



S.C. UAMT s.a.

Nr.Reg.Com. J05/173/1991 Capital Social Tel: +40 259 451026; +40 359 401677 Mobil: 40 730 631737; +40 741 069069
C.I.F. RO 54620 17.766.860 lei Fax:+40 259 462066; +40 359 401676 e-mail: office@uamt.ro

**Management report
of the Board of Directors
for the financial year
2017**



CAP.1. GENERAL PRESENTATION

1.1. FULFILLING THE LEGAL CONDITIONS OF OPERATION

SC UAMT SA, a company founded on the basis of HG 1224 / 23.11.1990 specializes in: Manufacture of other parts and accessories for motor vehicles and motor vehicles "CAEN - 2932 code.

The Company has its registered office in Oradea, 8, Uzinelor Street, and is registered with the Trade Registry under no. J05 / 173/1991, having fiscal code RO 54620.

The main activity of the company is "production and sale of parts and subassemblies for means of transport, installation, equipment, technological equipment, SDVs".

It is a publicly owned company, according to the terminology provided by the Capital Market Law 297/2004, being registered with the National Securities Commission under the Mobility Registration Certificate no. 3191 / 04.12.2006. Since 1997 and during 2006, the company's shares have been subscribed and traded on the RASDAQ stock market, bearing the "UAM" symbol. Shareholders' records were kept in 2010 by the Central Depository (former REGISCO) under contract no. 7778 / 01.03.2007. On 19 February 2007, the company was admitted to trading on a regulated market administered by S.C. Bucharest Stock Exchange S.A.

From the point of view of the preparation of the financial statements, the Company applies the Order 2844/2016 issued by the Ministry of Public Finance for the approval of the Accounting Regulations in accordance with the International Financial Reporting Standards applicable to companies whose securities are admitted to trading on a regulated market. The auditing of the financial statements of 2016 was carried out by S.C. Leocont Expert S.R.L. on the basis of the addendum no.2 / 09.12.2016 to the contract no. 6 December 01, 2010, valid until December 2018.

During the financial year 2017 there were no events of the nature of the merger or reorganization of the trading company.

1.1. COMPANY MANAGEMENT

During 2017, the company was managed by a three-member Board of Directors as follows:

- Doina Olimpia STANCIU - Chairman of the Board of Directors
- Simona FURTOS - member of the Board of Directors
- Bogdan Ciprian STANCIU - member of the Board of Directors

The executive management of the company was provided by a managerial team, a team that during the year 2017 had the following composition:

- Razvan Ionut POPESCU - General Manager,
- Nicolae RADU - Deputy General Manager,

In 2017, a constant concern of the Board of Directors was to optimize the decision-making process at the level of executive management and to improve communication in order to apply the measures and decisions of the Board of Directors with increased efficiency and efficiency in order to maximize the results obtained in the activity carried out and to minimize the effects of the economic crisis .

The Board of Directors pursued the implementation of the proposed activity program for 2017, the implementation of the monthly and quarterly revenue and expenditure budget and the approved investment and repair program.

In 2017, the Board of Directors convened monthly in board meetings and issued management measures for the company. The measures and decisions taken included all the activities carried out in the company, namely the production and trade, investment and repair, human resources, economic and financial activity and internal audit and control.

All efforts of the Board of Directors and Executive Management have been geared towards fulfilling the company's mission of providing quality services, developing the technical-material base, rehabilitating and upgrading the existing one through a coherent and consistent investment program under conditions of genuine protection of the environment.

The anticipated and organizational effort of the Board of Directors has resulted in future company development programs, IT programs, personnel promotion and recruitment programs and product quality enhancement, procedures systems for the



main activities of society and reconsideration of its organizational structure . Please note that the company is not aware that the persons presented have been involved in litigation or administrative proceedings over the past 5 years, or have had restrictions on senior management positions within the company.

1.1. SOCIAL CAPITAL AND ACQUISITION STRUCTURE; ACTIONS

1.2.1 Share capital and ownership structure

The subscribed and paid-up capital as of 31.12.2017 is 17,766,860 lei representing 39,481,911 shares at a nominal value of 0.45 lei / share.

The synthetic structure of the shareholding on December 31, 2017, as compared to that of 31.12.2016 is as follows:

Acționari		Număr acțiuni	Valoare (lei)	Procente
TOTAL conform Depozitarului Central la 31.12.2016, din care:		39.481.911	17.766.860	100%
1.	ASOCIAȚIA "PAS-UAMT"	14.081.168	6.336.526	35,67%
2.	Persoane juridice	4.232.889	1.904.800	10,72%
3.	Persoane fizice române și străine	21.167.853	9.525.534	53,61%

TOTAL conform Depozitarului Central la 31.12.2017, din care:		39.481.911	17.766.860	100%
1.	ASOCIAȚIA "PAS-UAMT"	14.081.168	6.336.526	35,67%
2.	Persoane juridice	4.234.787	1.905.654	10,73%
3.	Persoane fizice române și străine	21.165.956	9.524.680	53,61%

At the end of 2017, administrators held together 549,135 shares (1.39% of the share capital).

All actions of society are nominative, ordinary, dematerialized and indivisible.

S.C. UAMT S.A. were traded on May 31, 2007 on the Bucharest Stock Exchange. In the last period, the company's policy was to reinvest the profits obtained, the company needing capital resources to achieve the investment objectives, thus not dividing dividends. According to A.G.A., no dividends were distributed for the previous ones, the net profit being distributed as a source of financing for supporting and finalizing the modernization process of the company.

Since the establishment and until now, there has been no decision on the acquisition of own shares.

The Company did not issue bonds or other debt securities in 2017 or earlier this year, so it has no obligations towards the holders of such securities.

1.2.2 Corporate Governance Code Statement

SC UAMT SA has shares listed on BVB Bucharest. As a result, the company applies all the legal provisions in force on corporate governance, updated Act 31/1990, OMFP 2844/2016 for the approval of Accounting Regulations in accordance with International Accounting Standards, NSC Regulation No. 1/2006 regarding reporting, BSE regulations etc. All these papers are public.

The company is in the process of implementing the corporate governance code and is largely applying its general provisions.

The management of SC UAMT SA certifies that there are no situations in which the company has distanced itself from the provisions of the corporate governance code that applies to it.

The company manages the accounting in accordance with the legislation in force and has an integrated IT system that stores all transactions. There are specially appointed and qualified persons who have the responsibility to prepare financial statements in accordance with the statutory accounting policies adopted by the company. The financial statements are reviewed and approved by the Chief Financial Officer, the General Manager and, where appropriate, by the Board of Directors. The company has a contract with an authorized financial auditor, as required by law. It verifies the financial reports in all situations provided by the legislation in force.

The General Assembly has the attributions stipulated by Law 31/1990 with the related amendments and by the company's constitutive act in force at the date of holding the respective General Assembly.

In the course of its activity and in the reporting to the supervised institutions of the regulated market, SC UAMT SA does not depart from the corporate governance code.

Within the company there is an internal control system implemented, for the main activities being established working procedures. The functions that internal control exercises in society, but not limited to, are:

- Examining the legality, regularity and compliance of operations, identifying errors, waste, malpractice and fraudulent management and on these bases, proposing measures and solutions for the recovery of damages and sanctioning the guilty, as the case may be;

- supervising the functioning of decision-making systems, planning, programming, organizing, coordinating, monitoring and controlling the implementation of decisions;

- Assessing the efficiency and effectiveness with which the existing management and execution systems at the company level use financial, human and material resources to achieve the objectives and achieve the results;

- identifying weaknesses in the management and control systems as well as the risks associated with such systems, programs / projects or operations and proposing measures to correct them and mitigate the risks. Internal control is ensured at all levels by the executive management of the company.

This Report and the Financial Statements for the financial year can be found on the Company's website www.uamt.ro.

2. ANALYSIS OF THE BUSINESS OF THE COMMERCIAL SOCIETY

2.1. ANALYSIS OF THE BUSINESS OF THE COMMERCIAL SOCIETY

a) Description of the core business activity of the company;

S.C.UAMT S.A. has as object of activity "production and sale of parts and assemblies for transport means, castings made of non-ferrous alloys, installation, machinery, technological equipment, SDVs".

b) Description of acquisitions and / or disposals of assets:

Acquisitions and disposals of assets made by the Company during the economic and financial year 2017 are as follows:

Tangible assets:

Cost

31 decembrie 2017	Terenuri	Construcții	Instalații tehnice și mașini	Alte instalații, utilaje și mobilier	Imobilizări corporale în curs	Avansuri	TOTAL
Sold inițial	13.169.060	23.288.287	53.723.066	415.770	1.441.952	3.459.996	95.498.131
Intrări	727.993	1.441.167	14.553.376	60.607	9.829.810	11.294.366	37.907.319
Ieșiri	2.156	6.654.933	36.298.763	332.523	9.536.955	8.172.471	60.997.801
Sold final	13.894.897	18.074.521	31.977.679	143.854	1.734.807	6.581.891	72.407.649

Ajustări

31 decembrie 2017	Terenuri	Construcții	Instalații tehnice și mașini	Alte instalații, utilaje și mobilier	Imobilizări corporale în curs	Avansuri	TOTAL
Sold inițial	0	5.355.555	31.572.811	262.436	0	0	37.190.802
Ajustari de valoare reprezentând amortizare și deprecieri	0	1.405.883	5.769.309	70.076	0	0	7.245.268
Ajustări de valoare aferente mijloacelor fixe ieșite	0	6.761.438	35.964.813	332.512	0	0	43.058.763
Sold final	0	0	1.377.307	0	0	0	1.377.307

Valoarea netă a mijloacelor fixe la 31.dec.17	13.894.897	18.074.521	30.600.372	143.854	1.734.807	6.581.891	71.030.342
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Non tangeble assets:

Cost	2017	2016
Sold inițial	2.030.017	933.928
Intrări	407.763	1.096.089
Ieșiri	220.897	0
Sold final	2.216.883	2.030.017

Ajustări de valoare	2017	2016
Sold inițial	574.982	443.870



Ajustări de valoare reprezentând amortizare și deprecieri	131.505	131.112
Ajustări de valoare aferente ieșiri imob. necorporale	-13.165	0
Sold final	693.322	574.982
Valoarea netă a imobilizărilor necorporale	1.523.561	1.455.035

Description of the main results of the company's activity evaluation.

1.1.1. General evaluation elements:

Indicatori	2017	2016
Cifra de afaceri	145.184.343	121.964.833
Export	2.141.788	3.214.149
% din total cifra de afaceri		
- export	1,50%	2,64%
- intern	98,50%	97,36%
Profit net	5.763.594	5.726.929

1.1.2. Assessment of the technical level of the company:

Description of the main products and / or services provided, specifying:

(a) the main outlets for each product or service and the distribution methods;

In Romania, for a series of products from the current manufacturing range, the UAMT company is the main supplier of domestic automobile manufacturers. However, it is noteworthy that there is a tendency to increase competition in the field of activity of society, which requires from society a determined action to counteract this phenomenon through an active policy of retechnologization and modernization of products.

This can be done with the help of convenient sources of funding, namely from non-reimbursable loans from the European Union or the Government of Romania.

The main products of the company are:

- Stamped landmarks;
- Anticorrosive protected highlights by electrochemical coating or painting by cataphoresis process;
- Car components;
- SDV;
- Car parts.

- Injected landmarks

The market of the company is divided into three main segments:

- industrial customers:
- car fitters:
- customers for auto parts:
- service and trading companies;
- Customers for SDVs

a) the influence of each category in the company's revenues and expenses;

	2017	2016
Venituri din producția vândută	143.067.144	119.823.081
Venituri din vânzarea mărfurilor	2.117.208	2.141.752
Alte venituri, inclusiv variația stocurilor	10.686.042	892.400
Total venituri din exploatare	155.870.394	122.857.233
Consumuri materiale	110.868.630	83.542.368
Costul mărfurilor vândute	1.968.157	1.726.310
Cheltuieli de personal	24.681.740	19.523.737
Cheltuieli privind amortizările	7.279.435	8.041.915
Alte cheltuieli	3.495.133	3.023.696
Total cheltuieli de exploatare	148.293.095	115.858.026

b) new products envisaged for which a substantial amount of assets will be affected in the next financial year as well as the stage of development of these products

The capacity analysis of SC UAMT SA highlights the need for investments in modern equipments, SDVs and assembly equipments to support growth in the expected rhythm, but also to anticipate possible market-driven "leaps". In addition to increasing production volumes for the Dacia models and other new models launched so far, for our company the launch of new models in the production creates the opportunity to diversify the range of UAMT products.

1.1.3. Assessment of the technical and material supply activity (indigenous sources, import sources)

In 2017 the supply activity was based on firm orders with suppliers from Romania, within the U.E. and from outside U.E.

The main suppliers of raw materials and materials of the company according to the weight in the volume of supply expenses for 2017 are presented in the table below.

Furnizor Sortiment aprovizionat	Pondere în planul de aprovizionare pe 2017 [%]
Furnizori din România	67%
Furnizori din Uniunea Europeana	30%
Furnizori din afara Uniunii Europene	3%

Stocks of raw materials and materials are at the minimum. Due to the systematic supply, no gaps are created in the stock of raw materials and materials.

The supply of raw materials is made directly from direct suppliers or distributors, thus negotiating favorable prices for the company. Prices are well correlated with quality.

1.1.4. Valuation of sales activity

a) Description of the evolution of sequential sales on the domestic and / or external market and the prospects for medium and long-term sales:

In 2017, product sales have been increasing compared to 2016.

The main market for the company's products is the car market, accounting for 99% of the total sales in 2016.

Exports are largely intra-Community supplies.

In the medium and long term, the company's marketing policy is to maintain traditional customers and to enter new market segments.

The sales growth projections for 2018 are optimistic, with an increase of 6% compared to 2017.

b) Description of the competitive situation in the field of activity of the company, the market share of the products or services of the company and of the main competitors;

The general practice on the car fitters market is to accommodate several parts and subassemblies supplying companies.

Thus, as a result of the very important and long-term process of approval, the notion of competition becomes irrelevant, with the firms agreed on the market as long as

they manage to meet the vehicle's quality and price requirements over the life of the vehicle.

In particular, the competition manifested itself in the supplier selection stage agreed by DAMA's main client, Dacia-RENAULT, because the products for equipping Dacia vehicles are complex and require high costs for assimilation in manufacturing, validation and assurance of the necessary manufacturing capacities. Once this stage has been overcome, competition has been substantially reduced, with potential contractors being made by installers only in exceptional cases (bankruptcy, serious quality problems, major innovations, significant price jumps, etc.).

Also, once the company has been nominated as a Renault 1 supplier, it also holds a privileged position in the spare parts market, both in terms of consumer protection legislation and in terms of product promotion.

In this market segment, however, we are constantly in competition with multinationals in the automotive industry.

c) Descrierea oricărei dependențe semnificative a societății comerciale față de un singur client sau față de un grup de clienți a cărui pierdere ar avea un impact negativ asupra veniturilor societății;

Dependența de clientul Dacia – Renault a fost diminuată în mare măsură în cursul anului 2017, urmînd ca în perioadele viitoare această dependență să se diminueze și mai mult, pe măsura ca Societatea devine furnizor agreat (sau principal, sau de rang 1, sau nominalizat, în funcție de producătorul auto al cărui furnizor agreat devine) al altor mari producători de autoturisme.

1.1.5. Evaluating employee / company staff issues

a) Specifying the number and level of training of the employees of the company as well as the degree of unionization of the labor force;

The forecasts for the year 2018 lead to the conclusion that during this period the company will have to carry out its activity with an average number of employees of 500 people determined by the increase of production volume.

The degree of unionisation of the workforce is about 40%.

The general qualification of the personnel is high, being generally satisfied with the needs of the society and permanently improved by practical actions on operations and products.

The current organizational structure is of a pyramidal type, the competencies and responsibilities given at different levels being specified by the "Organization and Functioning Regulations" and "Job Forms".

At the end of 2017, compared to 2016, the structure of the employees by type of activity is the following:

	Nr. efectiv de personal	
	2017	2016
Total personal producție	445	434
Personal TESA	78	77
Total personal	523	511

From the data presented above, the number of employees in 2017 increased compared to the previous year.

b) Describe the relationship between manager and employee as well as any conflicting elements that characterize these relationships;

Relationships between management and employees are normal, without the collective actions of contesting programs and managerial achievements.

1.1.6. Assessment of issues related to the impact of the issuer's core business on the environment

UAMT SA holds the integrated environmental permit and the updated water management license as well as the declaration of locations for operations with precursors.

The basic activities of the company have an insignificant impact on the environmental factors of air, water, soil. The determinations made show that there are no exceedances of the limit values set by the legislation in force for any of the measured pollutants, both

for emissions to air and emissions of pollutants into the atmosphere. By upgrading the wastewater pre-treatment plant all specific pollutants are within the limits set by the legislation. Considering that the free surface inside the unit is mostly concreted, including industrial waste dumps, there can be no significant changes in the structure and quality of the soil.

According to the above, it appears that the impact of the activities of the IAAT does not constitute significant pollution.

This is not the case for existing or expected litigation regarding violations of environmental legislation.

For the year 2017 the annual environmental report was submitted to APM-Bihor and Oradea City Hall.

1.1.7. Evaluating research and development

SC UAMT SA will continue in 2018 the R & D policy as a prerequisite for consolidating and improving this activity with direct implications on the development opportunities of the company (customer and product portfolio, turnover).

1.1.8. Assessing the Company's business on risk management

Description of the company's policies and objectives regarding risk management.

The 2017 results are relatively good in relation to turnover, due to the measures taken through cost management policies, out of which:

- o the continuous development and promotion of products leading to increased customer satisfaction under conditions of economic profitability
- reducing and optimizing utility consumption
- o the efficient management of the human resource in correlation with the production capacities at the lowest achievable cost
- a rhythmical supply and minimum storage of raw materials and consumables
- to streamline cash flows through debt and debt settlement measures
- o hiring expenses in correlation with the timing of income in close co-ordination with availability
- o hiring maintenance and repair at favorable prices

1.1.9. Perspectives on the activity of the company

a) Presentation and analysis of trends, elements, events or uncertainty factors affecting or likely to affect the liquidity of the company compared to the same period of the previous year.

We believe that in 2018 we have the possibility to achieve higher revenues than those of 2017. However, given the general rise in raw material prices and inherent wage increases, we estimate a net profit lower than that achieved in 2017 , mainly due to:

- the introduction of new products in manufacturing, from more car manufacturers, which require time to optimize the production process;
- Rising prices for raw materials, utilities and other services provided by third parties
- increase in personnel expenses;
- maintaining the actual or modest increase in sales prices of finished products and services provided by the company (at a lower rate than the cost growth rate).
- Continuation of the technical updating policy of the company by replacing the equipment that has been outdated morally and technically.
- the implementation of new technologies, in order to diversify the production and, especially, the quality of their own products.

The forecasts for the future in this field are largely influenced by the policy and objectives expressed by car manufacturers that are the company's customers, constantly reducing manufacturing costs for cars in their manufacturing ranges, and the current trend in electrification of individual car transport.

The economic and financial situation of the company this year had a satisfactory trend.

The objectives to be achieved through the 2018 business plan are:

- continuing structural adjustment according to real dimensions and developments in the current markets of society;
- Continue the company's structural and technological upgrading to align it with the requirements of motor vehicle installers;
- intensifying efforts to identify and penetrate new external market segments and new products from other areas of activity;
- Continue to re-technologize the company by accessing new government funds for investment;
- put emphasis on human resource training at the level of current requirements;
- Continue diversifying the portfolio of major clients.

b) Presentation and analysis of the effects of capital expenditures, current or anticipated, on the financial situation of the company compared to the same period last year.

During 2017 the company made significant investments on the basis of the approved modernization project.

The company will continue the modernization process in 2018, reinvesting the proposed profit for distribution to other reverbs, respectively to its own sources of financing.

2. Tangible assets of the company

2.1. Specification of the location and characteristics of the main production capacities owned by the commercial company.

The company is located in northwest Romania in the city of Oradea at 8 km from the Romanian-Hungarian border, in the immediate vicinity of the European road E60, with means for supply and delivery both by rail and by road.

The company is based in Oradea, Uzinelor Street, no. 8, and is registered with the Bihor Trade Register, under the number J 05/173/1991.

The value of the company's up-to-date stock capital is 17,766,860 lei.

The technical equipment of the company is located in the field of fine mechanics. The company uses the following categories of technological processes:

- Machining by machining (turning, milling, drilling, flat and round rectifying) on classic and specialized CNC machines
- cold pressing operations;
- injection of plastic parts (polyethylenes, polyacetals, polyamides, including fiberglass reinforcements, etc. up to 1.2kg);
- painting by the cataphoresis process;
- electrochemical coatings (galvanizing, nickel plating);
- welding of metals (electric, autogenous, spot welding, welding in CO2 protective atmosphere, with or without manipulating robots);
- thermal treatments;
- electroerosion machining (with solid and wire electrode);

- assembly of products;

The company also has a performance SDV execution section that generally provides all the necessary stamps, dies, devices and checkers necessary for its own production as well as execution of orders in this field for other companies.

2.2. Describe and analyze the degree of wear and tear of commercial property.

The average degree of wear is a normal degree in industrial activity. The level of modernity of the machinery is in line with the technical requirements of production.

The Company's accounting policy for revalued tangible assets was the alternative accounting treatment, ie the presentation of fixed assets at the revalued amount in the financial statements, less cumulative depreciation.

2.3. Specifying potential issues related to ownership of tangible assets of the company.

There are no litigation on matters relating to the ownership of tangible assets of a company or of a commercial nature.

CAP.3. MARKET OF MONEY VALUES ISSUED BY THE SOCIETY OF COMMERCE

3.1. Specification of the markets in Romania and other countries where the securities issued by the trading company are negotiated.

The shares of the company are tradable on the Bucharest Stock Exchange.

The Company issued a single type of security, namely dematerialized shares with a nominal value of 2.50 lei. Following the enforcement of the Law 55/95 on Accelerating the Privatization Process and the fact that the company has over-subscribed to the mass privatization process, by law the split of the nominal value of all shares from 0.25 lei to 0.10 lei per share.

The increase of the registered capital during 1999 following the revaluation of the assets and approved by the GMS led to the increase of the nominal value of the shares of the company from 0.10 to 0.45 lei / share.

During 2001, the company made a public offer for capital increase, in which a total of 2,518,322 shares were subscribed in full by the majority shareholder.

During 2010, as a result of the absorption merger between SC UAMT SA, the absorbing company and the absorbed companies: FICAMT SA, CPD SRL, FRIGAMT SRL, a share capital increase was made, in which 14,396,464 actions.

In 2017 the company became the majority shareholder of SC AMT INVESTMENT SRL, with the identification data:

Name of the company: SC AMT INVESTMENT SRL

Headquarters: Com. Sacadat nr.428B, jud.Bihor

Unique registration code: 27799024

Register Trade Register: J5 / 1583/2010

Share capital: 4,545,000 lei

The shares of SC AMT INVESTMENT SRL are not traded on the regulated securities market.

The company is managed by Mr. Ioan Stanciu as a full-power administrator and unlimited duration of the mandate.

The share held by SC UAMT SA Oradea is 99% and the share held by non-control interests is 1%.

3.2. Description of the company's business policy on dividends. Specification of the dividends due / paid / accumulated in the last 3 years and, if applicable, the reasons for the possible reduction of dividends over the last 3 years.

In the last few years, the company did not grant dividends to its shareholders, the profit being distributed to other reserves.

Lately, the policy of the issuer was to reinvest the profits obtained, the company needing capital resources for the purpose of investing, thus not dividing dividends.

For the year 2017 through the A.G.O.A., the net profit is proposed to be distributed as a source of financing to support the investment program of the company.

As the provision of medium and long-term capital resources is a major coordinator of the issuer's strategy, it will maintain its policy of reinvesting profits in the future.

In 2017 there were no changes in the share capital structure.

3.3. Description of any activities of the company to acquire its own shares.

It's not necessary

3.4. Where the company has subsidiaries, the indication of the number and nominal value of the shares issued by the parent undertaking owned by the subsidiaries.

In 2017 the company became the majority shareholder of SC AMT INVESTMENT SRL, with the identification data:

Name of the company: SC AMT INVESTMENT SRL

Headquarters: Com. Sacadat nr.428B, jud.Bihor

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The shares of SC AMT INVESTMENT SRL are not traded on the regulated securities market.

The company is managed by Mr. Ioan Stanciu as a full-power administrator and unlimited duration of the mandate.

The share held by SC UAMT SA Oradea is 99% and the share held by non-control interests is 1%.

3.5. If the company has issued bonds and / or other debt securities, the disclosure of how the company fulfills its obligations towards the holders of such securities.

It's not necessary

HEAD. 4. TRADING OF THE COMMERCIAL SOCIETY

At present the management of "UAMT" SA Oradea is executed in hierarchical order by:

1. The General Meeting of Shareholders;
2. Board of Directors consisting of 3 persons;
3. General Manager;

4.1. Presentation of the list of the company's administrators and the following information for each administrator:

a) CV (name, surname, age, qualification, professional experience, position and seniority) of each administrator is presented on the company's website www.uamt.ro/comunicate

(b) any agreement, understanding or family relationship between that manager and another person by virtue of which that person has been appointed as a director;

It's not necessary

c) the participation of the directors in the capital of the trading company, after registering the share capital increase at the Central Depository on 18.09.2017, is presented as follows:

Nume, prenume	Nr.acțiuni deținute	% de participare la capitalul social
Doina Olimpia STANCIU	500	0,001
Bogdan Ciprian STANCIU	305.120	0,77
Simona FURTOS	0	0

d) the list of persons affiliated to the company.

It's not necessary

4.2. Presentation of the list of members of the executive management of the trading company. For each, submit the following information:

The executive management of the company was provided by a managerial team, a team that at the end of 2017 had the following composition:

- Razvan Ionut POPESCU - General Manager,
- Nicolae RADU - Deputy General Manager,

The resume of each member of the executive management is presented on the company's website www.uamt.ro/comunicate

a) the term for which the person is a member of the executive management

Executive Directors are employees of the company for an indefinite period

(b) any agreement, understanding or family relationship between that person and another person by virtue of which that person has been appointed as a member of the executive management;

It's not necessary

c) participation of the respective person in the capital of the company.

It's not necessary

4.3. For all persons listed under 4.1. and 4.2. litigation, or administrative proceedings in which they have been involved in the past 5 years about their activity within the issuer, as well as those relating to that person's ability to perform his duties within the issuer.

CHAPTER 5. FINANCIAL-ACCOUNTING SITUATION

Presentation of the current economic - financial situation compared to the last year:

SITUAȚIA POZIȚIEI FINANCIARE La: 31.12.2017

	31.12.2017	31.12.2016
Active		
Active necurente		
Imobilizări corporale	71.030.342	58.307.330
Alte imobilizări necorporal	1.523.561	1.455.035
Investiții imobiliare	1.297.626	1.339.456
Alte active (biologice, financiare, etc)	4.502.000	300
Total active necurente	78.353.529	61.102.121
Active curente		
Stocuri	27.964.512	16.730.903
Creanțe comerciale	45.009.462	25.861.938
Cheltuieli în avans	0	0
Alte creanțe	2.668.239	4.436.165
Numerar și echivalent în numerar	9.324.286	33.126.159
Total active curente	84.966.499	80.155.165
Venituri în avans (subvenții)	4.864.426	6.059.056
Total active	158.455.602	135.198.230

Capitaluri proprii și datorii

Capitaluri proprii

Capital social	17.766.860	17.766.860
Rezerve	33.405.068	27.361.244
Rezultat reportat	5.008.540	4.146.286
Rezultatul exercițiului	5.763.594	5.726.929
Alte rezerve și acțiuni proprii	36.663.676	32.026.881
Total capitaluri proprii	98.607.738	87.028.200

Datorii necurente

Împrumuturi primite pe termen lung	9.795.075	3.911.603
Alte datorii pe termen lung	0	508.729
Datorii de impozit amanat	34.170	34.170
Alte datorii necurente	0	0
Total datorii necurente	9.829.245	4.454.502

Datorii curente

Datorii comerciale	22.440.571	16.837.437
Împrumuturi pe termen scurt	25.000.000	25.000.000
Provizioane pe termen scurt	0	0
Taxe curente	1.888.634	1.358.736
Alte datorii curente	689.414	519.354
Total datorii curente	50.018.619	43.715.527

Total datorii 59.847.864 48.170.029

Total pasive 158.455.602 135.198.229

Subscribed share capital of RON 17,766,860 did not change during the year 2017. During the year, the legal reserve was not created, while the maximum allowed by law was reached, and the net undistributed profit for the year 2017 will be allocated to other sources of development.

Gross fixed assets:

31 decembrie 2017	Terenuri	Construcții	Instalații tehnice și mașini	Alte instalații , utilaje și mobilier	Imobilizări corporale în curs	Avansuri	TOTAL
Sold inițial	13.169.060	23.288.287	53.723.066	415.770	1.441.952	3.459.996	95.498.131
Intrări	727.993	1.441.167	14.553.376	60.607	9.829.810	11.294.366	37.907.319
Ieșiri	2.156	6.654.933	36.298.763	332.523	9.536.955	8.172.471	60.997.801
Sold final	13.894.897	18.074.521	31.977.679	143.854	1.734.807	6.581.891	72.407.649

Ajustări

31 decembrie 2017	Terenuri	Construcții	Instalații tehnice și mașini	Alte instalații , utilaje și mobilier	Imobilizări corporale în curs	Avansuri	TOTAL
Sold inițial	0	5.355.555	31.572.811	262.436	0	0	37.190.802
Ajustari de valoare	0	1.405.883	5.769.309	70.076	0	0	7.245.268



Ajustări de valoare aferente mijloacelor fixe ieșite	0	6.761.438	35.964.813	332.512	0	0	43.058.763
Sold final	0	0	1.377.307	0	0	0	1.377.307

Valoarea netă a mijloacelor fixe la 31.dec.17	13.894.897	18.074.521	30.600.372	143.854	1.734.807	6.581.891	71.030.342
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Gross book value is recovered by the straight-line method, in accordance with current legal regulations.

Evolution of economic means in dynamics, deviations from one period to another, structure, equilibrium ratios and proportionality between different asset classes were analyzed using indices based on the data in the following table.

The data contained in the table was extracted from the financial position.

Stocuri anul 2017

Stocuri	2017	2016
Materii prime și materiale	16.865.382	12.862.456
Producția în curs de execuție	8.056.992	1.121.502
Alte materiale	114.614	55.338
Produse finite	2.927.524	2.691.607
Valoarea stocurilor	27.964.512	16.730.903

Creante

Creanțe comerciale	2017	2016
Clienți	44.048.430	24.194.227
Clienți incerti	0	189.100
Avansuri	961.032	1.667.711
Valoarea creanțelor comerciale	45.009.462	26.051.038
Ajustări pentru deprecierea creanțelor	189.100	189.100
Ajustare constituită în an	0	0
Ajustare revărsată în an	189100	0
Valoarea ajustări	0	189.100
Valoarea netă a creanțelor comerciale	45.009.462	25.861.938



Alte creanțe	2017	2016
Alte creanțe în legătură cu personalul	0	0
TVA neexigibil	141.487	48.985
Debitori diverși	392.617	2.241.584
Alte creanțe - subvenții de încasat	2.129.497	2.129.497
Alte creanțe	0	16.097
Valoarea netă a altor creanțe	2.663.601	4.436.165

The financial sources of economic means are presented in the table below:

Capitaluri proprii și datorii

Capitaluri proprii

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Datorii curente

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Total datorii curente	50.018.619	43.715.527

Total datorii	59.847.864	48.170.029
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a) the profit and loss account: net sales; gross income; cost and expense items with a weight of at least 20% in net sales or gross incomes; risk provisions and for various expenses; reference to any sale or closure of a segment of activity carried out in the last year or to be carried out in the following year; dividends declared and paid;



**SITUAȚIA PROFITULUI SAU A PIERDERII ȘI ALTE
ELEMENTE ALE REZULTATULUI GLOBAL
La: 31.12.2017**

	Nota	31.12.2017	31.12.2016
Venituri din producția vândută		143.067.144	119.823.081
Venituri din vânzarea mărfurilor		2.117.208	2.141.752
Alte venituri, inclusiv variația stocurilor		10.686.042	892.400
		155.870.394	122.857.233
Consumuri de materii prime și materiale		110.868.630	83.542.368
Costul mărfurilor vândute		1.968.157	1.726.310
Cheltuieli de personal		24.681.740	19.523.737
Cheltuieli privind amortizările		7.279.435	8.041.915
Alte cheltuieli		3.495.133	3.023.696
		148.293.095	115.858.026
Rezultatul operațional		7.577.299	6.999.207
Venituri financiare		523.325	432.371
Cheltuieli financiare		1.020.138	711.407
Profit înainte de impozitare		7.080.486	6.720.171
Impozit pe profit		1.316.892	993.242
Cheltuială cu impozitul pe profit amânat		0	0
Venituri din impozitul pe profit amânat		0	0
Profit net aferent perioadei și rezultat global total aferent perioadei		5.763.594	5.726.929
Rezultatul pe acțiune			
Rezultatul pe acțiune de bază (lei/acțiune)		0,146	0,145

Unlike previous years, although the turnover achieved with Dacia - Pitesti client has a significant weight, this share has diminished considerably as the Board of Directors' efforts to expand its portfolio of large clients have been achieved.

The Board of Directors will continue this action in order to mitigate the risks of a single major client.

CHAPTER 5. NON-FINANCIAL DECLARATION

The company does not have data on the current and foreseeable impact of its operations on the environment and can not estimate the impact on health and safety.



However, the existence of the Integrated Environmental Authorization, updated, ensures that the above legal conditions for the operation and management of the above aspects are observed at the company level.

The company can not predict the impact on climate change of the use of goods produced by society. By the nature of the industry in which the company operates, this impact has to be studied at the level of the entire industry.

Society respects gender equality in all aspects of employment, wages, working conditions, social dialogue, workplace safety and trade union rights.

6. Appendices

6.1. Individual annual financial statements ended on 31.12.2017;

6.2. Financial Auditor's Report on the Execution of the Financial Year 2017;

6.3. Income and Expense Budget for 2018

Oradea, la: 22.03.2018

Presedintele Consiliului de Administratie
Doina Olimpia Stanciu