

To,

GENERAL ASSEMBLY OF THE SHAREHOLDERS OF IAR SA COMPANY

We wish to bring to the attention of the shareholders of IAR SA the measures taken for the appointment by the General Meeting of Shareholders of the independent financial auditor, for the period 2018-2022, due to the expiry of the previous independent financial audit contract.

So:

- taking into account the responsibilities and competencies assigned to the audit committee by the specific legislation in force, according to which it "is responsible for the selection process of the financial auditor or the audit entity and recommends to the general meeting of the shareholders / members of the administrative or supervisory authorized people, the financial auditor or audit entity (entities) to be appointed", the audit committee within the Board of Directors of IAR SA decided that the method of selection of the audit entity for which to be made the recommendation to conclude the contract of independent financial audit for the period 2018-2022, to be Selection of offers, with the criteria "the lowest price"*
- the executive management of IAR Company has requested and obtained offers from three financial audit entities, making them available to the audit committee within the Board of Directors of IAR SA*
- analyzing the offers submitted by the independent financial audit entities interested in concluding with IAR SA a service contract in order to ensure the statutory audit of the annual financial statements for the years 2018 - 2022 and taking into account the substantiated and legitimate opinion expressed by the executive management of IAR SA in " NOTE on the appointment of the independent financial auditor of IAR SA ", the audit committee, based on the statutory audit provisions of the financial statements, acquired the opinion of the executive management of IAR SA and nominated Macaveiu Consult SRL as independent financial auditor, the decision being based on the fact that it submitted the best price offer (EUR 11900) from the three received, providing a complete range of statutory audit services of the annual financial statements*
- at its meeting on 27.11.2018, the Board of Directors reviewed and endorsed the recommendation of the audit committee, issuing Decision no. 20CA / 27.11.2018.*

Taking into account the above information and considering the legal powers of the General Meeting of Shareholders, we recommend that you appoint Macaveiu Consult SRL as an independent financial auditor with whom the IAR SA Company will conclude the service contract for statutory audit of the financial statements for the years 2018-2022.

Magdalena NICULESCU

CHAIRMAN OF THE BOARD