

CURRENT REPORT**According to the Romanian National Commission for Transferable Securities
(CNVM) no. 1 / 2006**

Data of report : 27.01.2017

Company Name: COMELF SA

Head Office: Bistrita, str. Industriei nr. 4

Telephone / fax no.: 0263.234.462 ; 0263.238.092

Tax Identification no.: 568656

Registry of Commerce no.: J06/02/1991

Subscribed and paid-up share capital: 13.579.505 lei

Regulated Market on which the securities issued are transacted: BVB (symbol: CMF)

Reported Event: transactions with the companies from the UZINSIDER GROUP in 2017

During 2017, COMELF SA will have commercial transactions accounting more than 50.000 Euro, with companies from the UZINSIDER GROUP, as follows:

1. Framework Agreement no. ELF – UZT – 6627 since 17.11.2015, signed between UZINSIDER TECHNO SA (CONTRACTANT) and COMELF SA (PRODUCER), for an indefinite period, with an ending clause of the agreement through written notification of one of the parties, three months before the end of the year (article 45).

The agreement defines the general terms and conditions for the orders placed by UZINSIDER TECHNO as a CONTRACTANT, to COMELF as the PRODUCER. Based on this agreement, both the CONTRACTANT and the PRODUCER will sign a separate order for each product, set of products, equipments, according to the PRODUCER'S offer, offer that must include all the conditions required by the CONTRACTANT, or to specify the deviations from his request.

The price is negotiated by the CONTRACTANT and indicated in the individual order for the purpose of the agreement and the afferent services (article 15), according to the prices on the market, similar to direct transactions, so that the company's performance will not be negatively influenced.

The payment terms and conditions are indicated in each individual order (article 16).

Delivery times are the ones specified for each product that is part of the Addendum to the Framework Agreement. In the situation of failing to comply with the delivery time, penalties as for the external orders apply.

The grace period is of maximum 28 months from the date of the delivery.

The total amount of the delivered goods which will take place through this framework agreement in 2017, taking into consideration the external partners' predictions for about 150 types of equipment and components for power plants, is 5.000.000 Euro.

2. Purchase Agreement no. 3 / 24.04.2003, between UZINSIDER TECHNO SA (SELLER) and COMELF SA (BUYER), which is still valid in 2017 too, as a result of the yearly tacitly extension (article 26 of Chapter VIII Agreement Litigations)

The contract consists of selling by UZINSIDER TECHNO SA and buying by COMELF of mechanical components and steel products.

The products are delivered based on the orders sent by the BUYER. The delivery time is at most 60 days starting from the end of the month the order is placed, except for the cases when it was mutually agreed otherwise by the parties.

The prices of the products include the producer's cost to which add the expenses related to packing, marking according to norms, transport and those caused by special requirements from COMELF and an increase of 7% to the producer's price which subscribe to the values commonly used in trade relations.

The payment of the delivered products takes place in 25 calendar days from invoicing, but not more than 30 days from the date on the accompanying notice of wares. Compensation payments may be performed.

The total amount of the contract results from summing the ordered products by COMELF in that year. Based on statistics and taking into account the structure of equipments / machines that will be produced this year, **it is estimated that in 2017 the contract value to be 1.000.000 Euro.**

3. Consulting agreement no. 15 / 31.12.2007, between UZINSIDER SA as **CONSULTANT** and COMELF SA as **BENEFICIARY**, which is still valid in 2017 as it automatically extends every year, if it was not denounced by one of the parties (article 3.1 from the agreement).

The contract consists of providing the beneficiary with consulting services in the following fields:

a) Commercial consulting – pre-contractual activity, consultancy when making offers and during leadership talks with external partners, in order to sign export contracts, financial consulting for export contracts, consulting while finishing the export contracts, consulting while performing export contracts, consulting regarding international transports, consulting regarding writing the appropriate clauses, association agreements and other similar documents connected to external partners.

b) Management consulting on human resources

c) Financial management consulting

The costs of the services and work that has been done, have reduced to 68.096 lei / month, no VAT, according to the Addendum no. 256/ 30.05.2016.

The amount due is paid monthly, at the end of each month.

The equivalent of the services and consultancy for 2017 is 181.600 Euro, no legal VAT.

4. Besides the above mentioned contracts, we estimate that in 2017 there will be collaborations with the other companies from UZINSIDER Group, as follows:

4.1 Services for UZINSIDER GENERAL CONTRACTOR SA, including the execution/ delivery and/or installation of the machines and equipments by Comelf, accounting for aprox. 500.000 Euro.

The production, delivery and installations will take place according to the schedules agreed by the parties when accepting the order.

The price will be negotiated separately for each order, having in mind the prices on the market for similar works. The payment will be made according to the agreement between the parties, correlated with the work schedule.

4.2. Collaborations and services with the companies 24 IANUARIE SA PLOIESTI and PROMEX SA BRAILA, required by COMELF, and also from COMELF when required by the two companies, regarding some processing operations or the production of some parts/ accessorises which are part of a final product, situations imposed by the lack of capacity at certain moments or for the optimum work loading of the sectors in the companies 24 Ianuarie SA Ploiesti and PROMEX SA BRAILA, on Comelf's request, as well as at Comelf, on both companies' request.

The estimated value of these collaborations in 2017 is 200.000 Euro for each company.

The operations take place based on orders, the price being mutually negotiated in similar conditions with the prices of other companies, so that it fits the calculated costs when ordering the finite products.

The payment is due to the date mentioned on the invoices issued by the producer.

4.3. Collaborations with UZINSIDER ENGINEERING SA Galati, regarding the supply of technical documentation, support and technical expertise for Comelf.

The operations are carried out based on COMELF SA 's orders, at prices which will be negotiated according to the situation, similar to the prices of other engineering companies, the payment being due after receiving the works, according to the invoices issued by the producer.

The estimated value of the works for 2017 is 50.000 Euro.

The above mentioned amounts do not include VAT.

Additional Information may be obtained from the contact person Mr. Cudrec Adrian – Director of the Integrated Management Department or Mrs. Giurgiu Felicia, tel 0372037309 or by e-mail at tabloubord@comelf.ro.

General Manager
eng. Stoian Dorin