FOUR TREE ISLAND ADVISORY LLC
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November 25, 2025

BY EMAIL AND OVERNIGHT MAIL

Willis Lease Finance Corporation
4700 Lyons Technology Parkway
Coconut Creek, FL 33073
Attn: Board of Directors

Dear Members of the Board:

Four Tree Island Advisory LLC ("Four Tree Island" or "we") is a significant and long-term stockholder of Willis Lease Finance Corporation ("Willis," "WLFC" or the "Company"). Based on publicly available information, we believe we are a top 10 stockholder and one of the largest unaffiliated stockholders of the Company.

As a preliminary matter, we would like to recognize that the Company's management and board of directors (the "Board") have built an excellent underlying operating business, and that the Company appears to be well positioned in an industry that has never been operating at loftier levels and has arguably never had greater prospects given the strong near-, medium- and long-term outlook for thrust and the lack of capacity to provide it. At the same time, we believe that Willis is deeply undervalued and that there are readily available opportunities within the control of management and the Board to unlock considerable value for the benefit of **all** stockholders.

It is our sincere desire to work collaboratively with the Board and management team to help improve the Company and drive value. With that in mind, we have identified three primary areas of concern (each of which is readily correctable) that we believe are negatively impacting the Company's share price, performance, valuation and reputation:

- Reporting and communication with and cultivation of both the buy- and sell-side communities;

- Governance deficiencies that give rise to structural misalignment between management and minority stockholders — creating the ethos of "heads management wins, tails minority stockholders lose;" and

- Seeming indifference from management and the Board about how the two aforementioned vectors are leading to pronounced underperformance in WLFC shares and a meaningful drag on WLFC's results.

In our view, WLFC's marked YTD underperformance vs. its two best public comparables, FTAI Aviation Ltd. ("FTAI") and AerCap Holdings N.V. ("AerCap"), can be attributed primarily to these three vectors. As of November 24, 2025, WLFC is down 45%. Over the same period, FTAI is up 13% and AerCap is up

37% (that is, **WLFC has underperformed by 58% and 82%** vs. FTAI and AerCap, respectively).[1] We also firmly believe that WLFC's materially lower *valuation multiples* are a direct result of these same issues. Price-to-Forward-Earnings (~6x for WLFC vs. ~33x for FTAI), Price-to-Book (~1x for WLFC vs. ~66x for FTAI), and other multiples tell an unfavorable story of the market's view of WLFC.[2]

We are confident that implementing improved communications and governance reforms as detailed below will help improve the Company's financial performance, align management's and minority stockholders' interests and make WLFC more investable. In turn, we believe this will lead to significant capital appreciation for all stockholders (none more so than the Willis family).

PROPOSED MEASURES:

I. Measures to address the deficiency in reporting, communication and cultivation of both the buy-side and sell-side communities.

While Willis's institution of quarterly earnings calls has been a welcome development, there is significant room for improvement in how earnings are communicated and calls are conducted, and, more generally, in how the Company furnishes information to stockholders and the market.

1. Willis should be posting earnings releases to its website on a timely basis.

   The earnings release is typically not posted until well after the earnings call is conducted. Willis should be posting its earnings release to its website simultaneously with the release hitting the wire.

2. Willis should be consistently providing thorough, thoughtful earnings presentations along with its earnings calls.

   Willis typically fails to provide an earnings presentation with its earnings release (five of the six earnings calls to date have had no presentation for investors), and the one time a presentation was provided, it left much to be desired. Earnings presentations are de rigueur for FTAI and AerCap. Given the difficulty of following all the financial information communicated during earnings calls, it would be very beneficial to offer presentation slides to help describe the results.

3. When providing earnings presentations, Willis should address major new initiatives and out-of-the-blue charges/expenses.

   Q1 2025 provides a prime example of an instance in which a presentation was provided, but there was not one slide that addressed the $11.4 million consulting fee, which single-handedly reduced EPS by $1.09, or 33%! Nor was there reporting of what was really going on with the Company's Sustainable Aviation Fuel ("SAF") initiative, which could be highly material to Willis's business and capital outlay plans.

[1] Schwab as of market close on November 24, 2025.
[2] Schwab as of market close on November 24, 2025. The referenced Price-to-Book ratio for WLFC is adjusted for the discrepancy between appraised value and book value of its engines.

In contrast, here are links to the slide decks for Q1 2025 for FTAI and AerCap:

- FTAI Q1 2025 Presentation
- AerCap Q1 2025 Presentation

The thoroughness and lucidity of these presentations are meaningfully superior to what WLFC has historically provided.

4. Given the frequency of one-off items over the last year(s) as well as the nuances of financial reporting for leasing businesses, Willis should seriously consider providing non-GAAP "adjusted" earnings and EPS numbers in its earnings releases and investor presentations.

   In two of three quarters in 2025, WLFC reported significant year-over-year revenue growth but lower year-over-year EPS. In Q1, WLFC reported 32.5% revenue growth and a 26.3% year-over-year decline in EPS. In Q3, WLFC reported 25.4% revenue growth and a 3.6% decline in EPS. This had everything to do with significant charges that were arguably abnormal and one-time, major differences in gains on sales in year-over-year periods and in some cases, like Q3 2025, a tax rate that was 1,364 basis points higher than it was in the prior year. When we adjust (for special items) and normalize (for tax rates and outsized gains and write-offs) diluted EPS, we calculate $3.58 in Q1 2025 EPS vs. $2.54 in Q1 2024 (41% adjusted normalized EPS growth vs. the reported 26.3% decline).[3]

   Algos, portfolio managers and plenty of investors with short attention spans frequently sell first and ask questions later when the numbers appear to be going in the wrong direction. WLFC stock will benefit by providing more transparency and nuance (i.e., earnings bridges, adjusted earnings calculations, etc.) that less obfuscate the strong underlying performance of the Company's operations.

5. Willis should start providing annual guidance. Operating income and EPS would likely be sufficient items to guide on.

   FTAI and AerCap provide and consistently update guidance. Willis does neither. Providing guidance is foundational in developing trust with and giving comfort to stockholders. Providing guidance is also a huge help to the sell-side community. It can vastly improve the chances of picking up and retaining sell-side coverage of the Company. Further, depending on how it is handled, guidance can improve buy- and sell-side's disposition toward the Company's management and prospects.

6. Willis should make cultivating and obtaining sell-side coverage a higher priority.

[3] See Exhibit A.

FTAI has ten sell-side analysts covering its stock and AerCap has eight. WLFC has one, and it's not a major sell-side firm. WLFC does enough financing business with Wall Street (and the Willis family has enough clout with the wealth management department at REDACTED) that it should be able to leverage those relationships to earn more sell-side coverage. Furthermore, given how consolidated the industry has become in terms of public peers, and Air Lease Corporation ("Air Lease") disappearing from sell-side research coverage commitments (it had six firms covering it) given its pending merger that is expected to close in the first half of 2026, it should be brought to the attention of the various sell-side research shops that are covering both AerCap and FTAI that it is an oversight to not be covering WLFC as well. Admittedly, this will likely not happen overnight. It will require attending and presenting at more sell-side conferences. It will require more outreach to and cultivation of targeted sell-side analysts. But at the end of the day, Willis has a compelling story to tell, and the sell-side community should want to tell it.

7. Willis should conduct Investor/Analyst Days every couple years (not once in its 30-year history as a public company). When these events are conducted, they should be open to stockholders, not just sell-side analysts.

   It defied logic that investors weren't notified or provided an opportunity to attend the Company's analyst day conducted in October 2024. We spoke with other major stockholders, and we were all surprised that this event occurred without our being contacted or provided an easy way to sign up. Further, no transcript was made available – another unforced error and point of consternation for stockholders. It was appreciated, however, that the presentation was made available and that the event happened in the first place.

8. Willis should be more transparent with investors on growth initiatives, to allay investor fears that Willis is going to throw money at a multitude of initiatives that could detract from operating performance.

   First, Willis continues to build out its third-party Maintenance, Repair and Overhaul ("MRO") business. Revenue growth has been lackluster for a while now, and gross margins on third-party MRO have been negligible or negative for every quarter in 2025. YTD third-party MRO revenues are down 4% while expenses are up over 8%, leading to a negative gross margin on third-party MRO of $1.8 million. When, if ever, is this going to inflect in a more positive direction?

   Second, regarding the SAF project, WLFC has not shared a public presentation or offered details how it will be structured or what guardrails are in place. While we believe it is unlikely that WLFC will be the primary capital provider for this multi-hundred-million-dollar project, there are many US investors who have been burned on SAF manufacturer Calumet, Inc. – a company that has had only one year of positive net income in the last eight years. These investors immediately impute a negative bias toward refiners (and especially SAF-related refiners). There is a concern among some of the Company's investors along the lines of "jet engine leasing is a great business, so why in the world would WLFC be diluting the 'pure-play' jet engine leasing business with a SAF-refining business, especially when SAF may be the flavor today in the UK, but tomorrow it could have the rug pulled out from under it from either a political or regulatory shift?" Investors further question, with FTAI going increasingly asset-light and being rewarded for it, why is WLFC considering becoming increasingly asset-intensive in an area in which the Company has no prior history?

II. Measures to address governance and resulting misalignment between management and minority stockholders.

This largely comes down to what is, in our view, extraordinarily excessive compensation that has meaningfully diluted minority stockholders and materially negatively impacted the Company's financial results.

AerCap is easily the best capital allocator in the industry and a stalwart of two messages: (i) decisions are made with the best interests of **all** stockholders in mind and (ii) the best use of capital when shares are deeply undervalued is repurchasing shares. Since year end 2022, AerCap has *reduced* its shares outstanding by 29.4%, for an average 11.9% reduction per year. Willis, in stark contrast, and despite being dramatically undervalued, has *increased* its shares outstanding by 15.6% over the same period, diluting on average 5.4% per year.[4] FTAI's share count has grown a modest 2.9% over the same period, resulting in less than 1% dilution per year.

What was the purpose of the Company issuing all those shares? It wasn't to help finance the purchase of any asset or to better balance the debt/equity capital structure of the business. It was simply to pay excessive compensation to management and the majority owners of the Company. It is hard to see how, in any way, this behavior has benefited minority stockholders or the Company as a whole. This consistent appropriation has led to Founder and Executive Chairman Charles Willis and CEO Austin Willis's collective ownership of the Company rising from 34% ten years ago to 53% today, all while also selling an enormous amount of stock awarded during their tenures (more than 1,125,000 shares sold by Charles and 255,000 shares sold by Austin).[5] Given the foregoing, we feel compelled to remind the members of the Board that they owe fiduciary duties to **all** stockholders, not just the founding family.

Warren Buffett has famously paid himself a $100,000 annual salary for decades as Berkshire Hathaway's Chairman and CEO, with benefits including a significant personal security component, which resulted in annual compensation of ~$400,000. Meanwhile, according to the Company's proxy statement in connection with its 2025 annual meeting of stockholders, in 2024:

- Charles Willis received over $14.2 million in compensation (~35x Warren Buffett); and

- Austin Willis received over $7.2 million in compensation (~17x Warren Buffett).

With Charles Willis now owning more than 41% of the Company and Austin Willis owning more than 12%, they are both fabulously wealthy centimillionaires. Given the Company's current dividend policy, Charles Willis will be reaping $5 million in dividend income over the next 12 months and Austin Willis will be taking home $1.4 million. Why does Charles need to have a $500,000 per year annual benefit (25% more

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[4] See Exhibit B.

[5] Per Fintel, excludes gifts of stock made by Charles and Austin which represent even more shares that were awarded.

than Warren Buffett's *total* compensation) just to use the 140-foot Willis "corporate" yacht three weeks a year? How is Willis's "corporate" yacht justifiable to stockholders? Why does any of Austin's or Charles's compensation need to be paid in grossly undervalued shares? Is over 53% ownership of the Company between them not enough? If they want greater ownership in the Company, they should have to purchase shares, not receive further handouts.

The level of compensation for senior management at Willis is also totally out of sync with other companies in the sector (and leasing companies more broadly), particularly when accounting for the relative size of the businesses.[6]

- AerCap's current market capitalization is ~$22 billion, ~26x that of WLFC's $874 million market capitalization. AerCap's CEO is reported to have received total compensation of $4.9 million in 2024 — ~65% less than Charles Willis and ~32% less than Austin Willis. Moreover, AerCap doesn't separate the CEO and Executive Chairman roles like WLFC. Looking at the better comparison of total compensation for *both* roles, Willis paid over 4x more than AerCap despite being a fraction of the size! WLFC has approximately 4% of AerCap's revenue and, again, is approximately 26x smaller by market capitalization.

- Air Lease's market capitalization is $7.1 billion, ~8x that of WLFC. Air Lease's Founder and Executive Chairman was awarded $8.3 million in total compensation in 2024 — 41% less than WLFC's Founder and Executive Chairman.

This grossly excessive compensation is leading to an enormous drag on earnings and EPS for the Company. Compensation for the top three named executive officers at Willis represented 18.3% of pretax income in 2024. For Air Lease (the only Western flight equipment leasing comparable with sufficient data available to calculate), the total compensation awarded for the top three named executive officers amounted to 3.7% of pretax income — 1,460 basis points (or nearly 5x) less than WLFC.[7] If Charles and Austin Willis had each been compensated in 2024 in the same manner as Warren Buffett, WLFC's EPS would have been $2.11 per share, or 14% higher than reported.

Shockingly, as bad as the foregoing seems, it actually substantially *understates* the insidiousness of the enormously dilutive compensation policies that have been going on for years (and appear to be worsening).[8] If the average diluted share count hadn't increased 8% between 2022 and 2024 *and* the compensation had been reined in as highlighted, 2024 EPS would have been $18.85 vs. $15.34, or 23% higher.

Finally, one could reasonably view the opaque financial reporting and lackluster stockholder communications outlined earlier in this letter as entangled with these concerns about compensation. The structure as it stands effectively gives management license to continue ever expanding its equity position, through compensation that is difficult to justify in the first place, and which looks even worse when

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[6] Market capitalizations throughout are as of the close of business on November 24, 2025. See Exhibit C for Comparable Compensation Analysis.
[7] Source: Company filings.
[8] Please see Exhibit B attached hereto.

considering that much of it is provided in the form of equity that is persistently undervalued (in part, arguably, due to opaque and ineffective stockholder communication).

With that background in mind, here are some proposed measures:

1. Materially reduce executive compensation to bring in line with appropriate comparables and eliminate future equity awards for Charles and Austin Willis.

2. Sell the "corporate" yacht through a reputable broker or auction it off.

3. Transition all additional senior managers to a cash and cash-bonus remuneration policy as existing employment contracts expire.

4. Allow any employees who wish to buy equity in the Company to do so in a program that allows for employee purchases at no more than a 5% discount to the prevailing market price at the time of the purchase, which includes a minimum holding period requirement and salary-based limitation on the amount that may be purchased in such program. Employees should also retain the option of buying as many shares as they wish in the open market at no discount.

5. Rescind the recent 300,000 share at-the-money option granted to Charles Willis.

   Simply put, it is unjustifiable to grant an enormous (3.9% of the Company's shares outstanding) at-the-money options package to the near-majority owner of the Company when the stock is down almost 45% YTD and has dramatically underperformed its public comparables and the broader market.

6. Take the savings from reducing executive compensation and increase the dividend by $0.50 per quarter (from $0.40 to $0.90).

   This would send a tremendous message to stockholders (and the market). It would also result in more than $6 million in additional dividend income per year for Charles and almost an additional $2 million per year for Austin.

7. Start including an annual "say on pay" proposal in the Company's proxy statement.

   The fact that the Company recommended and continues to hold "say on pay" votes only once every three years demonstrates that the Board (and Willis family) recognizes the egregiousness of its executive compensation practices. Unless significant changes to the Company's compensation practices are implemented, we expect that unaffiliated stockholders will overwhelmingly oppose the approval of the Company's executive compensation at their next opportunity, which happens to be at the upcoming 2026 annual meeting of stockholders.

We are convinced that implementing such measures to improve executive compensation would have a game-changing, positive impact on WLFC's stock price and lead to a material re-rating of the Company's shares. However, without such a realignment, there will be continued strong aversion to WLFC's compensation policies and how they a) provide almost no near-term incentive to drive the stock higher and b) may in fact be structured to excessively enrich management at the expense of minority stockholders.

Notably, it is hard to understand how the current compensation scheme does anything but resoundingly fail to meet the key responsibility set forth in each of the Executive Chairman's and the CEO's respective employment contracts of "promoting the highest standards of integrity, probity and corporate governance."

* * *

We would like to reiterate our belief that management and the Board have built an excellent underlying operating business, and that the Company appears primed for success. That said, we believe the issues identified in this letter have proved to be significant headwinds that are having a material negative impact on Willis's share price, performance, valuation and reputation.

Somewhat ironically, **<u>we see no one benefiting more, both monetarily and in terms of reputation and legacy, from the proposals set forth herein than Charles and Austin Willis</u>**. Yes, the measures suggested above will take work and affect near-term compensation; however, the upside to management, the Board and, most notably, the Willis family, is enormous. By taking the actions suggested throughout this letter, we believe that earnings could easily be at least 20% higher than today and that the multiple bestowed on those earnings could easily double or triple (and WLFC would still look cheap compared to FTAI). As such, we believe that the collective ownership stake of Company insiders could go from ~$600 million to $1.2 to $1.8 billion.

We look forward to discussing these important matters further and would appreciate the opportunity to speak with the Board (or a subset thereof) in the near future. To that end, we respectfully request a response no later than the close of business on Friday, December 12, 2025 regarding the Board's willingness and availability to engage in such a discussion.

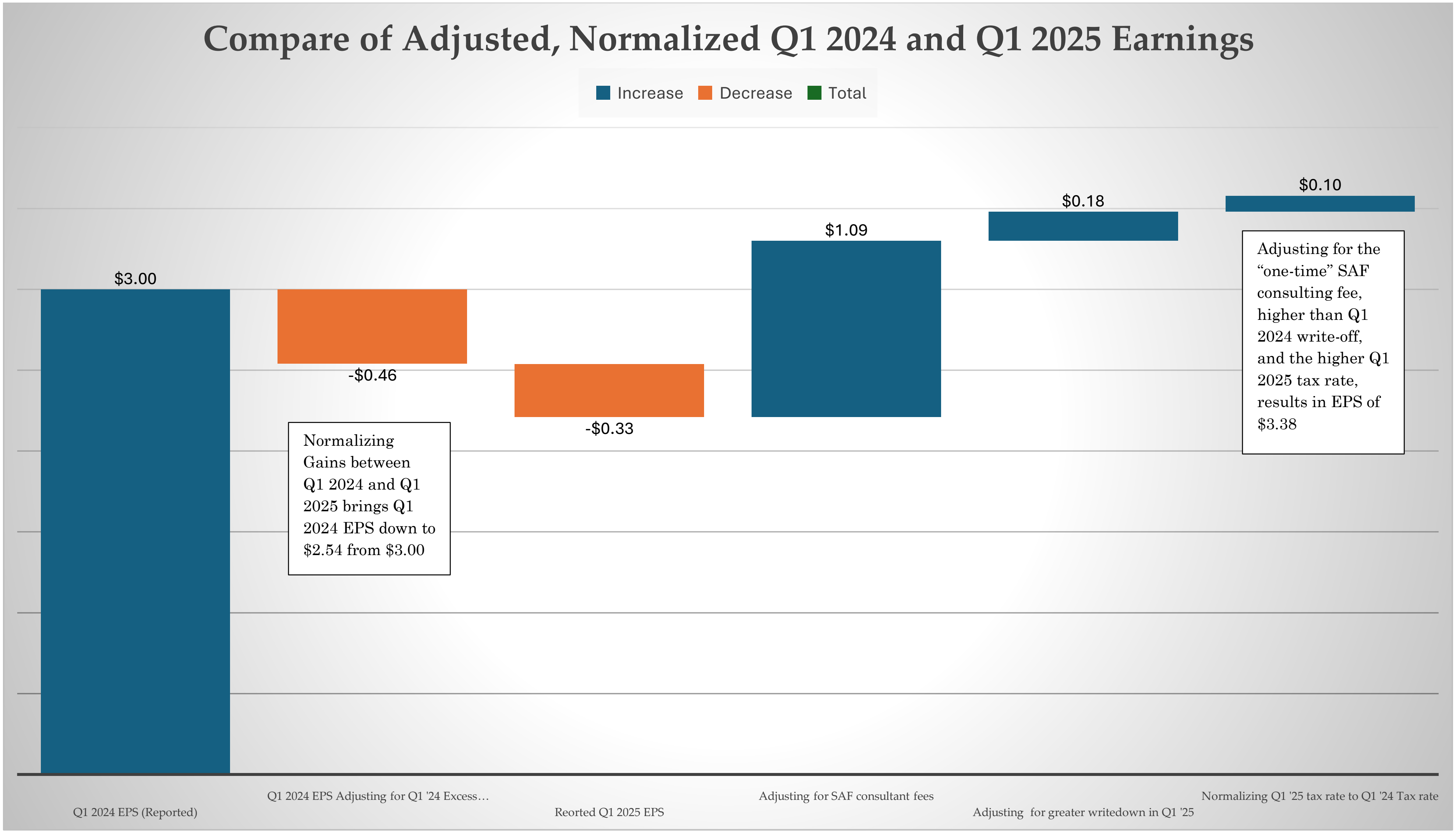
In addition, our principal, Eric Gregg, will be traveling to Miami from December 2nd to December 8th and would welcome the opportunity to meet with Austin Willis in the area if he has any availability that week.

We look forward to hearing from you.

Kind Regards,

Eric Gregg
Principal
Four Tree Island Advisory LLC

Exhibit A



Compare of Adjusted, Normalized Q1 2024 and Q1 2025 Earnings
Increase
Decrease
Total
$3.00
-$0.46
-$0.33
$1.09
$0.18
$0.10
Normalizing Gains between Q1 2024 and Q1 2025 brings Q1 2024 EPS down to $2.54 from $3.00
Adjusting for the "one-time" SAF consulting fee, higher than Q1 2024 write-off, and the higher Q1 2025 tax rate, results in EPS of $3.38
Q1 2024 EPS (Reported)
Q1 2024 EPS Adjusting for Q1 '24 Excess…
Reorted Q1 2025 EPS
Adjusting for SAF consultant fees
Adjusting for greater writedown in Q1 '25
Normalizing Q1 '25 tax rate to Q1 '24 Tax rate

YTD 2025 Adjusted EPS Growth Appears Significantly Higher Using the Same Approach

			Adjustments to Normalize Special Items and Earnings Per Share		
1st 9 months	**2025**	**2024**		**2025**	**Normalizing by the Following Action**
Gain on Sale of Leased Equipment & Financial Assets	$48,531	$33,148		($15,383)	Reduce 2025 by excess gain
Write Down of Equipment	$23,768	$866		$22,902	Increase by Significantly Greater 2025 Write Down
"One Time" Items within SG&A Total	$16,600	$0		$16,600	Increase by "One time" Items
- Net Consultant Fees (net of UK govt reimbursement) for SAF	$9,800	$0		$24,119	Total Adjustments to Pretax Income
- Departure of General Counsel	$6,800	$0		$142,768	Reported Pre-tax Income
				$166,887	Adjusted Pre-tax income
				28.86%	Tax Rate
				$119,514	Adjusted Normalized (for tax rate) Net Income using 2024 tax rate
				$4,254	Preferred Stock Dividends and accretion of issuance costs
				$115,260	Net income Attributable to Common
				$7,031	Diluted Weighted Avg S/ O
				$16.39	Adjusted Normalized Diluted EPS
				$13.89	Reported Diluted EPS
				18.0%	Difference
				30.4%	**Adjusted Normalized Growth 1st 9 months vs 2024 Reported**
				10.5%	**Reported Growth over 1st 9 Months 2024 Reported**

Exhibit B

Shares Outstanding (in mm)	12/ 31/ 22	12/ 31/ 23	12/ 31/ 24	9/ 30/ 25	Growth in Shares Outstanding Since YE 2022	CAGR
WLFC	6.62	6.85	7.17	7.65	15.6%	5.4%
Growth vs. Prior Year End		3.5%	4.7%	6.6%		
FTAI	99.72	100.25	102.55	102.57	2.9%	1.0%
Growth vs. Prior Year End		0.5%	2.3%	0.0%		
AerCap	241.09	197.93	181.71	170.21	-29.4%	-11.9%
Growth vs. Prior Year End		-17.9%	-8.2%	-6.3%		

Exhibit C

Individual	Company	Total 2024 Compensation in mm	Company Market Cap in mm (YE 2024)	Market Cap as a % of WLFC Market Cap	Company Pre-tax Income in mm 2024	Total 2024 Comp as a % of Pretax Income	Total Comp as a % of Commensurate Positions at WLFC			
Charles Willis (Exec Chair)	Willis Lease	$14.2	$1,489	100%	$153	9.3%	100%			
Austin Willis (CEO)	Willis Lease	$7.2	$1,489	100%	$153	4.7%	100%			
Brian Hole (President)	Willis Lease	$6.6	$1,489	100%	$153	4.3%	100%			
Combined Executive Chair and CEO	Willis Lease	$21.4	$1,489	100%	$153	14.0%	100%			
Combined Exec Chair, CEO and President	Willis Lease	$28.0	$1,489	100%	$153	18.3%	100%			
Aengus Kelly (Executive Director & CEO)	AerCap	$4.9	$17,392	1168%	$2,263	0.2%	23%			
Steven Udvar-Hazy (Executive Chair)	Air Lease	$8.3	$5,393	362%	$533	1.6%	59%			
John Plueger (CEO & President)	Air Lease	$8.4	$5,393	362%	$533	1.6%	61%			
Combined Executive Chair, CEO & President)	Air Lease	$16.7	$5,393	362%	$533	3.1%	60%			
Warranted Compensation			**Charles Willis**	% of Actual		**Austin Willis**	% of Actual		**Brian Hole**	% of Actual
Based on AerCap* - Bringing In-Line with/ Adjusting for Market Cap			$0.61	4%		$0.31	4%		N/ A	
Based on AerCap* - Bringing In-Line with/ Adjusting for Pre-tax Income			$0.48	3%		$0.24	3%		N/ A	
Based on Air Lease** Bringing In-Line with/ Adjusting for Market Cap			$3.91	28%		$1.19	17%		$0.73	10%
Based on Air Lease** Bringing In-Line with/ Adjusting for Pre-tax Income			$4.05	29%		$1.24	17%		$0.75	10%

* As AerCap's Aengus Kelly is both Executive Director and CEO - attributing 50% of his comp to each position.

** As Air Lease's John Plueger is both CEO and President - attributing 60% of Comp to CEO role and 40% to President role.