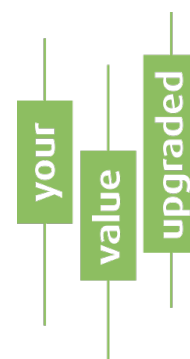


Current Report nr. 60 / 2020

Current report according to	Law 24/2017, FSA Reg 5/2018
Date of report	26.11.2020
Name of the issuing entity	BITTNET SYSTEMS S.A
Legal Adress	Strada Șoimus Nr. 23, Bloc 2, Apartament 24, Sector 4, Bucuresti
Adress	Bldv. Timisoara nr 26 Cladirea Plaza Romania Offices Spatiul PRO-01 Etaj 1 Sector 6, Bucuresti
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: BSE 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



Report regarding the results of the General Shareholder Meeting

Ordinary Meeting

The Ordinary General Meeting of Shareholders of BITTNET SYSTEMS took place on November 29th, 2020, at 11:00 (Romanian time), at the first convocation, at the headquarters address from 26 Timisoara Blvd., Plaza Offices building, 1st floor, but also in electronic format considering the prevention measures taken by the Romanian authorities in order to limit the effects of the Pandemic, and in accordance with the Procedure for organizing and holding General Shareholders' Meetings convened for 26.11.2020 (first convocation) approved by the Decision of the Board of Directors no. 08/ 19.10.2020, in addition to the provisions of the Procedure for organizing and conducting 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 - (<https://investors.bittnet.ro/>) and on the BSE website (<https://www.bvb.ro/>) on October 19th, 2020, in the Official Gazette of Romania, Part IV, number 3752 dated October 22, 2020 and in Ziarul Bursa newspaper dated October 23rd, 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

With a quorum representing 76.8519% of the total voting rights and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves, according to the procedure of organizing and holding 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, lawyer Ioana PRECUP, who has the quality of shareholder of the company.

Item 2

With a quorum representing 77.0325% of the total voting rights and with the affirmative vote of the shareholders representing 99.9999% of the total votes cast,

Approves the revocation of the auditor ACE-CONSULT SRL, headquartered in Sibiu, str. Constantin Noica no. 3, ap. 38, Sibiu county, registered at the Sibiu Trade Register under no. J32/159/2002, CUI 14469555, a company authorized by the Romanian Chamber of Financial Auditors with authorization no. 523/23.06.2004, considering the ending of the audit contract.

Item 3

With a quorum representing 77.2798% of the total voting rights and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the auditor, BDO AUDIT SRL, based in Bucharest, Str. Invingatorilor no. 24, et. 1-4, Sector 3, registered at the Bucharest Trade Register under no. J40/22485/1994, CUI 6546223, a company authorized by the Romanian Chamber of Financial Auditors with authorization no. 18/2001, opinion issued by ASF no. 374/11.20.2015. The auditor's mandate is established for the entire duration of the audit contract.



Extraordinary Meeting

Today, November 26th, 2020, at 11:30 (Romanian time), the shareholders of BITTNET SYSTEMS SA, ("the Company") met in the Extraordinary General Meeting of Shareholders ("EGMS") of the Company, at the first convocation, at of headquarters address: 26th Timisoara Bd, Plaza Romania Offices building, 1st floor, but also in electronic format considering the prevention measures taken by the Romanian authorities in order to limit the effects of the Pandemic, and in accordance with the Procedure for organizing and holding General Meetings of Shareholders convened for 26.11.2020 (first convocation) approved by the decision of the Board of Directors no. 08 / 19.10.2020, in addition to the provisions of the Procedure for organizing and conducting 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.

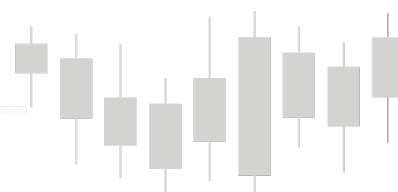
In accordance with:

1. The convening notice for EGMS published on the Company's website - (<https://investors.bittnet.ro/>) and on the BSE website (<https://www.bvb.ro/>) on October 19th, 2020, in the Official Gazette of Romania, Part IV, number 3752 dated October 22, 2020 and in Ziarul Bursa newspaper dated October 23rd, 2020, as was completed and published in the Official Gazette of Romania, Part IV, number 3977 dated 11.11.2020 and in Ziarul Bursa dated 10.11.2020;
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)

Item 1:

With a quorum representing 75.3147% of the total voting rights 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:

With a quorum representing 76.0773% of the total voting rights and with the affirmative vote of the shareholders representing 99.7618% of the total votes cast,

Approves the procedure for implementing the EGMS decision no. 3 of April 29, 2020, in accordance with the Decision of the Board of Directors no. 06/19.07.2020 and of the Address no. SI-DETA 5406 / 20.05.2020 issued by the Financial Supervisory Authority regarding point 3 of the EGMS Decision adopted on 29.04.2020.

Item 3:

With a quorum representing 77.3969% of the total voting rights and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the Procedure for organizing and holding the general meetings of the company's shareholders, as presented to the General Meeting.

Item 4:

With a quorum representing 76.6955% of the total voting rights and with the affirmative vote of the shareholders representing 99.9992% of the total votes cast,

Approves the purchase of a number of shares representing 60.3665% of the share capital of the company EQUATORIAL GAMING S.A., with its registered office in Bucharest, B-dul Timișoara no. 26, Plaza Plaza Romania Offices Building, floor 1, Space PRO-01, Room no. 3, sector 6, registered at the Trade Register under no. J40/2586/2015, Unique identifier at European level ROONRC. J40/2586/2015 and CUI 30582237. The transaction price will be RON 2,546,000 and will be paid both in cash and in the form of BNET shares. The Board of Directors of the Company is mandated to establish the payment method and the implementation procedure of the present decision.

Item 5:

With a quorum representing 77.6435% of the total voting rights and with the affirmative vote of the shareholders representing 99.9138% of the total votes cast,

Approves the purchase of a number of registered shares representing 25% of the share capital of the company SOFTBINATOR TECHNOLOGIES S.A., with its registered office in Bucharest, str. Nicolae Filipescu no. 39-41, et. 3, sector 2, registered at the Trade Register under no. J40 / 13638/2017, Unique European identifier ROONRC.J40 / 13638/2017 and CUI 38043696. The transaction price is 2,000,000 USD (two million US dollars) and will be paid both in cash and in the form of BNET shares. The Board of Directors of the Company is mandated to establish the payment method and the implementation procedure of the present decision.



Item 6:

With a quorum representing 77.8543% of the total voting rights and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the purchase of a number of shares representing 23% of the share capital of THE E-LEARNING COMPANY SRL, based in Nicolae Iorga Street, no. 3, Floor 5, Ap. 14, Sector 1, Bucharest, registered at the Trade Register under no. J40 / 11588/2012, Unique identifier at European level ROONRC.J40 / 11588/2012 and CUI 30760571. The estimated price of the transaction is 1,750,000 lei and will be paid both in cash and in the form of BNET shares. The final value of the transaction will be adjusted based on the financial results for 2021 of THE E-LEARNING COMPANY SRL, considering a multiplier of the net profit of 6, 11 or 15, depending on the ratio between the net profit of 2021 and the net profit of 2020, as detailed in the substantiation note presented to the meeting. The Board of Directors of the Company is mandated to establish the payment method and the implementation procedure of the present decision.

Item 7:

With a quorum representing 77.7402% of the total voting rights and with the affirmative vote of the shareholders representing 99.6552% of the total votes cast,

An investment of RON 1,450,000 is approved for a number of shares that will be established during the negotiations and which will represent a participation quota of minimum 20% and maximum 51% of the share capital of ITPREPARED SRL, with headquarters in City Pantelimon, Str. Băile Herculane, no. 8, Basement, Room 3, Ilfov County, registered at the Trade Register under no. J23 / 204/2016, Unique identifier at European level ROONRC.J23 / 204/2016 and CUI 35456175. The Board of Directors of the Company is mandated to negotiate and establish the participation quota of the Company, the payment method and the implementation procedure of this decision.

Item 8:

With a quorum representing 77.5128% of the total voting rights and with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the investment made by the Company in the share capital of SAFETECH INNOVATIONS SA, with its registered office in Bucharest, Sector 2, Str. Frunzei, no. 12-14, floor 1 and 2, registered at the Trade Register under no. J40 / 3550/2011, Unique identifier at European level ROONRC.J40 / 3550/2011 and CUI 28239696, as it will be presented to the assembly

Item 9:

With a quorum representing 77.5213% of the total voting rights and with the affirmative vote of the shareholders representing 99.9993% of the total votes cast,



Approves the increase of the share capital of DENDRIO SOLUTIONS SRL (“daughter company”), based in Bucharest, B-dul Timișoara no. 26, Plaza Romania Offices Building, floor 1, Space PRO-01, Room 1, sector 6, registered at the Trade Register under no. J40 / 6266/1999, Unique identifier at European level ROONRC.J40 / 6266/1999, CUI 11973883, with the amount of RON 5,000,000, in order to adapt the share capital to the current dimension of the company's activity. The Board of Directors of the Company is mandated to establish the manner of implementing the decision.

Item 10:

With a quorum representing 77.5340% of the total voting rights and with the affirmative vote of the shareholders representing 99.6428% of the total votes cast,

Considering the investment operations presented in items 5 - 8 of the EGMS agenda and the need to expand the office space for the group's activities, the General Manager of the Company is mandated to undertake any and all those actions necessary for the expansion of the office space. The mandate is granted within the following limits:

- (i) the maximum value of the total rent related to the entire office space is 500,000 (five hundred) Euro per year, representing an “all inclusive” price (maintenance, additional services, without including the costs of arrangement, relocation, utilities, etc.);
- (ii) the maximum duration of the lease is 5 (five) years from the signing moment of the contract, with the possibility of extending it.

The General Manager will have full powers to represent the Company in relations with potential suppliers of rental space, real estate and relocation services, banks and any financial-banking institutions and to sign any and all legal acts necessary for the fulfillment of this mandate.

Item 11:

With a quorum representing 77.6072% of the total voting rights and with the affirmative vote of the shareholders representing 99.9803% of the total votes cast,

It is approved the development of repurchase programs of bonds issued by the Company, present and future, in compliance with the applicable legal provisions and meeting the following main characteristics:

- a) Purpose of the program: The company will repurchase bonds in order to reduce the degree of indebtedness and debt service.
- b) The maximum number of bonds that can be redeemed will be the equivalent of 100% of each bond issue existing at trading at the time of the redemption program or activity.
- c) Minimum price per bond: 1, maximum price per bond: 100.
- d) Duration of the Program: for the entire duration of the company's existence,
- e) The acquisition of the bonds will be made through operations carried out in the capital market, according to the applicable legislation



Item 12:

With a quorum representing 77.6195% of the total voting rights and with the affirmative vote of the shareholders representing 99.8216% of the total votes cast,

It is approved the modification of the Incorporation Act of the Company, by introducing article 7.5 - *Preferential shares* and which will have the following content:

7.5. Preferential shares

7.5.1. The company may issue “Preferential Shares” (with priority dividend and without voting rights) under the conditions provided by Law 31/1990 and in accordance with the following terms:

- i. The Preferred Shares will have a nominal value equal to that of the ordinary shares, respectively 0.1 lei (10 bani);*
- ii. The Preferred Shares will not represent at any time more than 25% of the share capital;*
- iii. The Preferred Shares give their holders the right to a priority dividend calculated as follows: a. The minimum limit of the priority dividend is 0.05 lei (5 bani) per preferential share;*
b. The maximum limit of the priority dividend is 0.1 lei (10 bani) per preferential share;
c. The allocation of the priority dividend from the consolidated net profit of the previous fiscal year is calculated as a multiple of 1.75 applied to the percentage represented by the preferential shares in the total share capital.

7.5.2. The Preferred Shares are equal to each other, which gives their holders the right to the same Priority Dividend per share and the same rights.

7.5.3. The holders of the Preferred Shares will have the right to have their Priority Dividend paid to them by the Company every year, provided that the Company registers a net profit, according to Law 31/1990

7.5.4. The holders of the Preferred Shares have the right to receive the Priority Dividend with priority, before any other payment, except for the legal payment obligations of the Company, but before the payment of the dividends to the holders of the ordinary shares. The payment of the Priority Dividend will be made either in cash or in the form of common shares issued free of charge. The payment of priority dividends starts in 2022 for the financial year 2021.

7.5.5. The holders of the Preferred Shares have all the other rights provided by Law 31/1990, including, but not limited to, the right to participate in the General Meetings and the right to vote only if the Company fails to pay the Priority Dividends.

7.5.6. Special meeting of holders of Preferred Shares with priority dividend without voting rights. The decision of a general meeting to modify the rights or obligations regarding the class of Preferred Shares does not take effect until after the approval of this decision by the special meeting of the holders of Preferred Shares.

Holders of Preferred Shares will meet in a special meeting of holders of Preferred Shares with a non-voting priority dividend. The meetings of the holders of Preferred Shares will be able to discuss any aspects related to the Preferred Shares and will be able to make proposals to the General Meetings of the Company's Shareholders regarding these aspects.

The meetings of the holders of Preferred Shares will not be able to discuss and take decisions regarding the issues that are within the competence of the General Meetings (Ordinary or Extraordinary) of the Company's Shareholders or within the competence of the Board of Directors. The meetings of the holders of Preferred Shares will be convened



by the holders of at least 30 (thirty)% of the total Preferred Shares, by sending a registered letter with acknowledgment of receipt at least 30 (thirty) days before the proposed date of the meeting.

The convocation will include the date, time and place of the youth of the assembly, as well as the proposed agenda and any informative material necessary in order to debate the items on the agenda. The meeting may be validly held, regardless of whether it is the first convocation or subsequent convocations, only in the presence of the holders of at least 50 (fifty)% plus one of the Preferred Shares and may take decisions based on a simple majority (50% + 1) of those present or represented. During each meeting, the assembly will elect, by a majority of the above, a chairman and a secretary of the meeting who will prepare the attendance list, check the quorum and proxies, draft and sign the minutes of the meeting where the decisions will be recorded. , the majorities expressed in this respect and any positions and expressions of opinion relevant for the agenda or otherwise.

7.5.7. The Board of Directors is authorized, during the entire operation of the Company, to decide to increase the subscribed share capital, through one or more issues of preferred shares, in accordance with the Law, without exceeding at any time 25% of the company's total shares.

7.5.8 The preferential shares of the company will be traded on the regulated market administered by the Bucharest Stock Exchange.

Item 13:

With a quorum representing 76.8898% of the total voting rights and with the affirmative vote of the shareholders representing 99.8257% of the total votes cast,

It is approved the modification of the constitutive act of the Company, by completing article 9.14, as follows:

9.14.2. The value of the authorized capital is 120,000,000 common shares, respectively 80,000,000 preferred shares

Item 14:

It was found the lack of the necessary quorum of 85% for the discussion of item 14 on the agenda, respectively a quorum of 76.88882 was registered. Consequently, this item was not submitted to the GMS approval.

Item 15:

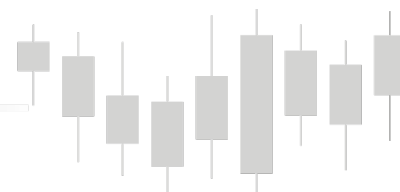
With a quorum representing 76.8693% of the total voting rights and with the affirmative vote of the shareholders representing 99.8231% of the total votes cast,

The increase of the share capital with the amount of RON 3,012,774.60 is approved by the issuance of 30,127,746 new preferential shares, under the conditions of the constitutive act, with a nominal value of 0.1 lei / share. The preferential shares will be issued 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 increase of the share capital is subject to the approval of the general meeting of shareholders by derogation from the provisions of art. 12.6 of the articles of association. The increase will take place under the following conditions:

- a. The number of newly issued shares will be 30,127,746 with a nominal value of 0.1 lei / share and an issue premium that will be established within the public offer.
- b. The preferential shares will be offered for subscription, within the pre-emptive right, to the shareholders of the existing company at the registration date. The period of exercising the right of preference will be one month from the date established in the offer document and will start at a date subsequent to the registration date related to the increase of the share capital and the date of publication of the decision in the Official Gazette of Romania.
- c. For the subscription of 10 new shares under the pre-emptive right, a number of 80 pre-emptive rights is required. A holder of preference rights entitled to participate in the capital increase may acquire a maximum number of newly issued preference shares calculated by dividing the number of preference rights held by the number of preference rights required to subscribe for a new preference share. If from the mathematical calculation the maximum number of shares that can be subscribed under the preference right is not a natural number, the maximum number of preferred shares that can be actually subscribed will be rounded down to the immediately lower natural number.
- d. After the expiration of the period of exercise of the right of preference, the newly issued shares remaining unsubscribed will be offered for subscription within a public offer.
- e. The preferential shares remaining unsubscribed after their offering within the public offer will be canceled by the decision of the Board of Directors which establishes the effective results of the share capital increase and approves the amendment of the articles of association, following the value of the share capital increase reporting to the shares actually subscribed within the stages mentioned in the points above.
- f. The preferential shares that will be subscribed within the capital increase operation may be transformed into common shares at the decision of the General Meeting of Shareholders of the Company, at any time after 5 (five) years from the date of issuance of preferential shares.
- g. The increase of the share capital is made in order to strengthen the financial position of the company by repurchasing the bonds issued by the company.
- h. The Board of Directors is authorized to take any steps necessary to carry out the decision to increase the share capital, including but not limited to:
 1. contracting the necessary services for drawing up the necessary documentation for the implementation of the share capital increase, including but not limited to drafting the document presenting the preferential rights, the prospectus / prospectus for the exercise of the preferential right, as well as for the effective development of the share capital increase ;
 2. establishing the subscription period and the payment methods;
 3. establishing the offer price, the issue premium or the method for determining it
 4. establishing the bid recording technique (i.e. using the BVB trading system or by direct transfer);
 5. establishing the method of conducting the offer, the price or the price range for the auction, etc.
 6. cancellation of unsubscribed shares in the last stage of the issue;



7. adopting all the necessary decisions for the implementation of the decision to increase the share capital;
8. modification of the constitutive act according to the results of the share capital increase;
9. performing all the necessary steps for admission to trading on the Regulated Market of BVB

Item 16:

With a quorum representing 76.8693% of the total voting rights, with the affirmative vote of the shareholders representing 100% of the total votes cast,

It is approved the power of attorney, with the possibility of substitution, of Mr. Mihai-Alexandru-Constantin LOGOFĂTU, as legal representative to the Chairman of the Board of Directors of the company, to sign the shareholders' decisions and any other documents related to them and to fulfill all procedures and the formalities provided by law for the purpose of implementing the decisions of the shareholders, including the formalities of their publication and registration in the Trade Register or at any other public institution

Item 17:

With a quorum representing 76.8357% of the total voting rights, with the affirmative vote of the shareholders representing 100% of the total votes cast,

Approves the registration date (defined as the date that serves to identify the shareholders on whom the decision is based), the ex-date and the payment date, as follows: 15.12.2020 - registration date; 14.12.2020 - ex-date; 16.12.2020 - date of payment.

President of the Board

Mihai Alexandru Constantin Logofatu

