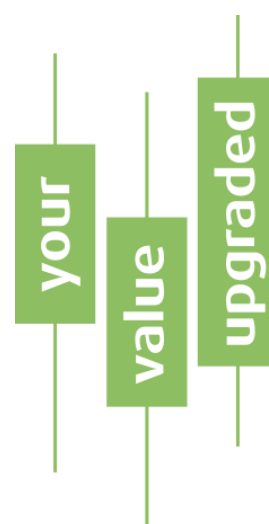


## Current Report no. 22 / 2020

Current report according to	Rulebook BVB for AeRO-ATS, Law 24/2017, ASF 5/2018
Date of report	14.04.2020
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:	SMT Aero-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 completing the agenda of GSM 29.04.2020

BITTNET SYSTEMS S.A. (hereinafter referred to as "the Company") informs the investors about the completion of the agenda of the Extraordinary General Meeting of Shareholders as follows. Taking into account the subscription stages in the capital increase operation with new contributions in cash, by issuing a number of 11,046,641 new shares and keeping the shares/allocation reports in the future proposed market operations according with the Convening notice issued on 20.03.2020, the Issuer publishes the Completion of the agenda with the correct number of shares updated . The text of the supplement can be consulted, attached to this current report.

President of the Board

Mihai-Alexandru-Constantin LOGOFATU



**COMPLETION OF THE AGENDA'S**  
**FOR ORDINARY AND EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**  
**BITTNET SYSTEMS S.A.**

In accordance with Art. 117<sup>1</sup> of Law no. 31/1990, republished, with the subsequent amendments and completions, of the Articles of Incorporation, Law 24/2017 on issuers of financial instruments and market operations and of the FSA Regulation no. 5/2018 regarding the issuers of financial instruments and market operations, as subsequently amended and supplemented, as a result of the proposals to supplement the Convocation issued on 20.03.2020 and published in the Official Gazette no. 1177 / 26.03.2020 and according to the Decision of the Board of Directors no. 5 / 13.04.2020,

The Board of Directors of BITTNET SYSTEMS S.A. - Romanian legal entity, with its registered office in Bucharest, Str. Șoimuș no. 23, Bl. 2, Sc. B, Ap. 24, sector 4 and with the correspondence address at the secondary headquarter in Bucharest, Timișoara Boulevard no. 26, "Plaza Romania Offices" building, et. 1, sector 6, registered with the Trade Register under no. J40/3752/22.02.2007, Registration Code RO21181848, issues

**COMPLETIONS OF THE AGENDA of EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS**

1. Item 2 on the agenda of the EGMS is completed and will have the following content:

Approval of the increase of the share capital with the amount of RON 8,907,489.3 through the issuance of 89,074,893 new shares with a nominal value of 0.1 lei/share for the benefit of the shareholders registered in the Register of Shareholders kept by the Central Depository on the registration date to be established by the EGMS. The distribution of newly issued shares will be made in proportion of 7 free shares for every 10 shares held. If in the case of a shareholder the application of the proportion of 7/10 leads to a number of shares that is not an integer, the new number of shares to be received is calculated by rounding to the lower whole. The Company will compensate the shareholders for the fractions thus obtained through the Central Depository. The amount of compensation is obtained by multiplying the fraction by ten decimal places with the compensation price and then rounding to two decimal places the result of the multiplication. The compensation price was determined according to art. 176 of Reg. 5/2018 and is of 1.0155 RON. For example, if, by applying the allocation ratio, 1.5 shares result, the respective shareholder will receive 1 new share and 0.50 RON.

The increase of the share capital will be achieved by using the following sources:

- a. capitalization of the issue premiums amounting to 7,087,082 RON
- b. capitalization of the amount of 1,820,407.3 RON from the undistributed profit from previous years

Approval of the registration date (defined as the date that serves to identify the shareholders on which the decision is violated), the ex-date and the payment date, as follows: 21.07.2020 - date of



registration; 20.07.2020 - ex-date; 22.07.2020 - date of payment of new shares; 03.08.2020 - date of payment for the fractions resulting from the rounding to the whole inferior.

2. The item 3 on the agenda of the EGMS is completed and will have the following content:

Approval of the increase of the share capital with the amount of RON 1,272,498.5 by issuing 12,724,985 new shares with a nominal value of 0.1 lei / share for the benefit of the shareholders registered in the Register of Shareholders kept by the Central Depository on the registration date to be established by the GMS. The distribution of newly issued shares will be done 1 free action for every 10 shares held. The shareholders agree that the shares so acquired will be left at the disposal of the company, for a period of 12 months from the date of acquisition, in order to fulfill the stock option approved plans. Thus, the Central Depository will upload the shares directly to the Company's account, and the shareholders from the registration date will receive the nominal value - 0.1 lei per share. If in the case of a shareholder the application of the proportion of 1/10 leads to a number of shares that is not an integer, the new number of shares to be received is calculated by rounding down to the first integer. The company will compensate the shareholders for the fractions thus obtained through the Central Depository. The amount of compensation is obtained by multiplying the fraction by ten decimal places with the compensation price and then rounding to two decimal places the result of the multiplication. The compensation price was determined according to art. 176 of Reg. 5/2018 and is of 1.0155 lei.

The increase of the share capital will be realized by using the following sources: the profit of 2019, in the amount of 1,272,498.5 lei

Approval of the registration date (defined as the date that serves to identify the shareholders on which the decision is violated), the ex-date and the payment date, as follows: 21.07.2020 - registration date; 20.07.2020 - ex-date; 22.07.2020 - payment date for new shares; 03.08.2020 - date of payment for the fractions resulting from the rounding to the whole inferior.

3. Item 4 on the agenda of the EGMS shall be completed and shall have the following content:

Approval of the increase of the share capital by new contributions in cash form from the shareholders registered in the Register of Shareholders kept by the Central Depository on the registration date to be established by the GMS. The increase of share capital is subject to the approval of the general meeting of the shareholders by derogation to the provisions of art. 12.6 of the constitutive act. The increase will take place under the following conditions:

a. The number of new shares issued will be 18,178,550 each with a nominal value of RON 0.1 / share and an issue premium to be decided by the GMS: Proposal formula for premium issue:  $[(\text{average transaction price for last 30 days}) / \text{adjustment factor}] - 0,1$   
Proposal factor adjustment: 1.2.

The average price will be calculated based on the date of submission in physical format to the FSA of the Prospectus / Prosecutive Proposition related to this capital increase.

b. The share capital increase is achieved by offering new shares for subscription, within the preference rights to:



- 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
  - persons who acquired preference rights during the trading period;
- 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 higher price than 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 10 new shares under the preference right, a shareholder must hold 70 preference rights (rate: 10:70). 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-down to the next inferior natural number.
- g) The period for exercising the preference right 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 of Romania (Monitorul Oficial).
- h) Unsubscribed shares after offering within a private placement will be canceled by decision of the Board 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 allocation rights for the shares subscribed will be tradable on the relevant market administered by the Bucharest Stock Exchange in accordance with the specific regulations of this market.
- j) The share capital increase is done to ensure the implementation of the development plans of the Group.
- k) The Board 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 / prospectus/ 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 and allocation 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.

Approval of the registration date (defined as the date that serves to identify the shareholders on which the decision is violated), the ex-date and the payment date for the preference rights, thus 21.05.2020 - the registration date; 20.05.2020 - ex-date; 22.05.2020 - date of payment.

The rest of the items on the agenda of the Extraordinary General Meeting of Shareholders for 29.04.2020 at 12:00, according to the Convening notice issued on 20.03.2020 and published in the Official Monitor no. 1177 / 26.03.2020, remain unchanged.

The agenda of the Ordinary General Meeting of Shareholders for 29.04.2020, 11:00, according to the Convening notice issued on 20.03.2020 and published in the Official Gazette no. 1177 / 26.03.2020 remains unchanged.

The rest of the provisions regarding the General Information regarding the OGMS and EGMS contained in the Convening notice on 20.03.2020 and published in the Official Gazette no. 1177 / 26.03.2020 remains unchanged.

President of the Board

Mihai-Alexandru-Constantin LOGOFATU

