

Report regarding the results of the General Meeting of Shareholders

Ordinary Meeting

Today , 26th of April, 2017, 11:00 hours (Romanian time), shareholders of BITTNET SYSTEMS S.A. (hereinafter referred to as the "Company") met at the first convocation, in Bucharest, Bd. Iuliu Maniu, nr. 7, et. 1, 061072 - sector 6, for the Ordinary General Meeting of Shareholders ("OGM") of the Company. The OGM was chaired by Mr. Mihai-Alexandru- Constantin Logofatu, the Sole Administrator of the Company.

In accordance with:

1. The Convening notice published on the Company's website (<http://www.bittnetsystems.ro/investors/>) on 24th of March 2017 and in the Romanian Official Gazette, part IV, no. 985 from the 24th of March 2017 and in Ziarul Bursa of March 24th 2017;
2. The Companies' Law no. 31/1990, republished (Law no. 31/1990);
3. The Capital Markets' Law no. 297/2004 ;
4. The Issuers Law - number 24 / 2017
5. The National Securities Commission Regulation no.1/2006 on issuers and trading of securities (Regulation 1/2006);
6. The National Securities Commission Regulation no. 6/2009 on the exercise of certain rights of shareholders in general shareholders meetings of the companies;

The shareholders have decided upon the items on the OGM agenda as it follows:

Item 1:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 61.4973% of the share capital and 61.4973% of casted votes

Approves the financial statements for the financial year 2016, the Report of the Administrator and the Independent Auditor's Report, and the proposed profit distribution as follows:

<i>Destination</i>	<i>Amount</i>
Profit to distribute:	1,180,277.12
Legal Reserves	8,074.12
Capital Increase	263,202.75
Dividends	0
Other reserves	909,000.2

According to the Law, the administrator - Mr Mihai Logofatu - has abstained from the vote.

Item 2:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 61.4973% of the share capital and 61.4973% of casted votes

Approves the discharge of liability of the administrator for the financial year 2016. According to the Law, the administrator - Mr Mihai Logofatu - has abstained from the vote.

Item 3:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approves the 2017 Income and Expenditure Budget of the Company.

Item 4:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approves the empowerment, with the possibility of substitution, of Company's 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 fulfil 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.

Item 5:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approves of the registration date as May, 22nd, 2017 (defined as the date of identification of the shareholders who are to benefit from dividends and other rights and to whom the decisions of the OGM apply) and 19th of May 2017 as the "ex-date". Given that the Payment date and the Date of Guaranteed Participation as defined by Reg 6 / 2009 do not apply to the decisions of the OGSM, shareholders do not decide on the aforementioned.

Extraordinary Meeting

Today , 26th of April, 2017, 12:00 hours (Romanian time), shareholders of BITTNET SYSTEMS S.A. (hereinafter referred to as the "Company") met at the first convocation, in Bucharest, Bd. Luliu Maniu, nr. 7, et. 1, 061072 - sector 6, for the Extraordinary General Meeting of Shareholders ("EGM") of the Company. The EGM was chaired by Mr. Mihai Alexandru-Constantin Logofatu, the Sole Administrator of the Company.

In accordance with:

1. The Convening notice published on the Company's website (<http://www.bittnetsystems.ro/investors/>) on 24th of March 2017 and in the Romanian Official Gazette, part IV, no. 985 from the 24th of March 2017 and in Ziarul Bursa of March 24th 2017;
2. The Companies' Law no. 31/1990, republished (Law no. 31/1990);
3. The Capital Markets' Law no. 297/2004 ;
4. The Issuers Law - number 24 / 2017
5. The National Securities Commission Regulation no.1/2006 on issuers and trading of securities (Regulation 1/2006);
6. The National Securities Commission Regulation no. 6/2009 on the exercise of certain rights of shareholders in general shareholders meetings of the companies;

The shareholders have decided upon the items on the EGM agenda as it follows:

Item 1:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approve of a capital increase with the amount of RON 1.451.412,3 by issuing 14,514,123 new shares with 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 . The allocation ratio of newly issued shares will be one bonus share for every share held (1:1). 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 undistributed profit of the fiscal year 2016.

Approve the registration date (defined as the date used to identify shareholders to whom the decision applies to) as June 30th 2017, ex-date - June 29th 2017. Payment date is set to July 3rd 2017.

Item 2:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approve the capital increase by making new contributions in cash by shareholders registered in the Shareholders' Register held by the Central Depository at the registration date May, 22nd, 2017, with an ex-date of May 19th 2017. The payment date for the preference rights is set accordingly, to May 23rd 2017. The capital increase is presented for approval by the shareholders meeting by exception to the articles 12.6 and 18.1 of the articles of incorporation. The capital 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 of 0.47 lei 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;

- 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 identified as in point (b) above 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-down to the next higher natural number. As an example, a shareholder wanting to subscribe 1 new share will need 11 preference rights. For subscribing 10 new shares, a shareholder needs 103 preference rights and for subscribing 100 new shares one needs 1025 rights.
- 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 and the allocations 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

Item 3:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approve a share buy-back operation by the Company for its own shares according with the specific regulations 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 of RON 1,85, 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. Approves of mandating the company Administrator for the fulfillment of this resolution, including to analyze and decide if repurchases will be made based on one or multiple repurchase plans or based on one or multiple public purchase offers.

Approves the registration date (defined as the date of identification of the shareholders to whom the decision of the EGM applies to) - as the 14th of July 2017 and ex-date: as 13th of July 2017.

Item 4

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights with the affirmative votes of the shareholders representing 83.8210% of the share capital and 91.5132% of casted votes

Approves authorizing the administrator 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."

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

Item 5:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approves 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.

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

Item 6

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approves the purchase - 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 register them to the competent institutions, according with the rule of Law.

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

Item 7:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approves 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.

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

Item 8:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approves that the company submits applications to any funding scheme from grants, within a co-financing limit EUR 300,000 and empowers 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.

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

Item 9:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 61.4973% of the share capital and 100% of casted votes

Approves that the Company will not publish quarterly reports for the financial year 2017.

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

The administrator - Mr Mihai Logofatu - has abstained from the vote.

Item 10:

In the presence of the shareholders representing 91.5944% of the share capital and 91.5944% of the total voting rights, with the affirmative vote of the shareholders representing 91.5944% of the share capital and 100% of casted votes

Approves 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 fulfil 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.