

Current Report no. 43 / 2020

Current report according to	Law 24/2017, FSA Reg. 5/2018
Date of report	31.07.2020
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:	Segment: Main Market; Category: Standard
Ticker	BNET – shares BNET22, BNET23, BNET23A, BNET23C – bonds
Subscribed and paid share capital	21,632,474 RON
Total number of shares	216.324.740 shares face value RON 0.10 per share



Results of option regarding Decision no. 3 EGMS 29.04.2020

The Issuer informs the shareholders on the results of expressing the option regarding the EGMS Decision no. 3 of April 29, 2020. According to the procedure approved by the Board of Directors, published in the Current Report no. 39/2020, the shareholders from the registration date - July 21st, 2020 - were able to express their option between:

1. **Option 1:** Join to the shareholders' Decision no. 3 as adopted on 29.04.2020, thus receiving on August 3, 2020 a cash distribution of RON 0.1 for every 10 shares held on the registration date, in addition to the 7 free shares distributed according to the Decision No. 2 of the EGMS.
2. **Option 2:** Choose to receive one free share for every 10 shares held on the registration date in addition to the 7 free shares distributed according to Decision no. 2 of the EGMS. This 8th free share will be charged to the shareholders' accounts, from the registration date, after a new GMS meeting and after the granting by FSA of a new CIVM, a process that is expected to be completed in November 2020.

During the voting period (July 22, 2020, at 00:00 and July 30, 2020, at 17:00) the Issuer received a number of 285 voting options, from 285 shareholders representing a total of 100,696,516 voting rights and 79.1329% of the total voting rights of the company.

Of the options expressed, **172 shareholders representing 92,448,298 voting rights and 72,6510% of the total voting rights opted for OPTION 1** - cash distribution. The company will transfer to these shareholders the amount of 924,482 RON on August 3rd, through the Central Depository system, having Banca Transilvania as Payment Agent.

Shareholders who have opted for cash distribution will receive the amounts in the IBAN account indicated to the company by email, or during the registration process in the online voting platform.

Shareholders who have not submitted an IBAN account will be able to withdraw the amounts from any agency of Banca Transilvania, based on an identity document.

Of the options expressed, **113 shareholders representing 8,248,218 voting rights, and 6.4819% of the total rights opted for OPTION 2** - one free share for every 10 shares held on July 21, 2020.

A number of **1642 shareholders representing 26,553,331 voting rights, ie 20.8671% of the total voting rights did not take any action, being therefore considered to have opted for OPTION 2** - one free share for every 10 shares held on July 21 2020.

For shareholders who have opted for additional free shares, we remind that, when applying this ratio if the result is not a natural number, the free shares will be calculated according to the regulations, by rounding down to the first natural number.

Following the ratification by the GMS of the procedure and its results, and the issuance by the FSA of a new CIVM, the Central Depository will charge to the Issuer's account a number of 9,244,829 shares and to the shareholders' accounts listed in the previous paragraph a total number of 3,480,154 shares.



The Board of Directors thanks the shareholders who have chosen to support the Issuer's plans and have chosen to allow the Issuer to fulfill its obligations assumed by the decisions of the general meetings of previous years.

We remind that the 9.24 million shares that will be uploaded to the global account of Bittnet Systems, after the ratification of the GMS and the issuance of the CIVM by the FSA, will be used by the Company to be transferred to key persons included in SOP 2019-2020 (with exercise date May - June 2021).

If the key persons will be brought an increase in value of the company between January 1, 2019 and May 2021, these persons may collectively request the Issuer to transfer a total of 5% of the company's shares, at a share price reflecting the capitalization the company from January 1st, 2019.

If these possibilities materialize, the Company will have at its disposal the 9.24 million shares described above, which it will transfer to the option holders, the Company registering a significant cash infusion (the shares will be transferred to the option holders at a price higher than the nominal value of the shares), but also honoring the promise to the employees, if they will increase the value of the company.

President of the Board

Mihai-Alexandru-Constantin LOGOFATU

