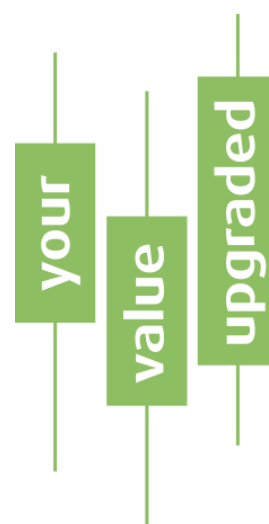


Current report according to	Rulebook BVB for AeRO-ATS, Law 24/2017, ASF 5/2018
Date of report	30.04.2020
Name of the issuing entity	BITTNET SYSTEMS S.A.
Legal Address	Soimus Street, no. 23, bl. 2, Sc. B, 2nd Floor, Ap. 24, District 4
Address	Timisoara Blbv. no. 26, Plaza Romania Offices Building, 1st 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	12.724.984,70 RON
Total number of shares	127.249.847 shares face value RON 0.10 per share



Report regarding the results of the General Shareholder Meeting

Ordinary Meeting

The Ordinary General Meeting of Shareholders of BITTNET SYSTEMS took place on April 29th, 2020, at 11:00 (Romanian time), at the first convocation, in electronic format considering the Decree on establishing the state of emergency, as well as the preventive measures taken by the Romanian authorities such as the restrictions on meetings in Romania, and in accordance with the Procedure for organizing and holding General Meetings of Shareholders convened for 29.04.2020 (first convocation) approved by the decision of the Board of Directors no. 03 / 20.03.2020 by derogation from the provisions of the Procedure for the organization and holding of the general meetings of the company's shareholders adopted by the EGMS decision of 29.01.2020. The OGMS meeting was opened by the Chair of the meeting, Mr. Mihai-Alexandru-Constantin Logofatu, as legal representative of the Chairman of the Board of Directors.

In accordance with:

1. The convening notice for EGMS published on the Company's website - (<http://www.bittnetsystems.ro/investors/>) and on the BVB website (<https://www.bvb.ro/>) on March 20, 2020, in the Official Gazette of Romania, Part IV, number 1177 dated March 26, 2020 and in Ziarul Jurnalul National dated March 27, 2020 as completed on April 13, 2020 and published on the Company's website and on the BVB website on April 14, 2020 and in the Official Gazette of Romania, Part IV, number 1435 of April 16, 2020 and in the Jurnalul National Journal on April 15, 2020;
2. The provisions of the Companies Law no. 31/1990, republished, with subsequent amendments and completions (Law no. 31/1990);
3. The provisions of Law no. 297/2004 on the capital market, with subsequent amendments and completions (Law no. 297/2004);
4. The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with subsequent amendments and completions (Law no. 24/2017);
5. The provisions of the FSA Regulation no. 5 of 2018 on issuers and operations with securities, with subsequent amendments and completions (Regulation no. 5/2018);
6. The provisions of the CNVM Regulation no. 6/2009 on the exercise of certain rights of shareholders in the general meetings of companies, with subsequent amendments and completions (Regulation no. 6/2009)

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

Item 1



In the presence of shareholders representing 80.1152% of the share capital and 80.1152% of the total voting rights, registering 80.0732% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves, according to the procedure of organizing the general meetings of the company's shareholders, the election of the chairman of the meeting Mr. Mihai-Alexandru-Constantin LOGOFATU and of the meeting secretary the lawyer Ioana Precup, who has the quality of shareholder of the company.

Item 2

In the presence of shareholders representing 80.0732% of the share capital and 80.0732% of the total voting rights, registering 65.0404% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the financial statements for the financial year 2019, the Report of the Administrator and the Independent Auditor's Report, and the proposed profit distribution as follows:

Destination	Amount (RON)
Profit to distribute:	1,508,198.22
Legal Reserves	86,027.06
Capital Increase	1,272,498.4
Dividends	0
Other reserves	149,672.76

Item 3

In the presence of shareholders representing 80.0618% of the share capital and 80.0618% of the total voting rights, registering 65.0039% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the discharge of the administrator of the company for the financial year 2019

Item 4

In the presence of shareholders representing 80.0977% of the share capital and 80.0977% of the total voting rights, registering 80.0977% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the budget of revenues and expenditures for the financial year 2020

Item 5



In the presence of shareholders representing 80.0618% of the share capital and 80.0618% of the total voting rights, registering 80.0618% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

The date of 21.05.2020 is approved as registration date and 20.05.2020 as ex-date, according to art. 86 point 1 of Law 24/2017.

Item 6

In the presence of shareholders representing 80.1152% of the share capital and 80.1152% of the total voting rights, registering 80.1152% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the power of attorney, with the possibility of substitution, of Mr. Cristian Ion LOGOFATU, as a member of the company's board of directors, in order to sign the shareholders' decisions and any other documents related to them and to fulfill all the procedures and formalities provided by law in order to implement the shareholders' decisions, including the formalities of their publication and registration in the Trade Register or at any other public institution.

Extraordinary Meeting

The Extraordinary General Meeting of Shareholders of BITTNET SYSTEMS took place on **29th of April 2020, 12.00 o'clock** (Romanian time) at the first convocation, in electronic format having regard to the Decree on the establishment of the state of emergency, as well as the preventive measures taken by the Romanian authorities such as the restrictions on meetings in Romania, and in accordance with the Procedure for organizing and holding General Shareholders' Meetings convened for 29.04.2020 (first convocation) approved by the decision of the Board of Directors no. 03 / 20.03.2020 by derogation from the provisions of the Procedure for the organization and holding of the general meetings of the company's shareholders adopted by the EGMS decision of 29.01.2020 The EGMS meeting was opened by the Chairman of the meeting, Mr. Mihai-Alexandru- Constantin Logofatu, as legal representative of the Chairman of the Board of Directors.

In accordance with:

1. The convening notice for EGMS published on the Company's website - (<http://www.bittnetsystems.ro/investors/>) and on the BVB website (<https://www.bvb.ro/>) on March 20, 2020 , in the Official Gazette of Romania, Part IV, number 1177 dated March 26, 2020 and in Jurnalul National newspaper dated March 27, 2020 as completed on April 13, 2020 and published on the Company's website and on the BVB website on April 14, 2020 and in the Official Gazette of Romania, Part IV, number 1435 of April 16, 2020 and in the Jurnalul National newspaper on April 15, 2020;
2. The provisions of the Companies Law no. 31/1990, republished, with subsequent amendments and completions (Law no. 31/1990);



3. The provisions of Law no. 297/2004 on the capital market, with subsequent amendments and completions (Law no. 297/2004);
4. The provisions of Law no. 24/2017 on issuers of financial instruments and market operations, with subsequent amendments and completions (Law no. 24/2017);
5. The provisions of the FSA Regulation no. 5 of 2018 on issuers and operations with securities, with subsequent amendments and completions (Regulation no. 5/2018);
6. The provisions of the CNVM Regulation no. 6/2009 on the exercise of certain rights of shareholders in the general meetings of companies, with subsequent amendments and completions (Regulation no. 6/2009)

Following the debates, the shareholders adopted the following decisions regarding the items on the agenda:

Item 1:

In the presence of shareholders representing 80.3394% of the share capital and 80.3394% of the total voting rights, registering 80.2440% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

It is approved, according to the procedure of organizing and holding the general meetings of the company's shareholders, the election of the chairman of the meeting of Mr. Mihai-Alexandru-Constantin LOGOFATU and of the meeting secretary of the lawyer Ioana PRECUP, who has the quality of shareholder of the company.

Item 2:

In the presence of shareholders representing 80.3394% of the share capital and 80.3394% of the total voting rights, registering 80.2440% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the capital increase with free shares in amount of RON 8,907,489.3 through the issuance of 89,074,893 new shares with a nominal value of 0.1 RON / share for the benefit of the shareholders registered in the Register of Shareholders kept by the Central Depository on the registration date established by the EGMS. The distribution of the newly issued shares will be made in proportion of 7 free shares for every 10 shares held. If in case of a shareholder that 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 resulted through the Central Depository. The amount to be compensated is obtained by multiplying the fraction by ten decimals with the compensation price and then rounding to two decimals the result of the multiplication. The compensation price was determined according to art. 176 of Reg. 5/2018 and is 1.0155 RON. For example, if, by applying the allocation report, 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:

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



Approval of the registration date (defined as the date that serves to identify the shareholders affected by the decision), 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 for new shares; 03.08.2020 - payment date for the fractions resulting from the rounding to the lower whole.

Item 3:

In the presence of shareholders representing 80.3394% of the share capital and 80.3394% of the total voting rights, registering 80.2732% of the votes cast and with the affirmative vote of the shareholders representing 99.9633% of the total votes cast,

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 RON.

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 RON

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.

Item 4:

In the presence of shareholders representing 80.3394% of the share capital and 80.3394% of the total voting rights, registering 80.3278% of the votes cast and with the affirmative vote of the shareholders representing 99.9989% of the total votes cast,

Approval of the increase of the share capital by new contributions in cash form shareholders registered in the Register of Shareholders kept by the Central Depository on the registration date



to be established by the EGMS. 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:

Formula for premium issue: [(average transaction price for last 30 days) / adjustment factor] - 0,1

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.

Item 5:

In the presence of shareholders representing 80.3394% of the share capital and 80.3394% of the total voting rights, registering 80.1639% of the votes cast and with the affirmative vote of the shareholders representing 99.8983% of the total votes cast,

Approves of an incentive plan for key persons, by offering options for the acquisition of a maximum number of shares of 5% from the total shares of the Company at a preferential price - Stock Option Plan - ("The Plan"), in the form presented to the general meeting.

Item 6:



In the presence of shareholders representing 80.3394% of the share capital and 80.3394% of the total voting rights, registering 80.3259% of the votes cast and with the affirmative vote of the shareholders representing 99.9989% of the total votes cast,

Approves of the amendment of art. 9.14 of the Articles of Association in the sense of eliminating from its content the thesis: "The value thus calculated of the authorized share capital is 24,355,406 shares or 2,435,540.6 ron." and the introduction of art. 9.14.1 with the following content: "The value of the authorized capital is 55,000,000 shares, respectively 5,500,000 ron".

Item 7:

It was found the lack of the necessary quorum of 85% for the discussion of item 7 on the agenda, respectively the meeting quorum of 80.3394% was registered. Consequently, this this point has not been submitted to the EGSM for approval.

Item 8:

In the presence of shareholders representing 80.3394% of the share capital and 80.3394% of the total voting rights, registering 80.3394% of the votes cast and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves mandating, with the possibility of substitution, of Mr. Cristian Ion LOGOFATU, as a member of the company's board of directors, in order to sign the shareholders' decisions and any other documents related to them and to fulfill all the procedures and formalities provided by law. in order to implement the shareholders' decisions, including the formalities of their publication and registration in the Trade Register or at any other public institution.

Mihai-Alexandru-Constantin LOGOFĂTU

Administrator

