

Even if until the moment of this general meeting of shareholders the situation that the Issuer's shares are traded below the value of the net book value ("book value") has never happened, this is not excluded. Any turbulence in the capital markets can cause significant decreases in the prices of all listed shares.

In addition, there is a possibility that at any time the shareholders wishing to divest their holdings of Bittnet shares may put a selling pressure on the share price to fall below certain levels which the management considers relevant.

Thus, according to Warren Buffett's well-known view of stock repurchase programs, a company should repurchase its shares if it happens to trade at a significant discount from the "book value" (net book assets / equity). Such an acquisition is equivalent to the shareholders who remain in the company (through the company), buying from the shareholders who want to leave the company banknotes of 100 lei by paying less than 100 lei.

One aspect that deserves to be brought to the attention of shareholders is that the audited value of equity ("book value") could be significantly underestimated compared to the actual value. Thus, a significant part of the group's assets is composed of the holdings (accounted for as goodwill) that Bittnet has in the companies in which it has invested in such a way that we have a majority holding. The provisions of IFRS require that these holdings be accounted for at the purchase price OR LOWER ("impaired") and never be re-measured upwards.

This provision can generate an underestimation of our group's assets, if the investments we have made have been made at advantageous prices for us (if we have made good investments). We will continue to reproduce only the example of Dendrio, which represents the largest holding both in terms of registered goodwill and (we believe) the discrepancy with reality.

Dendrio is accounted for in the consolidated assets of the group with a goodwill of 19 million lei. Instead, thinking of a company that has revenues of 90 million lei, EBITDA of 6 million lei and a profit of almost 4 million, we can imagine that in any market it is worth more than 19 million lei. There is a company listed in Romania today with the same specific activity as Dendrio, with a similar profit, with lower revenues, which is worth approximately 80 million lei.

Thus, the coordinates of the plan we propose are the following:

1. Redemptions may be made through one or more operations carried out through capital market mechanisms, in compliance with the applicable legal provisions (directly by the Company, by mandating a financial services company, or by one or more public offerings).
2. The maximum number of shares that the Company can hold at any given time, following all redemptions (thus being the maximum number of shares that can be targeted in any redemption operation): 10% of the capital registered with ONRC at that time.
3. the maximum price will be equal to 1 lei / share.
4. minimum price: nominal value - 0.1 lei per share.
5. Purpose of redemption operations:
  - a. ensuring the necessary actions to meet the company's obligations under the next Stock Option Plan.
  - b. in order to satisfy the company's obligations towards creditors, as a result of carrying out M&A investments with partial payment in shares.
  - c. or to reduce the share capital.
6. The Board of Directors is empowered to decide on the opportunity to launch each operation separately, on the actual price at which the offers or redemptions from the market are made, within the maximum value of 1 lei, taking into account the obligations and interests of the Company.



**What we can assure the shareholders is that the redemption operations will not be carried out to 'support' the market price, but to carry out relevant operations - creating value - for the shareholders who "remain" in the company in the long term.**

