

**Convening notice for the Extraordinary and Ordinary General Shareholders'
Meetings of BITTNET SYSTEMS S.A.**

The Administrator of BITTNET SYSTEMS S.A., a Romanian legal entity, with headquarters in Bucharest, Str. Șoimuș no. 23, Bl. 2, Sc. B, Ap. 24, 040704 - Sector 4, with office and mailing address in Bucharest, Bd. Iuliu Maniu no. 7, et. 1, 061072 - Sector 6, registered in Trade Register Office under number: J40/3752/22.02.2007, Sole Registration Code: RO21181848,

CONVOKES:

The Ordinary General Meeting of Shareholders of BITTNET SYSTEMS on 26th of April 2017, 11.00 o'clock (Romanian time) at the Company's offices: Bucharest, Bd. Iuliu Maniu no. 7, et. 1, sector 6, and

The Extraordinary General Meeting of Shareholders of BITTNET SYSTEMS on 26th of April 2017, 12.00 o'clock (Romanian time) at the Company offices: Bucharest, Bd. Iuliu Maniu no. 7, et. 1, sector 6,

for all persons registered as shareholders of the Company on the 17th of April 2017 (the Reference Date) in the Register of Shareholders kept by Central Depository S.A. (Depozitarul Central). Only those persons that have the quality of shareholder at the end of the Reference Date have the right to participate and vote at the OGM and EGM.

The agenda of the OGM is as follows:

1. Approval of the financial statements for the financial year ended at December 31, 2016 (accompanied by the Administrator's Report and the Financial Auditor's Report) as well as the approval of profit distribution proposal.
2. Discharge of the Administrator for any liability for his administration during the 2016 financial year.
3. Approval of the income and expenditure budget for 2017.
4. The mandating, with the possibility of substitution, of the Administrator, Mr. Mihai-Alexandru-Constantin Logofatu, to sign the shareholder meeting's decisions, the updated version of the Articles of Incorporation as well as any other documents related to these, as well as the mandating to fulfill any procedures or formalities required by law in order to put in action the decisions of the shareholders, including but not limited to the formalities of publishing and registering the decisions with the Trade Registry or any other public institution.
5. Approval of the registration date (defined as the date of identification of the shareholders who are to benefit from dividends and other rights and to whom the decisions applies to) - proposal: May 22nd , 2017 and the ex-date : proposal May 19th 2016.

In case of a presence not reaching the legal quorum at the first convocation, the General Meeting of Shareholders will take place on April 27th, 2017, 11.00 o'clock, at the same address, with the same agenda and same reference date.

The agenda of the EGM is as follows:

1. Approval of a capital increase with the amount of RON 1.451.412,3 by issuing 14.514.123 new shares with a nominal value of RON 0.1 per share to be distributed to the registered shareholders mentioned in the Shareholders' Register held by the Central Depository at the registration date which will be determined by GMS. The allocation ratio of newly issued shares will be one bonus share for every share held. The share capital increase will be achieved by using the following sources:

- a. capitalization of undistributed net profits of the years 2015 in the amount of RON 507,391.89 ;
- b. capitalization of share premiums in the amount of RON 680,817.60 ;
- c. capitalization of the amount of RON 263,202.81 from the profit of the fiscal year 2016.

Approval of the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - proposal as 30th of June 2017 and the ex-date: proposal 29th of June 2017. Payment date proposal: July 3rd 2017.

2. Approval of a capital increase with new cash contributions from shareholders registered in the Shareholders' Register held by the Central Depository at the registration date that will be determined by GMS (proposal: 22.05.2017 and ex-date: proposal: 19.05.2017). The capital increase is subject to approval by the GMS notwithstanding the provisions of art .12.6 and art.18.1 lit. j) . The increase will take place in the following conditions:

- a. The number of new shares issued will be 1,416,012 each with a nominal value of RON 0.1 / share and an issue premium to be decided by the GMS (proposal 0.47 RON per share).
- b. The share capital increase is achieved by offering new shares for subscription, within the preference rights to:
 - i. shareholders who were registered in the Shareholders' Register at the registration date, at the moment of share capital increase, and have not alienated their preference rights during the trading period and
 - ii. persons who acquired preference rights during the trading period, from the registered shareholders identified in the Shareholders Register at the registration date regarding the capital increase;
 - c) After the period for exercising the preference rights for newly issued shares expires, unsubscribed shares will be offered for subscription in a private placement at a price at least equal to the price offered to shareholders under article a) above.
 - d) The preference rights will be tradable in the relevant market administered by Bucharest Stock Exchange, according with the specific regulations of the capital market.
 - e) The number of preference rights issued will be equal to the number of shares issued by the Company, registered in the Shareholders' Register, each shareholder, registered in the Shareholders' Register at the registration date of capital increase, will receive a number of preference rights equal with the number of shares held.
 - f) For subscription of one new share under the preference right, a shareholder must hold 10.25 preference rights. A shareholder of the Company at the registration date which has not

alienated their rights may purchase a maximum number of newly issued shares calculated by dividing the number of subscription rights held by that shareholder, on the registration date, to the number of preference rights necessary to subscribe one new share. In the case that the maximum number of shares that can be subscribed during the preference right (resulting from the above calculation) is not a natural number, the maximum number of shares that can actually be subscribed will be rounded-up to the next higher natural number.

g) The period for exercising the right of preference will be one month from the date established in the proportioned prospectus / offer prospectus and will begin at a later registration date corresponding to the share capital increase and the date of publication of the decision in the Official State Gazette (Monitorul Oficial).

h) Shares remaining unsubscribed after offering them within a private placement will be canceled by decision of the Administrator which finds the actual results of the capital increase and approves the relevant amendments to the Articles of Incorporation, following the value of the capital increase to be determined by reference to shares actually written in the stages mentioned in the points above.

i) The share capital increase is done to ensure the implementation of the development plans of the Company.

j) The Administrator is authorized to undertake any necessary steps, procedures and actions to ensure the fulfilling of the capital increase decision, including but not limited to:

- i. Contracting the necessary services to compile the relevant documentation (including but not limited to the preference rights presentation document, the offer document / proportioned prospectus for exercising preference rights) as well as the actual implementation of the share capital increase;
 - ii. The subscription period and the payment methods;
 - iii. The details for trading the preference rights on the relevant market administered by the Bucharest Stock Exchange;
 - iv. Deciding the technique of actual delivery for the private placement (using the BVB system or the direct method with the Central Depository);
 - v. Cancellation of the unsubscribed shares after the last step of the issue;
 - vi. Adopting any decisions necessary to implement the capital increase;
 - vii. Modifying the Articles of Incorporation to reflect the results of the capital increase
3. Approval of a share buy-back operation by the Company for its own shares according with the specific regulations of of the law, in the following conditions: maximum number of 2,902,824 shares (without exceeding 10% of the share capital after the increasing operations proposed in this convening notice no. 1 and 2) with a nominal value of RON 0.1 per share, at a minimum price equal to 0.1 RON per share and a maximum price to be determined by the ESM - (*proposal: 0.5 RON per share*), for a period not exceeding 18 months from the date of publication the EGM Resolutions in the Official Gazette Part IV, in order to implement the key-person incentive plan - Stock Option plan - approved with the decision of the EGM no. 6 / 26.04.2016. Approval of mandating the company Administrator for the fulfillment of this resolution.
- Approval of the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - proposal 14th of July 2017 and ex-date: proposal 13th of July 2017.

4. The approval of the administrator authorization for the period between the date of the publication of the EGM resolutions in the Official Gazette Part IV and 31.12.2018 to decide the share capital increase by one or more issues of shares, up to a nominal value of RON 725.706 (authorized capital) by applying the provisions of art. 12.6 and art. 18.1 lit. j) of the Articles of Incorporation and of the Company Law. Also, exclusively for capital increases under the conditions mentioned above the administrator is mandated - for each of the capital increases carried out up to the amount of authorized capital - to decide the restriction or cancellation of preference rights of the existing shareholders at the date of the capital increase.

This resolution modifies art. 9.19 of the Articles of Incorporation as follows: *"The administrator is authorized for the period between the registration date of this updated document at The Trade Register and 31.12.2018 to decide the share capital increase by one or more issues of shares up to a value not exceeding half of the subscribed share capital existing at the time of authorization. On this document the authorized share capital is RON 725.706. Exclusively for the capital increase under the conditions mentioned the administrator is mandated for each of the capital increases -up to the value of the authorized capital -to decide the restriction or cancellation of the preference rights of the existing shareholders at the date of share capital increase."*

Approval of the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - proposal as 22nd of May 2017 and ex-date: proposal 19th of May 2017.

5. Approval of authorizing the Administrator for the period between the publication date of the EGM resolutions in the Official Gazette Part IV and the date of 31.12.2018 to undertake one or more corporate bonds issues, totaling a maximum of RON 10,000,000 (ten million RON), each bond will be issued with a nominal value of RON 100 per bond with a maturity of minimum 3 years and maximum of 5 years with a yearly coupon of a maximum of 9% and the mandating of the Administrator to decide the opportunity of every one of the issues, as well as the final details, as well as mandating the Administrator to sign and produce any relevant necessary documents, including but not limited to the bonds prospectus, documents necessary for listing the bonds on the relevant market operated by the BVB, and any other documents that might be needed in relation to the fulfilling of the current decision.

Approval of the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - proposal as 22nd of May 2017 and ex-date: proposal 19th of May 2017.

6. Approval of purchasing - from own sources, or bank financing, or funding from corporate bond issues - of all shares of the Company GeCAD Net SRL - a Romanian legal person, based in Bucharest, Calea Floreasca Nr. 169, 5th Floor, District 1, registered with Trade Register under the no. J40/6266/1999, unique identity code: 11973883 and it's entire goodwill and business, for a maximum price of 600,000 Euro and mandating the administrator with full powers to represent the Company in order to negotiate and establish the conditions for this acquisition, negotiation and obtaining necessary financing funds and to sign all necessary documents and registrate them to the competent institutions, according with the rule of Law.

Approval of the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - proposal as 22nd of May 2017 and ex-date: proposal 19th May 2017.

7. Approval of a Key Person Stock Option Incentive Plan as a result of the acquisition mentioned at pt. 6, by providing options to acquire a number of shares not exceeding 5% of the Company's total amount of shares at a preferential price - Stock Option Plan - ("The Plan"), in the form presented in general shareholders meeting.

Approval of the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - proposal as 22nd of May 2017 and ex-date: proposal 19th May 2017.

8. Approval for the company submitting the application to any funding scheme from grants, within a co-financing limit EUR 300,000 and empowering the administrator to represent the Company with full powers regarding authorized institutions and sign all necessary documents and record them to authorized institutions, in accordance with applicable legal provisions in force.

Approval of the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - proposal as 22nd of May 2017 and ex-date: proposal 19th of May 2017.

9. Debate and approval of a decision on the need/opportunity to submit quarterly reports according to the BVB procedures for "Premium" category versus art. 1232 of Regulation No. 1/2006 of CNVM on the reporting obligations of companies whose shares are traded with their consent on alternative trading system.

Approval of the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - proposal as 22nd of May 2017 and ex-date: proposal 19th of May 2017.

10. The mandating, with the possibility of substitution, of the Administrator, Mr. Mihai-Alexandru-Constantin Logofatu, to sign the shareholder meeting's decisions, the updated version of the Articles of Incorporation as well as any other documents related to these, as well as the mandating to fulfill any procedures or formalities required by law in order to put in action the decisions of the shareholders, including but not limited to the formalities of publishing and registering the decisions with the Trade Registry or any other public institution.

In case of a presence not reaching the legal quorum at the first convocation, the General Meeting of Shareholders will take place on April 27th, 2017, 12.00 o'clock, at the same address, with the same agenda and same reference date.

OGSM and EGSM Documents

The convening notice, the documents to be debated as well as the resolution draft are available starting with 24th March 2017 at the Company's office: Bucharest, Bd. Iuliu Maniu no. 7, et. 1, sector 6 or on the web page: <http://www.bittnetsystems.ro/investors/>.

The share capital is composed of 14.514.123 shares, each share conferring the right to express one vote in GSM.

Shareholders' proposal regarding OGSM and EGSM

One or more shareholders having at least 5% of the share capital, individually or jointly, are entitled:

1. to introduce new topics on the agenda (provided that each topic is accompanied by a justification or a draft decision proposed to be approved by the general meeting, such proposal has to be sent to the Company's office: Bucharest, Bd. Iuliu Maniu no. 7, et. 1, sector 6, before the date of April 5, 2017, hours 17:00);

2. to present draft resolutions for the topics on the agenda or proposed to be included on the agenda of the general meeting (such proposal has to be sent to the Company's office: Bucharest, Bd. Iuliu Maniu no. 7, et. 1, sector 6, before the date of April 5, 2017, hours 17:00).

If applicable, the revised agenda will be published until April 10, 2017, in accordance with the legal provisions. Shareholders' proposals and documents proving that the conditions to exercise these rights shall be submitted :

- through a handwritten document in original, by mail or courier, to Bittnet Systems SA: Bucharest, Bd. Iuliu Maniu no. 7, et. 1, sector 6

- online: document signed with electronic signature, according to Law. 455/2001 regarding the electronic signature via email at: investors@bittnet.ro

Questions About GSM:

The shareholders may ask questions about items on the agenda, along with documents that allow identification of the shareholder no later than the day before the EGMS. The Company can respond by posting the response on the company's website (<http://www.bittnetsystems.ro/investors/>). Shareholders may send questions in writing either by post or courier services at the company address mentioned above or by electronic means (at: investors@bittnet.ro)

Participation in GSM:

The reference date is 17th April 2017. Only shareholders registered in the Shareholders Register on that date, held by the Central Depository, may participate and vote at this general meetings. Shareholders may participate in the General Meeting represented directly or by other persons, according to law, or may vote by correspondence.

1. Documents required for participation in the GSM for individual shareholders are:

- if the shareholder participate as personal - ID;

- if the shareholder is represented by another person: proxy and the identity of the Representative;

2. Documents required for participation in the GSM for shareholders-companies are:

- the representative of the shareholders-companies will provide the following proof of identity: identification document of the representative (Identity card or legal equivalent for

Romanian citizens or passport/proof of residency for foreign citizens). The quality of legal representative of the legal person shareholder is established on the basis of an official document that certifies the above quality (a validity document issued by a competent authority, in original or certified copy).

- for the person who was delegated - besides the aforementioned document that certifies the quality of legal representative of the person signing by the power of attorney, will present the special proxy signed by the legal representative of the legal person. Starting with the 24th of March 2017, special proxy forms for the Extraordinary General Meeting, and proxies for those for voting by correspondence, may be obtained from the company's address: Bittnet Systems SA - Bucharest, bd. Iuliu Maniu, no. 7 et. 1, sector 6 or can be downloaded from the Company's website (<http://www.bittnetsystems.ro/investors/>).

After completing and signing the power of attorney (in 3 copies), under penalty of losing the right to vote, a filled copy will be sent to the Company's office in Bucharest, Bd. Iuliu Maniu 7 et. 1, sector 6 until April 24th, 2017, hours 11:00, a copy of the proxy will be given to the third party and the third copy will remain with the shareholder. The proxies may be sent by e-mail before the date mentioned above, the document signed with electronic signature, according to Law. 455/2001 regarding the electronic signature - by email at: investors@bittnet.ro . The power of Attorney will be accompanied by a copy of the identity document of the shareholder for natural persons / or of the legal representative of the shareholder legal person, and for legal persons, the official document certifying the legal representative for proxy signer. Special proxies shall include the information specified in the proxy form provided by the Company, indicating the vote for each item on the agenda.

Shareholders registered at the reference date have the opportunity to vote by correspondence before the Ordinary and Extraordinary General Shareholders Meeting by using the correspondence ballot available starting for March 24th, 2017 the Company's website, or at its address office in Bucharest, Bd. Iuliu Maniu 7 et. 1, sector 6. The form of the correspondence ballot, accompanied by a copy of identity card (for individual shareholders) or certificate of registration of the shareholder (for legal entities shareholders), will be submitted in original at company office address in Bucharest, Bd. Iuliu Maniu, no. 7 et. 1 sector 6, the latest day of April 4th. 2017, at 10:00. The forms for correspondence ballot may be sent by e-mail until the date mentioned above, the document signed with electronic signature, according to Law. 455/2001 regarding the electronic signature - by e-mail at: investors@bittnet.ro.

Further information can be obtained at the Company's office in Bucharest, Bd. Iuliu Maniu 7 et.1, sector 6 or by phone (+40 21) 527 16 00 between 09:00 - 17:00 hours.

SOLE ADMINISTRATOR,
Mihai-Alexandru-Constantin LOGOFATU