July 10, 2026

Dear Shareholders,

The year just passed included two potentially transformative transactions that have roots in our organizational architecture and capabilities. While Air T has grown in many directions and by the work of many hands this year, highlighting two important transactions will give shareholders a sense of what we're doing, while also demonstrate cases of some of our ever-present organizational drivers.

We all know equity investors rely greatly on management to make investment and org-structure decisions that are consequential on any time scale. GE had marvelous businesses yet then something was amiss. Some classic serial acquirers have average business yet outperform. Most Air T shareholders understand that Air T's management is important because we are committed to a decentralized portfolio of powerful companies approach. And our investment decisions are amplified by Air T's nano-size and reinvestment initiatives.

Crestone

We like to build value by putting high performance leaders and teams in charge of businesses they know well, and giving them the resources to thrive. Some people don't like corporate hierarchies and don't want to work for private equity. The right incentives, a long term pathway, a great team, a business vision, resources of a larger system – these things can work magic in the right contexts. We call it making space for dynamos and dynamic teams.

Crestone management spun out of Contrail when it became clear that we had a team that was more into leasing than Contrail's core engine teardown business. We matched the Crestone team with capital to get them going, funded a cash burn j-curve, then got out of the way. The Crestone team did the rest-- they've grown wonderfully over the past six (6) years because Blue Owl and other investors are pleased by the returns they are getting through Crestone's aircraft & leasing management. When Arena was available for sale, and looking for a happy place to land their business, the Blue Owl people encouraged us to take a look. The resulting merger transaction builds scale and solves the needs of the sellers and younger talent. LP Investors get a step up in scale and deal flow, Blue Owl's commitment as a ~10% owner of the platform, and Air T's long-term orientation. In addition, our independent yet interrelated organization is likely to bring opportunities for value creation through Air T sister-company collaboration. We like what the Crestone team is doing to integrate and grow post-merger.

Rex

In a perfect world investing is about finding attractive returns with acceptable risk. This is hard because a lot of smart people are trying to do the same. However, if a person digs into unusual areas or evaluates things with a differential logical or factual grounding, then good ideas can advance the ball. It's also true that businesses themselves generate real optionality that doesn't exist in the relatively bloodless world of marketable securities. We systematically try to build our idea factory by working traditional research methods of securities market investors and listening to what our businesses and their industrial networks are telling us, thereby hearing the market.

When we started tracking the restructuring of Rex Regional Airlines we noticed a few things. First of all, Rex had been a public company for a couple of decades and they had been nicely profitable within their niche market. They owned all of their aircraft outright, and in fact had over 90 aircraft on property. Their primary workhorse was the Saab 34 – which we knew well because one of Air T's business had been involved in the supply chain for over fifteen (15) years. Many risks and challenges were evident in the Rex restructuring: covid supply chain issues severely constrained the supply of engine parts and grounded significant numbers of Rex aircraft; the restructuring was complex; the Australian

Commonwealth had important interests they needed to protect; crafting the deal would require multi-party negotiations; and a happy outcome would require long-term technical aviation successes. Air T was able to "fly to the ball" when the Rex ball was fumbled. We jumped in with the help of a great team and rapport with Rex management. The deal structure we settled on distributes risks and rewards in a way that addresses the core interests of each party. No doubt, closing a deal less than 100 days before the Iran War started was a body blow and increases outcome variation. However, all those involved are soldiering onward. Rex delivers essential connectivity to remote and rural Australia. The management team is long-standing, coherent, and customer-centric. We have the knowledge to solve the technical challenges. What's not to like about the vibrant Australian economy? We continue to like the situation, yet challenges remain. The Rex investment was generated by research and attention to our networks and the optionality inherent in owning businesses. We are all working hard to return to the classic Rex Regional business model, including profitability in the age of Air T-Rex.

Seven Flat Years

Management believes that the Air T stock price is not reflecting the value that we are building into the company. Many days of industrious activity have passed. The seven-flat stock price years are hard to interpret. Some say that if we made more disclosures and worked to provide clarity into various aspects of the company – our balance sheet and Crestone for example – then the stock might not be flat. Others comment about the difficulty of following our various transactions and growth initiatives. Small market cap and liquidity are mentioned. Others say it's simply a matter of simplifying by cutting and reducing investments. Or maybe a quarterly Q&A open mic to build rapport with our investors? Some or all of this may be on target, and we are contemplating all of it. We also note that as of July 9, 2026, during the seven-flat years, only one investor has literally or figuratively knocked on our door and asked to sit down with management to walk through our material. Essentially nobody has bothered to turn over the Air T rock. Not sure what that means. And if you, resourceful reader, have followed the twists and turns to the end of this letter then we encourage you to reach out to us and learn more about the early chapters of the Air T Story.

Nick Swenson

President and Chief Executive Officer