

Current report no. 21 / 2017

Current report according to:	Rulebook BVB for AeRO-ATS , Law 297/2004, ASF 1/2006
Date of report:	25.08.2017
Name of the issuing entity:	Bittnet Systems S.A.
Adress:	Bulevardul Timisoara no. 26, Plaza Offices Building, district 6, Bucharest
Tel/fax number:	0040 21 527 16 00 / 0040 21 527 16 98
Single Registration:	RO 21181848
Number with the Trade Registration:	J/40/3752/2007
Subscribed and paid share capital:	2,902,824.60 RON
The market where the securities issued are traded:	AeRO ATS Premium

Continuous improvement of financing

Bittnet Systems S.A. (hereinafter referred to as "the Company") informs the shareholders about the improvement of financing structure of the Company with the following operations regarding banking loans:

- repayment of the working capital credit in amount of RON 1 Milion – Banca Transilvania SA;
- closing the credit ceiling in amount of RON 2 Milion – Patria Bank SA;
- repayment of the shareholders' loans: RON 83.718,97;
- maturity of working capital credit contracted with an initial amount of RON 350.000 – ProCredit Bank;
- signing of a new revolving overdraft contract with ProCredit Bank in amount of RON 4,5 Milion.

The credit line has a fixed interest rate of under 3% per year and a 2 year maturity. The guarantees for this contract are:

- 10% collateral cash deposit;
- personal guarantees from the founders;
- guarantee under the "SME Initiative" program funded by the European Union through ERDF and "Horizon 2020" and by the European Investment Fund and European Investment Bank.

The revolving overdraft credit will be used for financing current activity, working capital and the development plans of the Company. As a result of the above operations, the Company has "locked" the cost of long-term loans at an interest rate below 6%. (Considering the BNET19 bond issue at a fixed cost for the Company of 9% and the overdraft credit contracted with ProCredit Bank at an annual cost of maximum 3%).

CFO
Cristian Logofatu