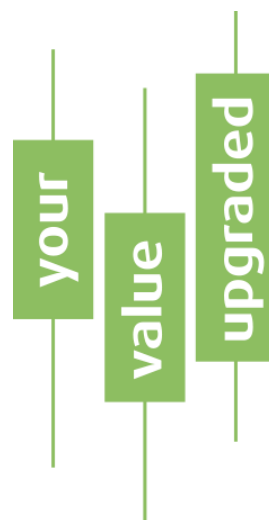


Current Report no. 05 / 2020

Current report according to	Rulebook BVB for AeRO-ATS, Law 24/2017, ASF 5/2018
Date of report	29.01.2020
Name of the issuing entity	BITTNET SYSTEMS S.A
Legal Adress	Soimus Street, no. 23, bl. 2, Sc. B, 2nd Floor, Ap. 24, District 4
Adress	Timisoara Blbv. no. 26, Plaza Romania Offices Building, 1st Floor, District 6, Bucharest
Telefon/Fax	021.527.16.00 / 021.527.16.98
Fiscal Code	21181848
Number with the Trade Registration	J40/3752/2007
The market where the securities issued are traded:	AeRO ATS Premium
Ticker	BNET – shares BNET22, BNET23, BNET23A, BNET23C – bonds
Subscribed and paid share capital	11.620.320,60 RON
Total number of shares	116.203.206 shares face value RON 0.10 per share



Report regarding the results of the General Shareholder Meeting

Extraordinary Meeting

The Extraordinary General Meeting of Shareholders of BITTNET SYSTEMS took place on **29th of January 2020, 11.00** o'clock (Romanian time) at the Company's offices: Bucharest, Bd. Timisoara no. 26, "Plaza Romania Offices" Building, et. 1, 061331 - district 6, being conducted by the Sole Administrator of the Company, Logofatu Mihai Alexandru Constantin - as Meeting President

In accordance with:

1. The Convening notice published on the Company's website (<http://www.bittnetsystems.ro/investors/>) and on BSE website (<https://www.bvb.ro/>) on the 23rd of December 2019 and in the Romanian Official Gazette, part IV, no. 5240 from the 23th of December 2019 and in Jurnalul National of December 27th 2019 as it was completed on January 9, 2020 and published in the Official Gazette of Romania, Part IV, number 113 on 13.01.2020 and in the Ziarul Bursa on 13.01.2020, and the Company's website and on the BSE website;
2. The Companies' Law no. 31/1990, republished (Law no. 31/1990);
3. The Capital Markets' Law no. 297/2004 ;
4. The Issuers Law - no 24 / 2017
5. The National FSA no.5/2018 on issuers and trading of securities (Regulation 1/2006);
6. The National Securities Commision 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 71,1425% of the share capital and 71,1425% of the total voting rights, with the affirmative vote of the shareholders representing 71,1412% of the share capital and 99,9987% of casted votes,

Approves the New Articles of Incorporation of the Company.

Item 2

In the presence of the shareholders representing 71,1425% of the share capital and 71,1425% of the total voting rights, with the affirmative vote of the shareholders representing 100% of the share capital and 100% of casted votes

Approves the procedure for organizing and conducting the general meetings of the shareholders of the Company.

Item 3

In the presence of the shareholders representing 71,2093% of the share capital and 71,2093% of the total voting rights, with the affirmative vote of the shareholders representing 71,1425% of the share capital and 93,3150% of casted votes

Approves of an incentive plan for key persons, by offering options for purchase of a number of shares representing maximum 5% of the total shares of the Company at a preferential price - Stock Option Plan - (the "Plan").

Item 4

In the presence of the shareholders representing 71,2093% of the share capital and 71,2093% of the total voting rights, with the affirmative vote of the shareholders representing 71,2093% of the share capital and 100% of casted votes

Approves the admission to trading of the shares of the Company on the regulated market administered by the Bucharest Stock Exchange S.A. and the Board of Directors is empowered to undertake all the actions and formalities required and / or requested by the Financial Supervisory Authority, the Bucharest Stock Exchange, the Central Depository, the Trade Register and / or any other institution, for this purpose. The Board of Directors is mandated to establish the date, structure and conditions for the admission to trading of the Company's shares on the regulated market administered by the Bucharest Stock Exchange S.A.

Item 5



It was took note that the quorum required 85% for the discussion of item 5 on the agenda, respectively, a quorum of 71.2294% was recorded at the meeting. Consequently, this point was no longer subject to GMS approval.

Item 6

In the presence of the shareholders representing 71,2294% of the share capital and 71,2294% of the total voting rights, with the affirmative vote of the shareholders representing 71.2196% of the share capital and 99,0179% of casted votes

Approves the taking over by the Board of Directors of all the ongoing mandates, granted by the general meetings of the shareholders, ordinary or extraordinary, to the sole director of the Company.

Item 7

In the presence of the shareholders representing 71,2294% of the share capital and 71,2294% of the total voting rights, with the affirmative vote of the shareholders representing 71,2294% 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 GSM 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.

Ordinary Meeting

The Ordinary General Meeting of Shareholders of BITTNET SYSTEMS took place on **29th of January 2020, 12.00** o'clock (Romanian time) at the Company's offices: Bucharest, Bd. Timisoara no. 26, "Plaza Romania Offices" Building, et. 1, 061331 - district 6, being conducted by the Sole Administrator of the Company - as Meeting President

In accordance with:

1. The Convening notice published on the Company's website (<http://www.bittnetsystems.ro/investors/>) and on BSE website (<https://www.bvb.ro/>) on the 23rd of December 2019 and in the Romanian Official Gazette, part IV, no. 5240 from the



23th of December 2019 and in Jurnalul National of December 27th 2019 as it was completed on January 9, 2020 and published in the Official Gazette of Romania, Part IV, number 113 on 13.01.2020 and in the Ziarul Bursa on 13.01.2020, and the Company's website and on the BSE website;

2. The Companies' Law no. 31/1990, republished (Law no. 31/1990);
3. The Capital Markets' Law no. 297/2004 ;
4. The Issuers Law - no 24 / 2017
5. The National FSA no.5/2018 on issuers and trading of securities (Regulation 1/2006);
6. The National Securities Commision 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 72,1199% of the share capital and 72,1199% of the total voting rights,

Note is taken regarding the ending of the mandate of sole administrator of the Company of Mr. Mihai Alexandru-Constantin Logofătu.

Item 2:

In the presence of the shareholders representing 72,1199 % of the share capital and 72,1199% of the total voting rights, with the affirmative vote of the shareholders representing 72,1186% of the share capital and 99,9987% of casted votes

Approves the constitution of the Board of Directors of the Company from a number of 3 members.

Item 3:

In the presence of the shareholders representing 72.1199% of the share capital and 72.1199% of the total voting rights, with the affirmative vote as follows:

The Board of Directors consists of 3 members, one of whom is an independent director. The term of office of the elected administrators is 4 years from the date of appointment, thus

1. Independent Administrator, Anghel Lucian Claudiu – 99,7640% of the casted votes;
2. Non-executiv Administrator, Logofatu Cristian Ion – 99,9987% of the casted votes;
3. Executiv Administrator, Ivylon Management SRL (from Bucharest) - Logofatu Mihai



Alexandru Constantin – 98,9314% of the casted votes;

Item 4:

In the presence of the shareholders representing 72.1199% of the share capital and 72.1199% of the total voting rights, with the affirmative vote of the shareholders representing 72.1194% of the share capital and 99,9570% of casted votes

Approves the persons to sign the mandate contracts to be concluded with the new board members elected in accordance with point 3 above. The mandate contract concluded with each of the members of the Board of Directors will be signed on behalf and on behalf of the Company of any other member of the Board of Directors.

Item 5:

In the presence of the shareholders representing 72.1199% of the share capital and 72.1199% of the total voting rights, with the affirmative vote of the shareholders representing 72.1199% of the share capital and 100% of casted votes

Approval of the remuneration of the members of the Board of Directors for the full duration of the current mandates as follows:

- (i) **5,000 (five thousand) RON gross per month for each member of the Board of Directors, with the exception of the President;**
- (ii) **25,000 (twenty-five thousand) RON gross per month for the President of the Board of Directors;**
- (iii) **Inclusion in the incentive plan with options for the key personnel (SOP2020), with a number of options equal to 0.5% of the total number of shares, annually, for each member of the Board of Directors except the President of the Board; and**
- (iv) **Inclusion in the incentive plan with options for the key personnel (SOP2020), with a number of options equal to 0.75% of the total number of shares, annually, for the President of the Board.**

Item 6:

In the presence of the shareholders representing 72.1199% of the share capital and 72.1199% of the total voting rights, with the affirmative vote of the shareholders representing 72.1186% of the share capital and 99,9569% of casted votes

Approves of the management contract model for the members of the Board.

Item 7:



In the presence of the shareholders representing 72.1199% of the share capital and 72.1199% of the total voting rights, with the affirmative vote of the shareholders representing 72.1194% of the share capital and 99.9995% of casted votes

Approves mandating, with the possibility of substitution, the Administrator, Mr. MihaiAlexandru-Constantin Logofatu, to sign the shareholder meetings decisions 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

Mihai-Alexandru-Constantin LOGOFĂTU

Administrator

