

EXPLANATORY NOTE

AMENDMENT OF THE CONSTITUTIVE ACT OF IAR SA COMPANY

We would like to inform you that, by Order no. 377 of April 17, 2024 issued by the National Institute of Statistics, the CAEN Code Revision 3 was approved, which includes the updated classification of activities in the national economy.

In this context, at the level of the company, it is necessary to update the object of activity stipulated in the Constitutive Act of IAR SA by detailing the object of activity.

Thus, taking note of the provisions of the CAEN Code Revision 3 and taking into account the powers granted by law and the Constitutive Act of IAR SA, the Board of Directors of IAR SA has analyzed and approved the proposal on the establishment of the activity of "Manufacture of military aircraft and spacecraft" - CAEN code 3032, as the main activity of IAR SA.

Also, on the basis of the same legal provisions, the board of directors of IAR SA approved both the proposal to update the secondary object of activity of the Company by detailing and aggregating the CAEN classes according to Revision 3, and the proposal to complete the secondary object of activity of the company with the activity "Manufacture of civil aircraft and spacecraft" - CAEN code 3031.

This detailing and aggregation of the CAEN classes according to Revision 3, requires the amendment of the Constitutive Act of IAR S.A, Article 6 - Object of activity, as follows:

"Art. 6 - Object of activity

(1) The company's object of activity shall consist of activities defined and codified in accordance with the Classification of Activities in the National Economy - CAEN, as updated by Order No 377/17.04.2024 issued by the President of the National Statistical Institute.

(2) The main activity carried out by the company is the one provided for in class 3032 - "Manufacture of military aircraft and spacecraft" which is part of group 303 "Manufacture of aircraft and spacecraft" division 30 "Manufacture of other transport equipment".

(3) The company may also carry on the following secondary activities:

| ACTIVITY COD | ACTIVITY NAME |
|-------------------------|--|
| 1392 | manufacture of made-up textile articles (excluding clothing and underwear) |
| 1399 | manufacture of other textiles: n.c.a. |
| 1512 | manufacture of luggage, handbags and harness |
| 1624 | manufacture of wooden packaging |
| 2212 | manufacture of other rubber products |
| 2511 | manufacture of metal structures and component parts of metal structures |
| 2522 | manufacture of tanks, cisterns and metal containers |
| 2530 | manufacture of arms and ammunition |
| 2540 | manufacture of metal products obtained by plastic deformation; powder metallurgy |
| 2551 | metal coating |
| 2552 | heat treatments of metals |
| 2553 | general mechanical operations |

| | |
|------|--|
| 2591 | <i>manufacture of steel containers, containers and similar products</i> |
| 2592 | <i>manufacture of light metal packaging</i> |
| 2593 | <i>manufacture of articles of metal wire; manufacture of chains and springs</i> |
| 2594 | <i>manufacture of screws, bolts, nuts and other threaded articles; manufacture of rivets and washers</i> |
| 2599 | <i>manufacture of other articles of metal n.c.a.</i> |
| 3031 | <i>manufacture of civil aircraft and spacecraft</i> |
| 3100 | <i>manufacture of furniture</i> |
| 3312 | <i>repair and maintenance of machinery</i> |
| 3316 | <i>repair and maintenance of civil aircraft and spacecraft repair and maintenance of civil aircraft and spacecraft</i> |
| 3318 | <i>repair and maintenance of military combat vehicles, ships, boats, vessels, military aircraft and spacecraft</i> |
| 3319 | <i>repair and maintenance of other equipment</i> |
| 3530 | <i>supply of steam and air conditioning</i> |
| 3600 | <i>water abstraction, treatment and distribution</i> |
| 4690 | <i>non-specialized wholesale trade</i> <i>import-export of military products in accordance with the provisions of the normative acts which:</i> <ul style="list-style-type: none"> - <i>approves the lists of arms, munitions and other military and dual-use items,</i> - <i>regulates the export control regime for dual-use items and technology,</i> - <i>regulates the export and import control regime for strategic goods</i> |
| 4724 | <i>retail sale of bread, pastry goods and sugar confectionery in specialized stores</i> |
| 4941 | <i>road haulage</i> |
| 5110 | <i>passenger air transportation</i> |
| 5210 | <i>storage</i> |
| 5223 | <i>service activities incidental to air transportation</i> |
| 5224 | <i>manipulations</i> |
| 5622 | <i>other food services n.c.a.</i> |
| 6210 | <i>custom software development activities (client-oriented software)</i> |
| 6220 | <i>consultancy activities in information technology and management (management and operation) of computing resources</i> |
| 6310 | <i>data processing, website administration and related activities</i> |
| 6391 | <i>web portal activities</i> |
| 6820 | <i>letting and subletting of own or leased real estate</i> |
| 7020 | <i>business and management consultancy activities</i> |
| 7120 | <i>technical testing and analysis</i> |
| 7210 | <i>research and development in natural sciences and engineering</i> |
| 7320 | <i>market research and public opinion polling activities</i> |
| 7711 | <i>rental and leasing of passenger cars and light road vehicles</i> |
| 7733 | <i>rental and leasing of office machinery and equipment (including computers)</i> |
| 7735 | <i>rental and leasing of air transportation equipment</i> |
| 7739 | <i>rental and leasing of other machinery, equipment and tangible goods n.c.a.</i> |
| 8210 | <i>secretarial and secretarial support service activities</i> |
| 8559 | <i>other education n.c.a.</i> |
| 8621 | <i>general health care activities</i> |
| 9311 | <i>sporting activities</i> |
| 9319 | <i>other sporting activities n.c.a.</i> |

On the other hand, it is necessary to amend the Constitutive Act of IAR SA as a result of the change of the name of the majority shareholder of IAR SA, as it was established by the EMERGENCY ORDINANCE no. 153 of December 23, 2024 on the establishment of certain measures at the level of central public administration.

Under these circumstances, Article 7 - Share Capital of the Articles of Incorporation of IAR SA is reworded as follows:

"Art. 7 - Share capital

(1) The share capital of the company is 47,197,132.50 lei (RON), divided into 18,878,853 registered shares, with a nominal value of 2.50 lei each.

(2) The share capital is subscribed and paid up by legal entities and individuals, as follows:

| SHAREHOLDER | No of SHARES | SOCIAL CAPITAL | % |
|--|---------------------|-----------------------|------------|
| Ministry of Economy, Digitalization, Entrepreneurship and Tourism, on behalf of the Romanian State | 12.250.488 | 30.626.220 | 64,89 |
| Ministry of Labor, Family, Youth and Social Solidarity | 1.378.156 | 3.445.390 | 7,3 |
| Other shareholders, legal entities and individuals | 5.250.209 | 13.125.522,50 | 27,81 |
| TOTAL | 18.878.853 | 47.197.132,50 | 100 |

Please note that the approval by the Board of Directors of IAR SA of the proposals to amend the Articles of Association is subject to Decision No. 03CA / 05.03.2025.

Considering the above and taking into account the powers granted by law and the company's Constitutive Act to the extraordinary general meeting of shareholders, the board of directors of IAR SA submits the following for your consideration and approval:

- the proposals to amend both the main object of activity of IAR SA and the secondary object of activity of the Company, by detailing and aggregating the CAEN classes according to Revision 3*
- the proposal for the corresponding amendment of Article 6 - "Object of activity" of the Constitutive Act of IAR SA*
- the proposal to amend Article 7 - "Share Capital" of the Constitutive Act of IAR SA, following the change of the name of the majority shareholder of IAR SA, as established by the EMERGENCY ORDINANCE no. 153 of December 23, 2024 on the establishment of some measures at the level of the central public administration.*

Constantin ALEXIE-COTAN-BODOLAN

CHAIRMAN OF THE BOARD OF DIRECTORS

