewith); or (d) any vested retirement benefits to which the Employee is entitled.

4. PUBLIC COMMUNICATION ABOUT EMPLOYEE'S DEPARTURE

The parties agree to collaborate on any public communications about Employee's departure from the Company. Employee shall have the ability to review, edit, and approve any communications on this topic. Employee shall not unreasonably withhold such approval.

5. CONFIDENTIAL INFORMATION

Employee agrees that he is bound by the terms of the Confidential Information policy in the Company's Code of Conduct, which Employee signed on January 23, 2023, and which is incorporated by reference herein.

6. MUTUAL NON-DISPARAGEMENT

Pursuant to the Colorado POWR Act, Employee and the Company agree not to disparage or defame the other. Such restriction does not prohibit Employee from disclosing the underlying facts of any alleged discriminatory or unfair employment practice, including the existence and terms of a settlement agreement, to Employee's immediate family members, religious advisor, medical or mental health provider, mental or behavioral health therapeutic support group, legal counsel, financial advisor, or tax preparer. Such restriction does not prohibit Employee from disclosing the underlying facts of any alleged discriminatory or unfair employment practice to any government agency, including the existence and terms of a settlement agreement, or in response to a subpoena without first notifying the employer. In relation to the Company, the Company will not authorize or permit any disparaging or defamatory statements about Employee to be made on behalf of the Company. However, the Company cannot be liable for unauthorized comments by non-executive and non-board member employees.

The Parties acknowledge that disclosure of the underlying facts of any alleged discriminatory or unfair employment practice, does not constitute disparagement of the Company or others involved. The Company may not seek to enforce this provision or seek damages if the Company has breached this term first and disparaged Employee in violation of this section.

6. NO ADMISSION OF LIABILITY

This Agreement is not, and shall not be construed as, an admission of any wrongdoing, liability, or violation of any law or regulation by either Party. Both Parties expressly deny any such wrongdoing or liability.

7. ENTIRE AGREEMENT; AMENDMENTS

This Agreement constitutes the entire agreement between the Parties with respect to the subject matter hereof and supersedes all prior agreements, representations, and understandings, whether written or oral, relating to the Employee's separation from employment. This Agreement may not be modified or amended except by a written instrument signed by both Parties.

8. GOVERNING LAW AND DISPUTE RESOLUTION

This Agreement shall be governed by and construed in accordance with the laws of the State of Colorado, without regard to its conflict of laws principles. Any dispute arising out of or relating to this Agreement shall be resolved in state or federal court in Colorado.

9. SEVERABILITY

If any provision of this Agreement is held to be invalid or unenforceable, such provisions shall be modified to the minimum extent necessary to make it enforceable, and the remaining provisions shall remain in full force and effect.

10. KNOWING AND VOLUNTARY EXECUTION

THE EMPLOYEE ACKNOWLEDGES THAT THEY HAVE READ THIS AGREEMENT CAREFULLY, UNDERSTAND ITS TERMS, AND ARE SIGNING IT VOLUNTARILY AND OF THEIR OWN FREE WILL. THE EMPLOYEE HAS BEEN ADVISED TO CONSULT WITH AN ATTORNEY PRIOR TO SIGNING.

IN WITNESS WHEREOF, the Parties have first executed this Agreement as of the date first written above.

FOR THE COMPANY:

/s/ Samuel C. Davis

Authorized Signature

Printed Name: Samuel C. Davis Title: Chief Executive Officer Date:
March 25, 2026

FOR THE EMPLOYEE:

/s/ James Muchmore

Employee Signature

Printed Name: James Muchmore Date: March 25, 2026

FURTHER, EMPLOYEE RE-AFFIRMS THIS AGREEMENT AS OF APRIL 3, 2026.

FOR THE EMPLOYEE:

/s/ James Muchmore

Employee Signature

Printed Name: James Muchmore Date: April 3, 2026

ADDENDUM TO THE AGREEMENT

Bridger Aerospace Group Holdings, Inc. and James Muchmore attest that the attached Agreement complies with Colorado Revised Statute § 24-34-407(1).

Dated: March 25, 2026

/s/ James Muchmore

James Muchmore

Dated: March 25, 2026

Bridger Aerospace Group Holdings, Inc.

/s/ Samuel C. Davis

By: Samuel C. Davis

Its: Chief Executive Officer

CERTIFICATION

I, Sam Davis, certify that:

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

Dated: May 8, 2026

By: /s/ Sam Davis

Name: Sam Davis

Title: Chief Executive Officer

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: May 8, 2026

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

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

In connection with the Quarterly Report of Bridger Aerospace Group Holdings, Inc. (the "Company") on Form 10-Q for the period ended March 31, 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: May 8, 2026

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

Dated: May 8, 2026

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