

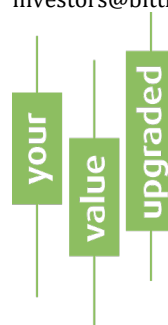
**Universal registration document, according
to ANNEX 2 to the COMMISSION
DELEGATED REGULATION (EU) 2019/980**

bittnet
group



ANNUAL REPORT for 2021

For the financial year	01.01.2021 - 31.12.2021
Report date	21 April 2022
Name of the company	BITTNET SYSTEMS S.A.
Registered office	Str. Șoimuș nr. 23, bl 2, ap. 24, Sector 4, București
Mail address/operating premises	Str. Tudor Arghezi, Nr. 8-10, Clădirea Unimed, Etaj 1, Spațiul TOF112, Sector 2, București 020945
Telephone/fax	021.527.16.00 / 021.527.16.98
Unique registration code at the Trade Register Office	21181848
Trade Register registration number	J40/3752/2007
The regulated market on which the issued securities are traded	Bucharest Stock Exchange, Standard Segment
Paid-in and subscribed share capital	RON 48,043,690.40
The main characteristics of securities issued by the company	480.436.904 shares at the nominal value of 0.10 RON per share
Trading Symbol	BNET - shares BNET23, BNET23A, BNET23C – bonds
Shares ISIN code	ROBNETACNOR1
Contact	investors@bittnet.ro



Pursuant to [Regulation \(EU\) 1129/2017](#), Article 9(12)

12) Where the universal registration document filed with or approved by the competent authority is made public at the latest four months after the end of the financial year and contains the information required to be disclosed in the annual financial report referred to in Article 4 of Directive 2004/109/EC, **the issuer shall be deemed to have fulfilled its obligation to publish the annual financial report required under that Article, if:**

[...]

(a) shall include in the universal registration document a cross reference list identifying where each item required in the annual and half-yearly financial reports can be found in the universal registration document;	YES - ANNEX 1
(b) shall file the universal registration document in accordance with Article 19(1) of Directive 2004/109/EC and make it available to the officially appointed mechanism referred to in Article 21(2) of that Directive;	YES
(c) shall include in the universal registration document a responsibility statement using the terms required under point (c) of Article 4(2): the statements of the persons responsible within the issuer, clearly identified by name and function, confirming that, from their point of view, the financial statements established in accordance with the applicable corpus of accounting standards offer a true and honest view of the assets and liabilities, the financial situation and financial result of the issuer and the undertakings involved in the consolidation, and that the management report presents a true picture of the evolution and results of the undertaking and the situation of the issuer and the undertakings involved in the consolidation, as well as a description of the main risks and uncertainties they face.	YES – in the chapter on financial statements (page 99)

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Annex 1: Cross-references - Annual Report according to Regulation No 5/2018 vs. this Universal Registration Document

Requirement of Regulation No. 5/2018	This document
The report shall include the management report and, where applicable, the consolidated management report, drawn up in accordance with the applicable accounting rules, and shall include, in the case of the regulated market, also:	
II. The corporate governance statement, as well as, where applicable,	Section 14.4
III. Non-financial statement on environmental, social and personnel aspects, respect for human rights and combating corruption and bribery.	not applicable
1. The analysis of the issuer's activity	
a) Description of the issuer's core business	Point 5.1.1
b) Indication of the date of establishment of the issuer	Point 4.3
c) Description of any significant merger or reorganisation of the issuer, its subsidiaries or controlled companies during the financial year	Point 6.2
d) Description of asset acquisitions and/or disposals	Point 5.7
e) Description of the main results of the issuer's activity assessment:	
1.1.1. Elements of general assessment:	
a) profit;	Point 5.3
b) turnover;	Point 5.3
c) export;	Point 5.2 and 5.3
d) costs;	Point 5.3
e) owned % of the market;	Point 5.2
f) liquidity (available in the account, etc.).	Point 7.1
1.1.2. Assessment of the technical level of the issuer	
Description of the main products and/or services provided, specifying:	
(a) the main markets for each product or service and the distribution methods;	Point 5.2
b) the share of each category of products or services in the revenues and total turnover of the issuer for the last 3 years;	Point 5.2
c) the envisaged new products for which a substantial volume of assets will be affected in the next financial year, as well as the stage of development of these products.	Point 5.7.1.D
1.1.3. Assessment of the material and technical supply activity (indigenous sources, import sources)	
Specification of information on the security of supply sources and prices of raw materials and on the size of stocks of raw materials and materials	Point 5.8
1.1.4. Evaluation of sales activity	
a) Description of sequential sales developments on the internal and/or external market and medium and long-term sales perspectives	Point 5.2 and 5.3
b) Description of the competitive situation in the issuer's field of activity, the market share of the issuer's products or services and the main competitors	Section 5.2
c) Description of any significant dependence of the issuer on a single client or group of clients whose loss would have a negative impact on the issuer's corporate income	Section 5.9
1.1.5. Assessment of aspects related to the issuer's employees/staff	
a) Indication of the number and level of training of the issuer's employees, as well as the degree of labour force syndication	Section 15.1
b) Description of the relations between the manager and the employees, as well as any conflicting elements that characterize these	
1.1.6. Assessment of issues related to the environmental impact of the issuer's core business	
Synthetic description of the impact of the issuer's core activities on the environment, as well as of any existing or expected disputes regarding the breach of environmental protection legislation	Point 5.7.4
1.1.7. Evaluation of the research and development activity	
Specifying the expenses in the financial year, as well as those anticipated in the next financial year for the research and development activity	Section 7.3
1.1.8. Evaluation of the issuer's risk management activity.	
Description of the issuer's exposure to price, credit, liquidity and cash flow risk	Section 3
Description of the issuer's risk management policies and objectives	
1.1.9. Prospective elements regarding the issuer's activity	

Requirement of Regulation No. 5/2018	This document
a) Presentation and analysis of trends, elements, events or uncertainty factors affecting or likely to affect the issuer's liquidity compared to the same period of the previous year	Point 5.3, Section 10
b) Presentation and analysis of the effects of capital expenditures, current or anticipated, on the financial situation of the issuer compared to the same period last year	Point 5.3, Section 10
c) Presentation and analysis of events and transactions of economic changes that significantly affect the income from the core activity	Point 5.3, Section 10
2. Tangible assets of the issuer	
2.1. Indication of the location and characteristics of the main production capacities owned by the issuer	Point 5.7.1. B
2.2. Description and analysis of the degree of wear and tear of the issuer's properties	Point 5.7.1. C
2.3. Indication of potential ownership issues related to the issuer's right of ownership on the tangible assets	Point 5.7.1.C
3. Market of the securities issued by the issuer	
3.1. Specifying the markets in Romania and other countries where the issued securities are traded	Point 9.2
3.2. Description of the issuer's dividend policy. Indication of dividends due/paid/accrued in the last 3 years and, if applicable, reasons for any decrease in dividends during the last 3 years	Point 9.3, Point 9.4, Point 18.5
3.3. Description of any activities of the issuer of acquiring its own shares	Point 9.5
3.4. Where the issuer has subsidiaries, indication of the number and nominal value of the shares issued by the parent company owned by the subsidiaries	Point 9.6
3.5. Where the issuer has issued bonds and/or other debt securities, presenting how the issuer fulfils its obligations towards the holders of such securities	Point 9.7

4. Issuer's management	
4.1. Presentation of the issuer's administrators list and the following information for each administrator:	Section 12
a) CV (name, surname, age, qualification, professional experience, position and seniority);	
b) any agreement, understanding or family tie between the respective manager and another person due to which the respective person has been appointed administrator;	
c) the manager's participation in the issuer's capital;	
d) the list of persons affiliated to the issuer.	
4.2. Presentation of the list of executive management members of the issuer	Section 12, Point 14.1
For each, the following information shall be provided:	
a) for which period the person is part of the executive management;	
b) any agreement, understanding or family tie between that person and another person due to which the respective person has been appointed as a member of the executive management;	
c) the participation of the respective person in the capital of the issuer.	
4.3. For all persons referred to in points 4.1 and 4.2, the indication of any disputes or administrative procedures in which they have been involved, in the last 5 years, regarding their activity within the issuer, as well as those regarding the capacity of that person to perform their duties within the issuer	Section 12
5. Financial and accounting statement	
Presentation of an analysis of the current economic and financial situation compared to the last 3 years, referring at least to:	Section 7 Point 8.2
a) balance sheet items: assets representing at least 10% of the total assets; cash; and	
b) other liquid assets; reinvested profits; total current assets; total current liabilities;	
c) profit and loss account: net sales; gross revenue; cost and expenditure items with a share of at least 20% in net sales or gross revenue;	
d) risk and miscellaneous expenses provisions; reference to any sale or cessation of a segment of activity carried out in the last year or to be carried out in the following year;	
e) dividends declared and paid;	
f) cash flow: all changes occurred at the level of cash within the core activity, investments and financial activity, the level of cash at the beginning and the end of the period.	
The annual report shall be accompanied by copies of the following documents:	
a) the instruments of incorporation of the issuer, if they have been amended in the year for which the reporting is made;	Point 19.2
b) acts of resignation/dismissal, if there have been such situations among the members of the administration, the executive management, the auditors;	Not applicable
c) the list of subsidiaries of the issuer and entities controlled or controlling the issuer.	Section 6

Key information

Key results, history, thousand lei:

	Turnover Operationa l	Profit 1	Profit Net	Cashflow Operations	Assets	Cash	Equity Capital	Mkt. Cap.	ROE
2014	8.180	582	115	394	5.428	813	865	7.896	
2015	9.993	1.608	889	471	8.253	3.008	1.920	8.108	103%
2016	13.667	1.929	870	-1.768	10.446	2.355	3.100	21.418	45%
2017	27.682	2.743	1.206	373	30.898	11.060	5.961	31.941	39%
2018	47.891	1.319	4.408	3.397	59.069	13.048	14.001	55.530	74%
2019	99.750	838	-2.631	8.502	88.462	20.824	12.372	112.717	-32%
2020	109.192	5.930	1.025	8.120	102.353	24.873	27.646	157.586	8%
2021	112.576	7.353	14.423	3.778	132.51	23.403	53.905	161.907	53%
CAGR	45%	41%	100%	63%	57%	61%	80%	54%	Averag e
YoY	3%	24%	1307%	-48%	31%	-6%	99%	3%	42%

Historical increase rates compared to the market index

Year %Growth	/	Income	Assets	Equity	Mkt. Cap	BET-XT	Operation	Amount
2015		22%	52%	122%	3%	-4%	Equity on 15 April 2015	-864.743
2016		37%	27%	61%	164%	3%	MCS05-Dec-17	-807.127
2017		103%	196%	92%	49%	15%	MCS14-Dec-18	-2,892,205
2018		73%	91%	135%	61%	-8%	MCS10-Apr-20	-9,168,712
2019		108%	50%	-12%	94%	32%	MCS02-Mar-21	-10,725,345
2020		9%	13%	123%	21%	-4%	Equity on 31-Dec-21	55,949,054
2021		4%	31%	92%	2.74%	31%	Of which, amounts attracted	-23,593,389
Average		51%	66%	88%	65%	9%	IRR	45.7%

¹ See Annex 1 for the definition, calculation method and relevance of the alternative performance measures used in the report

NOTE TO INVESTORS

This Universal Registration Document has been approved by the Romanian Financial Supervisory Authority ("ASF"), which is the Romanian competent authority within the meaning of Regulation (EU) 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC ("the Prospectus Regulation") and the rules for the implementation in Romania of the Regulation on the universal registration document, pursuant to Law No 24/2017 regarding issuers of financial instruments and market operations ("Law regarding issuers"), to the secondary regulations issued by ASF in implementing the Law on issuers, as well as to the Commission Delegated Regulation (EU) 2019/979 and Regulation (EU) 980/2019. ASF approved this Document as complying with the standards of exhaustive comprehensibility and consistency standards required by law. Such approval shall not be considered as an endorsement of the issuer that it the subject of this registration document.

This Document has been drafted to act as a reference source regarding the issuer, supplying investors and analysts with the minimum information needed to make an informed judgement on the company's business, financial position, earnings and prospects, governance and shareholding since the date of its drafting. This Document has also been drafted for its use for the purpose of future offers to the public of securities, regardless of their type or class, which could take place on a regulated market if supplemented by amendments, as appropriate, and by securities note and a summary approved according to Regulation (EU) 2017/1129. By submitting for approval and publishing this Document, the Issuer seeks to acquire the status of Frequent Issuer of securities according to Regulation (EU) 2017/ 1129.

The information contained in this Universal Registration Document presents the situation of the Issuer and group to which it belongs, at the date of the Document within the limit of the selected documents and information, except for the cases when another date or source is expressly mentioned.

The information contained in this Document is provided by the Issuer or it derives from public sources, as indicated in the Registration Document. No natural or legal person other than the Issuer has been authorized to provide information or documents.

The information in this Document serves for information purposes only and will not be construed as a legal, financial or tax opinion. Nothing in this Registration Document shall be construed as a recommendation to invest or an opinion on the Issuer's situation or as legal, tax, financial or professional business advice. The potential investors must be aware of the risk factors to which the Issuer is subject both in terms of the industry in which it operates and the individual risks that are specific to the Issuer. The risks identified by the Issuer are presented in this Document: Section 3 - Risk factors

After receiving the approval visa from the Financial Supervisory Authority, this Universal Registration Document will be published on the website of the Bucharest Stock Exchange, (<http://www.bvb.ro>), on the Issuer's own website in the section *Investors* (<https://investors.bittnet.ro>) and on the Financial Supervisory Authority's website (www.asfromania.ro)

DEFINITIONS

Within this Universal Registration Document, unless explicitly stated otherwise, the following capitalized terms will have the following meanings, applicable both to singular and plural forms:

"Articles of Association"	The Articles of Association of the Issuer, in force and applicable at the date of this Universal Registration Document
"Shares", "Existing Shares" or "Company Shares"	The entirety of shares that are issued by the Company on the date of approval of this Document
"AGA"	General Meeting of the Company's Shareholders
"EGMS"	Extraordinary General Meeting of the Company's Shareholders
"AGOA"	Ordinary General Meeting of Company's Shareholders
"ASF"	Financial Supervisory Authority
"NACE"	Classification of Activities in National Economy
"the Company" and/or "the Issuer" and/or "the Company" and/or "Bittnet S.A." and/or "Bittnet", "BNET"	Bittnet Systems S.A., the issuer of the Shares described in this Registration Document
"Board of Directors"	On 29.01.2020, the General Meeting of Shareholders approved the amendment of the company's articles of association for administration purposes by a Board of Directors consisting of 3 members. At the time of drawing up this Universal Registration Document, the documents have been registered with the ONRC.
"Central Depository"	Depozitarul Central S.A., with its registered office in Bulevardul Carol I nr. 34 - 36, etajele 3, 8 si 9, sector 2, postal code 020922, Bucharest, Romania, means the institution that provides services for depositing, registering, clearing and settling transactions with financial instruments, as well as other operations related to them, as defined in the Capital Market Law
"Investors"	Persons interested in the Issuer's shares
"Law 24/2017" "the Law on issuers"	Law No 24/2017 on issuers of financial instruments and market operations, published in the Official Journal Part I No 213 of March 29, 2017
"Companies Law"	The Companies Law No 31/1990, republished in the Official Journal No 1066 of 17.11.2004, as subsequently amended and supplemented
"Leu" or "Lei" or "RON"	The official currency of Romania
"MTF market"	The multilateral trading facility (MTF) operated by the Bucharest Stock Exchange. The SMT market, the market on which the corporate bonds issued by Bittnet Systems S.A. are traded, with the symbols: BNET22, BNET23, BNET23A and BNET23C.
"Regulated Market"	The regulated market managed by the Bucharest Stock Exchange.
"The Universal registration document"/"the Registration document"/"the document"	This Universal Capital Registration Document of Bittnet Systems S.A. equities
"Trade Registry"	The database containing the registers and registration of traders and other entities provided by law
"Regulation 5/2018"	ASF Regulation No 5/2018 on issuers of financial instruments and market operations, as subsequently amended and supplemented
"Regulation 1129/2017"	Regulation (EU) 2017/1129 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Directive 2003/71/EC
"Commission Delegated Regulation (EU) 2019/979"	Commission Delegated Regulation (EU) 2019/979 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council with regard to regulatory technical standards on key financial information in the summary of a prospectus, the publication and classification of prospectuses, advertisements for securities, supplements to a prospectus, and the notification portal, and repealing Commission Delegated Regulation (EU) No 382/2014 and Commission Delegated Regulation (EU) 2016/301.
"Commission Delegated Regulation (EU) 2019/980"	Commission Delegated Regulation (EU) 2019/980 supplementing Regulation (EU) 2017/1129 of the European Parliament and of the Council as regards the format, content, scrutiny and approval of the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, and repealing Commission Regulation (EC) No 809/2004

"Working day"	Any day when both the Romanian interbank market and the trading systems of the Bucharest Stock Exchange and the clearing-settlement systems of the Central Depository are open for carrying out their activity
"DND"	The company Dendrio Solutions SRL – owned in full by the Issuer
"SFB"	The company Softbinator Technologies SA – within which the Issuer owns a share of 25%
"ELC"	The company eLearning company SA – within which the Issuer owns a share of 23%
"EQG"	The company Equatorial Gaming SA – within which the Issuer owns a share of 99%

The information used in drafting this Universal Registration Document regarding the Issuer and its activity were provided by BITTNET SYSTEMS S.A., a company headquartered in Bucharest, Str. Soimus nr. 23, bl 2, ap. 24, Sector 4, Romania, telephone 021.527.16.00, fax 021.527.16.98, website <http://investors.bittnet.ro/>, unique registration code RO 21181848, registration number with the Trade Registry J40/3752/2007 ("the Issuer").

The persons responsible for the information contained in this Document, from the Issuer:

Mihai Logofătu – Managing Director;

Statements by those responsible:

The Issuer's Representative declares that, after taking all reasonable measures in this regard, the information regarding the Issuer included in this Universal Registration Document is, to the best of his knowledge, in accordance with the facts and make no omission likely to affect its content.

Section 1: Persons responsible, third party information, experts' reports and competent authority approval

1.1– 1.2 PERSONS RESPONSIBLE AND DECLARATION BY THOSE RESPONSIBLE

1.1. Identify all persons responsible for the information or any parts of it, given in the registration document with, in the latter case, an indication of such parts. In the case of natural persons, including members of the issuer's administrative, management or supervisory bodies, indicate the name and function of the person; in the case of legal persons indicate the name and registered office.

The information used in drafting this Universal Registration Document regarding the Issuer and its activity were provided by BITTNET SYSTEMS S.A., a company headquartered in Bucharest, Str. Soimus nr. 23, bl 2, ap. 24, Sector 4, Romania, telephone 021.527.16.00, fax 021.527.16.98, website <http://investors.bittnet.ro/>, unique registration code RO 21181848, registration number with the Trade Registry J40/3752/2007 ("the Issuer"), represented by Mihai Logofătu – Managing Director.

1.2. A declaration by those responsible for the registration document that to the best of their knowledge, the information contained in the registration document is in accordance with the facts and that the registration document makes no omission likely to affect its import.

Bittnet Systems S.A., company with its registered office in Bucuresti, Str. Soimus nr. 23, bl 2, ap. 24, Sector 4, Romania, telephone 021.527.16.00, fax 021.527.16.98, website <http://www.bittnet.ro/>, unique registration code RO 21181848, registration number with the Trade Registry J40/3752/2007, as Issuer of the Shares, declares that after performing all the reasonable checks to ensure that this declaration is correct, all the information included in this Universal Registration Document is, to the best of its knowledge, in accordance with the facts and the Document makes no omission likely to affect its import.

According to the Issuer's best knowledge, the information contained in the Universal Registration Document is correct at the date of drawing up the Document, mentioned on the first page, unless another date is expressly specified in this Document. The activity and financial situation of the Issuer and the information included in the Document may be subject to amendments after this date. Except for the cases expressly stated in the applicable legal framework, the Issuer does not assume the obligation to update or revise the information contained in this Document.

1.3. Where a statement or report attributed to a person as an expert, is included in the registration document, provide the following details for that person: (a) name; (b) business address; (c) qualifications; (d) material interest if any in the issuer.

Not applicable, the universal registration document does not contain declarations or reports attributed to a person acting as an expert.

1.4. Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.

Not applicable; this is not the case. The information contained in this document have not been sourced from a third party.

1.5. A statement that: (a) the document has been approved by the Financial Supervisory Authority, as competent authority under Regulation (EU) 2017/1129; (b) the Financial Supervisory Authority only approves this document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129; (c) such approval should not be considered as an endorsement of the issuer that is the subject of this document.

The Issuer declares that it will submit this document - in the form of a Universal Registration Document - for approval. If this document is endorsed, the following statements apply:

(a) the document has been approved by the Financial Supervisory Authority, as competent authority under Regulation (EU) 2017/1129;

(b) the Financial Supervisory Authority only approves this Registration Document as meeting the standards of completeness, comprehensibility and consistency imposed by Regulation (EU) 2017/1129;

(c) such approval should not be considered as an endorsement of the issuer that is the subject of this Document;

1.5.1. A statement that the universal registration document may be used for the purposes of an offer to the public of securities or admission of securities to trading on a regulated market if completed by amendments, if applicable, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129.

The Issuer declares that this universal registration document may be used for the purposes of an offer to the public of securities, regardless of their type or class, which could take place on a regulated market if completed by amendments, if applicable, and a securities note and summary approved in accordance with Regulation (EU) 2017/1129.

Section 2: Statutory Auditors

2.1. Names of the issuer's auditors for the period covered by the historical financial information (together with their membership in a professional body).

The financial auditor of the Issuer is BDO AUDIT SRL, with its registered office in Bucharest, Str. Învingătorilor nr. 24, et. 1-4, Sector 3, registered with the Bucharest Trade Register under No J40/22485/1994, with unique registration code 6546223, company authorized by the Chamber of Financial Auditors of Romania by authorization No 18/2001, notice issued by ASF No 374/20.11.2015.

Before the financial statements of the year 2019 inclusive, the auditor was ACE CONSULT S.R.L., with its registered office in Sibiu County, Sos. Constantin Noica, nr.3, registration number at the Trade Register J32/159/2002, unique registration code RO14469555. The last financial audit report was prepared in March 2020 and is based on the financial statements for 2019.

2.2. If auditors have resigned, been removed or have not been re-appointed during the period covered by the historical financial information, indicate details if material.

At the General Meeting of Shareholders on November 26, 2020, taking into account the expiry of the previous audit contract, the shareholders voted to revoke the previous auditor and appoint the new auditor, according to article 2.1 above.

Section 3: Risk factors

A description of the material risks that are specific to the issuer and that may affect the issuer's ability to fulfil its obligations under the securities, in a limited number of categories, in a section headed 'Risk Factors'. In each category the most material risks, in the assessment of the issuer, offeror or person asking for admission to trading on a regulated market, taking into account the negative impact on the issuer and the probability of their occurrence, shall be set out first. The risk factors shall be corroborated by the content of the registration document.

We remind investors that investing in Bittnet shares or bonds involves certain risks, some of which are listed below.

Risks regarding the Issuer's business and field of activity::

The risk associated with achieving the business development plan

The strategic objective of the company is to continuously develop the customer relationships. The possibility that Bittnet may not be able to expand its current customer base or the possibility that relationships with existing customers may deteriorate cannot be ruled out. There is also the risk that the company will not be able to meet other elements of the strategy it has defined, namely: expanding the sales force, establishing a local office in one of the main cities of the country, strengthening its leader position on the IT Training market in Romania, expanding the customer base in the country and abroad and providing trainings for a larger number of potential customers, as well as developing and creating strategic partnerships with companies with similar or complementary profiles will not prove successful. In order to reduce this risk, the company intends to expand the range of products and services and improve marketing activities.

Risk associated with M&A transactions

Most studies and articles dedicated to the topic of M&A (acquisition and merger processes of other companies/businesses) show a statistic that holds no promise for acquiring companies: overwhelmingly, M&A processes destroy value for both companies (especially for the purchasers). This element takes on an even more negative dimension when in acquisitions, companies pay with shares of the acquiring company, as it is the case with our group. There is a significant risk that the processes we run will have the same negative long-term consequences. Management seeks to build each investment with a high degree of safety ("margin of safety") and to align the interests of the participants through payment formulas and mechanisms. However, there is no guarantee that we will be able to continue to identify such solutions, and that future M&A processes will be profitable for our group.

The risk associated with making the financial forecasts

The Company's financial forecasts are based on the assumption of successfully implementing the growth strategy based on existing resources and business units. However, there is a risk associated with making the financial forecasts. The forecasts have been created with due diligence, but they are still forecasts. The current data reported in future periodic reports may differ from projected values as a result of certain factors that were not predicted in the Company's environment. The company will provide information on the possibility of making financial forecasts.

This chapter deserves a more detailed discussion. The company submits every year to the shareholders' approval a Revenue and Expenditure Budget. The management builds this BVC using a "bottom-up" approach - starting from evaluations of ongoing projects (sales pipeline available at the time of BVC production), sales statistics from previous years, marketing actions and sales already committed/planned and sales targets assumed by each member of the sales team. In other words, the BVC is built prudently.

On the other hand, what we pursue and measure in relation to the sales team and any partner is the GROSS commercial MARGIN and not the amount of sales. Therefore, every year, when the BVC is published, the management must answer the question "if we have a reasonable confidence that we will be able to generate 100 lei of gross margin, from how many lei of sales will we obtain this margin?". It should be taken into consideration that sales achievements are measured and estimated EXCLUSIVELY depending on the volume of the generated gross margin. In other words, the 100 Euro margin generated from sales of courses in the amount of 200 Euro is just as valuable to the company and is therefore rewarded in the same way with the 100 Euro margin generated from sales of communications solutions in the amount of 500 Euro.

In order to be able to answer the question "how many lei of sales is needed to produce the committed margin of 100 lei", we must, therefore, answer the question "what will the gross margin average percentage registered by the company be?". According to the principle of prudence, the management applies small reductions to the gross margin percentages already recorded, in order to find the answer to this question.

The unexpected result of these precautionary estimates is that if we apply a lower margin percentage, then we actually assume that we will have to “work” more for the same amount of lei of gross margin, so the forecasts (the BVC) related to the company's revenue are HIGHER.

Nevertheless, the company only monitors the gross margin and not the sales volume, so during the budget year it is much more likely that the revenue forecasts (the turnover) are erroneous and the company's profitability forecasts are more accurate. In other words, the management does not target, monitor or reward the achievement of any revenue target and, consequently, investors should not monitor and evaluate the company's achievement of revenue indicators (turnover), but the profitability index.

Personnel risk/delivery capacity

The Company's success depends to some extent on its ability to continue to attract, keep and motivate the qualified personnel. The Bittnet business is based on highly qualified and well-paid engineers, whose number is limited and can receive offers from the competition. If the Company fails to optimally manage the personnel needs, this may have a significant material adverse effect on the business, financial conditions, results of operations or prospects. The company offers attractive compensation packages and dynamic career development paths to attract, keep and motivate experienced staff with potential.

Bittnet has historically faced smaller staff fluctuations than the companies with which we do business with. However, two decisions we made in 2015 allowed us to resolve this issue in a “winning” way:

- adding to the organizational chart the role of internal HR and its employment by a new colleague with experience in recruitment and relationship with IT professionals. The HR role has two objectives:
 - continuous recruitment - identifying new talents to include in our technical team;
 - creating and maintaining a pleasant, engaging and healthy work environment, focused on constantly promoting the company values on which the company culture is based: competence, performance, integrity, flexibility and fun.
- listing on the Bucharest Stock Exchange, which allowed us to obtain an appreciated employer profile and helped us differentiate ourselves as an open and transparent company - an image highly appreciated by all new and old employees.

This risk continues to be one of the most important risks that ‘threaten’ our company and, consequently, the management will continue to give particular importance to this issue. In 2016, 2017, 2018 and 2019, 2020 and 2021, the General Assembly approved a plan to incentivise key persons based on actions, in order to better align their interests with the long-term interests of the Company. On the other hand, considering the overheating of the labour market and the inclusion of the “Millennials” generation in a greater proportion within the workforce, we consider that this risk - related to the ability to deliver the promises to customers - is a significant one for the company, accompanied by the continuous increase of the financial claims of the team members and collaborators (a continuous increase of fixed costs).

Perhaps the greatest risk in this respect is given by the shareholders of the company, whose continued vote is needed to continue the existence of the Stock Option Plans. Although the stock-option plan is built in such a way as to reward employees only and only if the shareholders have earned money in the analysed period, at the time when the debt is settled with the key persons, messages of dissatisfaction appear from some shareholders, claiming that “employees receive cheaper shares”, or that “this gives them the chance to sell in the market and make profit”.

This approach is, in our opinion, the greatest risk for the company in the field of human resources. If we can no longer continue to use methods of attraction and retention based on what makes us special – stock exchange listing and the value sharing mechanisms thus generated, the only alternative will be to also enter a global fight for human resources, with nothing to offer but money. We believe that this scenario is a very unfortunate one, which will strongly affect the profitability of the company, but unfortunately we estimate that it has a much higher probability of materializing, taking into account the recent discussions but also the fact that, as the number of shareholders increases (now we have over 4000 shareholders), it is much harder to obtain the 85% legal quorum necessary for the implementation of SOPs in the current legislation.

Legislative/regulatory risk

Changes in the legal and fiscal regime in Romania may affect the economic activity of the Company. Changes related to the adjustments of the Romanian legislation with the regulations of the European Union may affect the legal environment of the Company's business and its financial results. The lack of stable rules, legislation and cumbersome procedures for obtaining administrative decisions may also restrict the future development of the Company.

Considering that the legislation increasingly leaves to the discretion of the fiscal body the interpretation of the application of the tax rules, in conjunction with the lack of funds to the state budget and the attempt by any means to bring these funds, we consider this risk a major one for the company, because it cannot be addressed in any way in a real and constructive preventive manner.

Currently, the company has 3 capital increase operations registered with the Trade Register, according to the approval of the shareholders and the decisions of the Board of Directors, operations that are not yet registered with ASF, despite the efforts made by the company. The lack of clarity regarding the company's capital, as well as the difficulty of registering operations to reduce the share capital, are risks that may affect the percentages of allocation of free shares, dilution of some investors to the benefit of others, etc.

Business commoditization risk - loss of technological relevance of solutions

A special case related to the rapid evolution of the IT industry is the tendency of each technology to become "commodity" (very widespread, very widely adopted) and to be very well understood by customers. In such a business environment, the added value of the "resellers" companies is very low, so such a scenario leads to the decrease of the commercial margins for the business lines that are affected by commoditization. All technologies face this risk as their adoption increases. The most eloquent example is Microsoft's licensing business, where most projects are invoiced to customers with very low commercial margins: 0-2%. As other technologies acquire the same dissemination and adoption, their resale also becomes unprofitable.

The company aims to position itself as a value consultant, not as a "commodity" type "boxes" reseller. Tracking technological trends and positioning as a "first mover" helps the company to provide added value through the services provided (consultancy, building technical solutions, installation and simplification, optimization, maintenance).

Risk of unfair competition

Commoditized businesses with small margins are prone to unfair competition, in particular through dumping prices. In particular, in Dendrio's business this risk materialises when competitors often offer customers sales prices substantially below the purchase price of those licences. This type of business approach is very difficult and expensive to demonstrate, but it can cause damage to the Issuer by losing some contracts or reducing profitability. The issuer has not identified any solution to prevent this risk. The issuer aims to address new customer types, as well as customers for whom the added value of the solutions is not represented by price reductions, but by the functionality of the solutions offered. The more widespread and adopted the business line is, the added value that can be offered by an integration partner decreases.

The issuer is in constant competition with other participants on the IT market, competition that is expected to intensify. High competition can encourage current as well as potential customers to use the services and products of the Issuer's competitors and thus negatively affect the Issuer's revenues and profitability. Strong competition may result in increased pressure on the Issuer in relation to the prices of products and services offered to customers, which may have a significant impact on the ability of the Issuer to increase or maintain its profitability. The Issuer's competitiveness in the current competitive environment depends to a large extent on its ability to adapt rapidly to new market developments and trends. To the extent that the Issuer will not be able to effectively compete with its competitors, regardless of whether it is a local or international group, this may have a negative effect on the business, financial situation, results of operations and prospects of the Issuer.

Risk of loss of reputation

The reputation risk is inherent in the economic activity of the Issuer. The ability to retain and attract new customers depends in part on the brand recognition of the Issuer and its reputation for the quality of its services. Negative public opinion about the Issuer could result from actual or perceived practices in the IT market in general, such as negligence during the provision of products or services or even from the way the Issuer carries out or is perceived to carry out its activity.

Although the Issuer makes every effort to comply with the regulations in force and to increase the positive perception of customers and potential customers regarding its services, the negative publicity and negative public opinion could affect the Issuer's ability to maintain and attract customers.

Litigation risk

Over the years, the companies of the Bittnet Group have fulfilled their contractual obligations and have therefore not been sued by their contractual partners. As the group expands, and more companies join the group, it is possible that their partners may consider that the new financial position of these group members has become more relevant to be sued.

During 2021, according to the mandate given by the GMS in November 2020, Bittnet requested Anchor Grup – the owner of the building at 26 Bd Timisoara to extend the office space, under the same contractual conditions, to

accommodate with the new workspace regulations (distance between people), and with the team to be expanded as a result of the M&A transactions. Taking into account that the offer received from Anchor Group was considered as non-compliant, we notified them of the application of the “break-up” clause in the contract, and according to the mandate given by the GMS to the CEO during the meeting of 26.11.2020, Bittnet Group negotiated with the present suppliers in the market an optimal solution for the current development plans.

Following negotiations with various representatives, a new lease agreement was signed with ONE United Properties for a space in the ONE Cotroceni Park (OCP) building, for a period of 5 years with a start date of 1.02.2022. The previous lease contract with Bucuresti Mall Development and Management SRL was unilaterally terminated by Bittnet Systems as of 31.05.2021.

At the date of publication of this report, the Company is aware of the existence in the Courts Portal of a lawsuit filed by Anchor Group having as object “claims” – described in detail in Chapter 18.6. Given the very early stage of the litigation, we could not assess the need for a provision. As the court file advances, there is a risk that BNET's profitability may be affected by the establishment of a provision for this dispute.

Credit risk

The credit risk is the risk that the debtors of the company will not be able to honour their obligations at maturity due to the deterioration of their financial situation. The company is less exposed to this risk due to the specificity of the products and services sold, which are addressed to companies of certain sizes with a special financial situation.

The company analyses new customers using specialized tools (sites with specific customer creditworthiness analysis) and has a strict procedure for documenting orders and provision of services or delivery of goods.

However, the company has not identified a solution that can completely eliminate credit risk, which is one of the most important risks for a company of our size.

The company also closely monitors the “soft-collection” processes and decides relatively quickly to switch to hard-collection procedures, which has brought us historic success in recovering receivables.

The automated IT systems alert both the sales team and managers to outstanding customers, which are “tracked” by the sales team for 1 month, so that we prioritize maintaining a good business relationship. Instead, after 1 month of unsuccessful efforts, it resorts to involving an experienced lawyer (and a positive “track record”) in the recovery of claims.

Counterparty risk

Failure by third parties to perform their obligations towards the Issuer, including in connection with the implementation of certain investment projects envisaged by the Issuer or the risk of insolvency in relation thereto may affect the fulfilment of the Issuer's business objectives or its activity or financial situation and, implicitly, its ability to perform its obligations in relation to the Bonds.

A specific example is the situation in which companies from the Issuer's group participate in public procurement procedures, and suppliers do not fulfil their assumed obligations. This scenario may result in the issuance of a “negative certificate” on behalf of the company that participated in the public tender procedure, which would mean exclusion from other procedures in the future, thus eliminating a potential to generate revenues.

Risk associated with interest rates

The company is exposed to the risk of increasing the interest rate, having contracted loans and loans. Any increase in the interest rate will be reflected in the increase in financial costs. The company regularly monitors the market situation to predict the risk associated with the interest rate and liaises with as many credit institutions as possible in order to ensure an “arbitrage” between their offers.

In previous years, the company has carried out fixed-rate bond offerings, and subsequently repaid some of these. At the end of 2021, more than 75% of long-term debt had a fixed interest rate of 9%. Analysing the total interest-bearing debt, more than 70% is fixed interest at 9% per annum. During 2023, all 3 existing bond issues will mature. During 2022 and 2023 the Issuer is expected to refinance these bond issues in part or in full, and this exposes us to the risk of borrowing at higher interest rates, depending on the economic environment at the time of the transactions. Bank financing is fully variable interest rates, such as “ROBOR + a margin”, which further exposes us to the risk of interest rate fluctuations. The company is in constant contact with the banking financial institutions in order to improve the financing structure.

The weighted cost of borrowed capital is around 8% per year. We believe that the next financial period (2022 - 2024) will be a period in which the fact that we have fixed the price of the borrowed capital will constitute a competitive advantage.

Section 4: Information on the Issuer

4.1. The legal and commercial name of the issuer:

BITTNET SYSTEMS S.A.

4.2. The place of registration of the issuer, its registration number and legal entity identifier (LEI).

The issuer is registered as a commercial company with the Trade Register attached to the Bucharest Court under number J40/3752/2007, tax identification number: 21181848, Code LEI: 315700VUUQHM9VEDRO36

4.3. The date of incorporation and the length of life of the issuer, except where the period is indefinite.

The Issuer's incorporation date is 22.02.2007.

4.4. The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, the address, telephone number of its registered office (or principal place of business if different from its registered office) and website of the issuer, if any, with a disclaimer that the information on the website does not form part of the prospectus unless that information is incorporated by reference into the prospectus.

The Issuer is a joint stock company duly established and operating validly in accordance with the Romanian laws, with its registered office in Str. Soimus, nr. 23, bl.2, ap.24, sector 4, Bucharest, registered with the Trade Register attached to the Bucharest Court under number J40/3752/2007, tax identification number: 21181848. The issuer's business unit is located in Bucharest, Tudor Arghezi, Nr. 8-10, Clădirea Unimed, Etaj 1, Spațiul TOF112, Sector 2, București 020945 Phone: (+40 21) 527 16 00 Fax: (+40 21) 527 16 98. Issuer's website: www.bittnet.ro and <https://investors.bittnet.ro>

The Issuer states that the information on the website is not part of the document, unless this information is included, by reference, in the document.

Section 5: Business overview

5.1. Principal activities

5.1.1. A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information;

The issuer operates on the Information Technology market, the Network Infrastructure and IT Training segments, having the highest share in the turnover of the group. Starting in 2021, the Issuer has diversified its IT services area through M&A (mergers and acquisitions of new companies) investments in the cybersecurity area by acquiring majority stakes in Global Resolutions Experts and ISEC Associates, thus creating a pole of cybersecurity competence within the Group's Technology Division. The Issuer also expanded its investments in the software development area by acquiring a 61% stake in Nenos Software and 60% in Nonlinear SRL. In addition to these two areas - cyber security and software development - the Issuer also completed in 2021 the acquisition of a 50.2% stake in the IT managed services company – ITPrepared SRL.

Also in 2021, the issuer purchased 100% of the shares of a competitor in the IT education area: Computer Learning Center SRL.

Currently, The Bittnet Group has two key divisions:

- **Education**, which consists of the IT training segment where Bittnet Training is the market leader.
- **Technology**, which is focused on IT integration services, offering integration solutions previously offered by both Bittnet and Dendrio. This activity has a shared portfolio of products, services and solutions and a larger team that will allow a greater volume of work, both technically and in terms of sales.

At the end of 2021, the activities of the group companies within the two divisions were:

Education Division

- **Technical Skills**
 - **Bittnet Systems SA** (CUI 21181848): parent company of the group, listed on the Regulated Market of the Bucharest Stock Exchange. It carries out the holding activity plus the IT Training activity, being the undoubted leader on this market in Romania. Revenues in 2021: 13 million lei, operating loss of RON 920 thousand
 - **Computer Learning Center SRL** (CUI 26065887), wholly owned by Bittnet Systems, is an IT training company with a focus on cybersecurity, founded in 2009, with a long history of serving corporate clients. In 2021 revenues amounted to RON 2.1 million and operating profit to RON 98 thousand.
- **Human Skills**
 - **Equatorial Gaming SA** (CUI 30582237) currently owned 99% by Bittnet Systems is a game-based learning company that offers softskills training for the IT industry, both in classic and gamified form, by means of its own developed games. Revenues in 2021 – RON 2.3 million, EBITDA of RON 641 thousand, depreciation from games RON 664 thousand and an operating loss of RON 23 thousand.
 - **The eLearning company SA** (CUI 30760571), 23% owned by Bittnet Systems, is an entrepreneurial company that offers eLearning courses for companies. Founded in 2012, it recorded in 2021 a significant increase in revenues after joining the group, up to RON 3.2 million and an operating profit of RON 1 million.

Technology Division:

- **Infrastructure and Cloud**
 - **Dendrio Solutions SRL** (CUI 11973883), wholly owned by Bittnet Systems, is the only multi-cloud integrator in Romania, a certified partner at the highest standards by Cisco, Microsoft, Google, Amazon Web Services, but also many other vendors, is the company that brings together IT&C integration activities, provided by Bittnet, Gecad Net and Crescendo. Revenues in 2021 amounted to RON 87 million and operating profit to RON 5.45 thousand.
 - **IT Prepared SRL** (CUI 35456175), 50.2% owned by Bittnet Systems, is a managed services company founded in 2016, providing IT support services mainly in the US market. ITPrepared's customer portfolio is primarily based on US companies, but also contains a number of local customers. Managed services is the outsourcing of responsibility for maintaining and anticipating the need for a range of processes and

functions aimed at improving operations and reducing expenses within a company. Revenues in 2021 increased up to RON 5.5 million and operating profit up to RON 1.5 thousand.

▪ Business solutions (ERP)

- **Elian Solutions SRL** (CUI: 23037351), a company founded in 2008 and 51% owned by Bittnet Systems SA, is a Microsoft Gold Certified Partner for ERP solutions. Revenues increased significantly in 2021 up to RON 6.9 million, with an operating profit of RON 158 thousand.

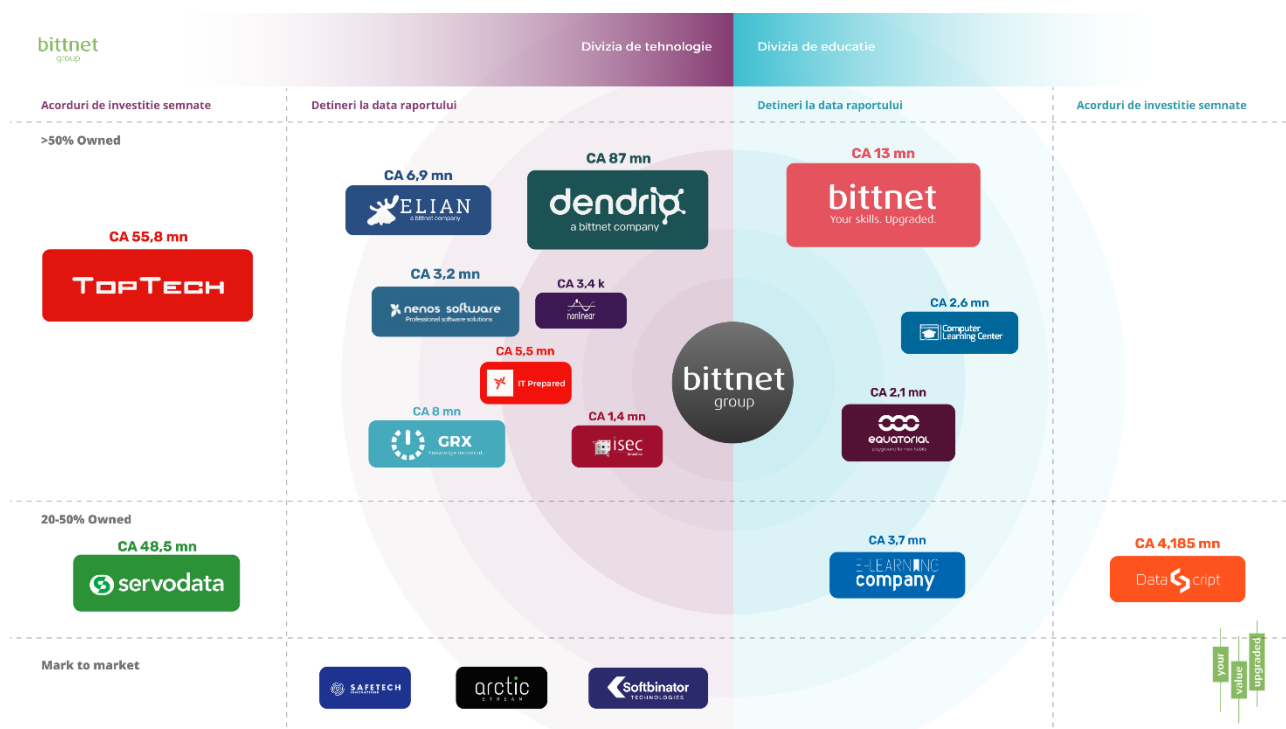
▪ Software development

- **Nenos Software SRL** (CUI 29612482), 61% owned by Bittnet Systems, is a customized software development company with focus in the field of Artificial Intelligence and Machine Learning (AI/ML). The revenue for 2021 is RON 2.5 million, with a profit of RON 0.8 million.
- **Nonlinear SRL** (CUI 37758005) is a SPV established to access European funding, 60% owned by Bittnet. The activity is a product based software development, focused on the development of a platform for digitization and automation of processes in small and medium companies using low code/no code and machine learning technologies. In 2021 revenues amounted to RON 900 thousand, while operating profit amounted to RON 350 thousand.

▪ CyberSecurity

- **ISEC Associates SRL** (CUI: 23037351), 70% owned by Bittnet, is a company providing professional services in the area of cybersecurity, offering audit, consulting and testing services (penetration testing) in classical and managed services. The company holds many certifications (ASF, BNR, CISA, CISM, CEH, CISSP, OSCP, CDPSE, ISO 27701, etc). In 2021 revenues amounted to RON 1.4 thousand, while operating profit amounted to RON 380 thousand.
- **Global Resolution Experts S.A. (GRX)**(CUI 34836770), 60% owned by Bittnet Systems, is a professional services company in the area of cybersecurity, offering penetration testing as well as design, implementation and maintenance of cybersecurity solutions. It 100% owns GRX Advisory SRL (CUI 43813325), with similar services. Consolidated revenues amount to RON 8 million, while operating profit amounts to RON 4 million. As it was acquired in December 2021, these figures are not included in any way in the consolidated results of the group.

The group has over 200 employees and collaborators, who work for one of the companies in the consolidation area (over 50% of the share capital and voting rights)



TECHNOLOGY DIVISION: In recent years, the domestic IT market has stood out and excelled as one of the pillars of Romania's economic growth. According to the Employers' Association of the Software and IT Services Industry, the Romanian information technology market will grow, at an annual rate of 11%. The estimates are based on the *Software and IT Services in Romania* study, published by the Employers' Association of the Software and Services Industry, and conducted by Pierre Audoin Consultants.

The IT solutions provided by Bittnet Group include: general consulting services, IT assessment services, implementation and migration services, maintenance and support services, infrastructure optimisation services and IT training services. The company is the only "hybrid multi-cloud" integrator in Romania, consolidating its position as a certified company by the most important IT providers in the world, focusing on cloud and cybersecurity. Starting with December 31, 2018, Dendrio also includes the IT&C division of Crescendo International SRL, which was acquired in Q4 2018.

The integrator business means that we offer our clients the solutions and services they need, starting with the initial analysis, design, implementation and testing phase that results in turnkey projects for companies with different IT needs:

- Network infrastructure (routing, switching, Wi-Fi, optimisation, consulting);
- Cybersecurity (network security, data center security, user device security, IPS, Advanced Malware Protection, Next Generation Firewall, email and Web security);
- Network management (monitoring and alerting, centralized management, traffic analysis);
- Migration and cloud services (private, public and hybrid cloud, transition from one version to another, migration and relocation step by step);
- Virtualisation and data center (computing, storage, networking, backup, virtualization platforms, VDI);
- Employee mobility, including Bring Your Own Device - BYOD;
- Centralised communications and collaboration (IP telephony, DECT phones, instant messaging, online presence, web conferencing);
- Video conferencing, including telepresence (for desktops, administration rooms, conference rooms, smartphones, tablets, notebooks and workstations, integration with smartboards);
- Software licenses (Microsoft, Adobe, Cisco, Bitdefender, Dell, VMware, Veeam);
- Maintenance and support services

EDUCATION DIVISION:

According to the DESI index measuring the degree of digitalization at the level of the EU countries, Romania ranks second both in the chapter that measures the level of digital maturity among private and public companies and in the pillar that measures the level of basic and advanced digital skills among company employees.

The IT specialists market officially passed the 200.000 threshold in 2021, according to a study recently published by the ZF, which is double the number of 10 years ago; The perspective of the industry is that in the next 10 years the need for "it workforce" will lead to a doubling of the number of specialists to work in this field.

Bittnet has a leadership position on the Romanian IT training market, with a team with 20 years of experience and the largest team of trainers in Romania. Over the years, the company has delivered more than 50 000 hours of IT training and currently has one of the most comprehensive and up-to-date curricula in the EEC region. The trainings provided by Bittnet allow the access of experts to technology by teaching IT skills, from the basic ones (e.g.: Microsoft Office Suite) to the most advanced ones (Cloud, DevOps, Cybersecurity). The business training portfolio includes project management, IT services management, business intelligence, CRM, ERP, Agile, etc.

5.1.2. An indication of any significant new products and/or services that have been introduced and, to the extent the development of new products or services has been publicly disclosed, give the status of their development.

During 2020, the Issuer continued to build alternatives for clients to consume the services of the group companies. Even if none of these alternatives became significant in 2020 in the sense of exceeding 10% of the group's revenues, we consider it beneficial to mention them both as development directions and as a demonstration of continuous development.

As far as **EQUATORIAL** is concerned, the FutureSkills collaborative learning platform was launched in 2021, incorporating all experiments and learning from the previous year. The platform is dedicated to team leaders in the IT field, has video/audio content and standard text, as well as the ability to customize related activities. Two technology companies have been enrolled in the platform during 2021, and it will be the main focus of the sales team in the following year.

In the case of **BITTNET TRAINING**, 2021 brought only the development of 6 new programs, which were added to the curriculum in the CTRL+N project and which completed the already existing educational routes. In addition,

due to the acquisition of Computer Learning Center, we have increased the offer of Cyber Security courses that we can provide to our customers.

In the case of **ELIAN**, together with the migration to the “365 Business Central” solutions and the main vendor - Microsoft -, we obtained the certification for our localisation solution - thus providing clients with an add-on for ERP Business Central systems, add-on which achieves the harmonisation of the IT solution with the Romanian financial-accounting legislation. At the same time, we have developed a way of pricing Elian solutions in the form of a ‘price per user per month’.

In the area of its own portfolio of products developed on the platform “365 Business Central”, Elian consolidated in 2020 through new implementations, its own Retail solutions (optimizing the sales flow at POS, but also fast food production flow), Agricultural Production (focusing the efforts in the management of lease contracts and the management of direct and indirect expenses at culture level) and Textile Production (in 2020 we added the 3rd customer/factory in Elian portfolio, who uses the Dynamics 365 BC solution to manage all operational and end-to-end business flows). Moreover, 2020 also marked the first implementation in the public domain on the cleaning area of public access roads and household waste collection.

For 2021, Elian aims to increase the number of licensed clients in the cloud, thus consolidating the recurring business area, but also the team certification on Dynamics 365 BC SAS (Software As a Service) solution.

In April 2020, **DENDRIO SOLUTIONS** launched a new sales channel – the online store <https://shop.dendrio.com>, aimed at small and medium-sized enterprises. The launch of this channel is part of a broader company strategy to automate as much as possible transactional sales (and which requires an accelerated increase in volumes to deliver at the expected profitability level).

Also, since December 2020, measures have been initiated to group the sales effort into two customer segments - Large companies (Large Accounts) and Small companies (Corporate Accounts). For the two segments, specific product and service portfolios will be available.

During 2021 we launched a partnership with the company KFactory for the digitalization of industrial production. Based on this partnership we have a number of companies starting their production digitization efforts using the solutions sold by Dendrio (KFactory applications and hybrid infrastructure solutions implemented by Dendrio). As it is natural, in 2022, we expect to generate an increased volume of services delivered in partnership with the companies that have joined the Bittnet group, in particular ITPrepared and GRX.

5.2. Principal markets

A description of the principal markets in which the issuer competes, including a breakdown of total revenues by operating segment and geographic market for each financial year for the period covered by the historical financial information.

The group operates on the market of IT&C integration services (consultancy and trade services on technological solutions) and on the adult learning market, especially with a focus on IT training. The division of income between the two areas of activity is strongly influenced by the higher dimension of the IT&C market versus the education market, taking into account that, on the one hand, it is populated by several clients, and on the other hand, it also contains trade with goods representing technological solutions (hardware and software), not only own services provided by the market players. Historically, the division of income between the two divisions of the group is as follows:

	2018	2019	2020	2021
IT&C Integration	83%	87%	88%	87%
IT&C Training	17%	13%	12%	13%

*a breakdown of revenues by the two business segments: IT Integration and Training

The main market in 2021 for the products and services offered by the Issuer was, as in previous years, the Romanian market. Exports count for less than 10% of the total turnover.

Market share

Bittnet Group operates in two major markets in the IT field: IT training and integration of IT solutions.

As a result of the lack of independent reports on the Romanian IT training market, the Company relies on its own estimates in terms of market share. The company has the most extensive, but also the most in-depth coverage of the training market, by having unique human resources at expert level. Bittnet is positioning itself as a **market leader in the IT training area**, justifying this by the following:

- It operates in most segments of the training market;
- It is not in competition with the same competitors on more than 2-3 market segments;

- It is either the market leader or the second largest supplier in each market segment. For example, for official Cisco trainings, the company estimates a market share of $\pm 85\%$. On the other hand, in terms of Microsoft trainings, the company has a market share of $\pm 20\%$ of a total of 10 partners in Romania;
- There are market segments for which Bittnet has no competitors (example: Amazon Web Services training partner).

Focusing on the integration market (professional IT services) - served by Dendrio, the wide range of services offered by the Issuer makes it impossible to establish the percentage of market share held. According to the independent study "Software and IT Services in Romania" conducted by Pierre Audoin Consultants at the request of ANIS - Employers Association of the Software and Services Industry, the Romanian IT market had a value of 3.08 billion euros in 2015 (an increase of 21% compared to 2014), this being estimated in 2016 at 3.6 billion euros (an increase of 17% compared to 2015):

Starting from the estimation of the total IT market (internal market and outsourcing services) to almost 1 billion euros in 2016, the Company's market share in the area of integration of IT solutions (hardware, software and services) is insignificant, accounting for a value of less than 1% of the market.

However, it must be borne in mind in this market analysis that the estimates for the total IT market also include the purchase of PC equipment, mobile phones, tablets, printers, etc., both by the population and by companies.

The analysis of the company's competitive position must be broken down into the two business lines, as the situations are strongly different. Therefore, Bittnet is positioning itself as a market leader in the IT training area, providing the following justifications:

- it operates in most segments of the IT training market (vendors, technologies, depth level, national coverage, etc.);
- it does not compete with the same competitors on more than 2 market segments, being either the market leader or the second largest supplier on each market segment. For example:
 - for Oracle official trainings, there are 3 authorized suppliers for Romania (Bittnet, Eta2U, Jademy)
 - For Microsoft official trainings there are 5-6 authorized suppliers
- There are market segments for which Bittnet has no competitors (e.g.: Amazon Web Services, Cisco, Citrix, etc).

Adding EQG and ELC to this landscape improves our group's competitive position, providing basically a wider product offer for our customers.

Focusing on the integration market (professional IT services), the wide range of services provided by Dendrio makes it impossible to establish the percentage of the market share held. In the IT solutions integration market, there are hundreds of competitors of various sizes, focused on market niches, customer segments, technologies, etc.

Within the activities carried out by the Technology Division, the competitive landscape is very fragmented, with a lack of significant focus on activity segments. We state that Dendrio is the first provider of multi-cloud solutions in Romania (integrating both Amazon Web Services and Microsoft Azure and Google Apps) - a very advantageous competitive position that aims to capitalize the same 'value offer' for customers, as the one highly appreciated in the training business: "one stop shop" for the needs of IT infrastructure (cloud), by complementing with Elian and Softbinator services, but with the expansion of the range of services, although we become more relevant for customers, the market and the number of competitors becomes even higher.

5.3. The important events in the development of the issuer's business

Technology Division in 2021

	31.Dec.21	31.Dec.20	
Income	98,434,367	96,397,656	2.1%
Services provision	24,477,417	19,270,712	27.0%
Sale of goods	73,956,950	77,126,944	-4.1%
Cost of sales	81,128,573	82,701,173	-1.9%
Goods/materials	63,705,398	68,303,617	-6.7%
Cloud services	5,491,123	5,178,219	6.0%
Man-hours	11,932,052	9,219,337	29.4%
Gross margin	17,305,794	13,696,483	26.4%
Other revenues	2,824,219	148,284	1804.6%
Sales/distribution expenses	5,624,408	5,203,157	8.1%
Man-hours	4,878,758	4,636,923	5.2%
Advertisement	745,650	566,234	31.7%
Administrative expenses	6,836,056	5,773,911	18.4%
Man-hours	3,259,951	3,332,564	-2.2%
Amortization	1,073,068	1,436,348	-25.3%
Other third party services	1,200,910	551,355	117.8%
Miscellaneous	403,299	200,409	101.2%
EBIT	7,669,549	2,867,698	167.4%

If we were to describe 2021 in one sentence, we can certainly say that this year was a year of **contrasts**. On the one hand, for the entire (local but also global) business environment, 2021 was a year of hope – to overcome the health crisis, to stop / overcome its effects and, why not, to start a new normality – respectively increasing the stability and business predictability.

On the other hand, this hope was doubled by a much more “indecisive”, more unpredictable reality, in which successive pandemic waves, local political instability but also much deeper effects of the global crisis continued to show their presence.

In this context of low predictability, the technology division of the Bittnet group managed to capitalize on certain trends in order to obtain both a significant increase in the gross margin generated: from RON 13.7 to 17.3

million but also a significant increase in operating profits generated (an 167% increase), in the conditions of a marginal increase of the turnover.

A major advantage of the way the technology division is structured is the coverage of a wide range of IT products and services, with a high degree of resilience to prolonged crises. In this sense, the fact that we include in the technology division both the implementation of platforms and hardware products, strongly affected by the semiconductor crisis (details below), but also significant components of high value-added services, such as audit services and infrastructure consulting Complex IT or services in the area of business applications and artificial intelligence, has led to greater stability of the entire business model.

We can note the following trends that created in 2021 and will create in 2022 a significant impact on the activity of the technology division:

1. The demand for IT services and solutions covered by the technology division's portfolio **is still consistent!** We can even say that at the moment, global technology companies, such as hardware manufacturers in particular, are facing significant difficulties in meeting this demand. In the short term, pressure is created on the entire chain – from component production to delivery / implementation / system operation, but in the long run this demand will be met by companies that will have the right combination of expertise and specialized resources for both “on-premise” projects and for “cloud” or hybrid architectures). This trend can be seen in the very large volume of projects generated in 2021 by companies in the technology division, projects that for reasons of supply / resources were moved (backlog) in 2022.
2. **The exacerbation of the semiconductor crisis** has significantly affected projects that include hardware components. Although in the first quarter and even the first 6 months of 2021 there were moments of return of supply flows with components (processors / chips), since May 2021 this trend has entered a downward spiral (more information: <https://www.bloomberg.com/news/articles/2021-05-18/wait-for-chip-deliveries-increased-in-sign-shortage-persists> and here: <https://www.bloomberg.com/news/articles/2021-08-23/chip-shortage-set-to-worsen-as-covid-rampages-through-malaysia>). When can we consider this situation was overcome? Certainly not in the near future: <https://www.bloomberg.com/graphics/2021-chip-production-why-hard-to-make-semiconductors/>
3. **The pressure of the human factor** – The global pandemic has introduced a relaxation of the way companies contract and interact with employees and collaborators. More and more global projects are being delivered with relocated resources, the geographical location currently has only a purely fiscal significance. As a result, Romanian IT companies, including companies in the group's technology division, face extremely aggressive global competition in a market where highly skilled labour is scarce and increasingly mobile.

4. The consistent digitisation of work processes over the past two years has led to a **significant increase in the demand for expertise in the Cybersecurity space**. Given that Dendrio offers a wide range of solutions and services in the area of cybersecurity, but also the fact that since August 2021 the technology division has begun to include other companies with exceptional cyber expertise, such as: IT Prepared, Global Resolution Experts (GRX), or iSec Associates (iSec) – we can consider that at this moment the technology division and the Bittnet group are in an extremely favourable position for the next period.

From the point of view of the structure of the technology division, with the entry into the group, in the second half of 2021, of the new companies (IT Prepared, Nenos, Nonlinear, iSec and GRX) a structuring of the activities on two distinct technology segments occurs:

1. Implementation, security and operation of complex IT infrastructures (Secured & Managed Infrastructure). We hereby include:
 - Dendrio Solutions – specialising in (on premise and/or cloud) hybrid IT system design and implementation;
 - IT Prepared – a company specialized in optimizing and operating IT infrastructures (recurring, subscription-based services, managed services);
 - GRX and iSec – companies specialising in audit and consulting projects in the field of cybersecurity.
2. Applications for the business environment (Business Apps):
 - Elian Solutions – company specialized in implementing Enterprise Resource Planning (ERP – Microsoft Business Central) solutions and data analysis and visualization systems (Microsoft Power BI)
 - Nenos and Nonlinear – companies specialising in developing Artificial Intelligence-based platforms.

Cloud & Infrastructure - Dendrio

For Dendrio Solutions – the IT systems integration company within the Bittnet group – 2021 was a year in which certain developments initially felt in 2020 continued to be accentuated:

- **Significant increase in projects generated in 2021 the delivery of which was postponed for 2022..** Although the sale process has a clear purpose in 2021 – either procurement procedures in which the Dendrio bid is officially declared the winner or projects budgeted and approved by private companies – some of these projects could not be implemented during the year, especially due to the significant extension of the delivery times of the hardware components (semiconductor crisis). If at the end of 2020 we were talking about a volume of RON 5 million in this situation, at the end of 2021 we have a volume of over RON 40 million in this category. Even in these conditions, the company managed to increase the gross margin generated by over 20% and keep the turnover close to that of 2020. We will keep monitoring this indicator carefully throughout 2022, given the persistence of the semiconductor crisis.
- **Increasing the service volume.** To offset the impact of the delay in equipment delivery, the Dendrio team focused on growing projects with a significant service component – an increase of over 22% compared to 2020. Projects with a significant consulting component (audit, technology architecture or technology adoption projects) have increased in volume compared to previous years when implementation services contributed an overwhelming rate to this figure.
- **The disappearance of a clear seasonality** – The extension of projects to 2022 allows us to enter the new financial year with a consistent volume of projects awarded (“pipeline”) which will be distributed (depending on equipment deliveries) throughout the year.

From an operational perspective, during 2021 we have continued the strategic initiatives launched in 2020 and new initiatives have been launched:

- **Strengthening strategic partnerships** at the level of the team dedicated to large accounts – in particular with the telecommunications operators but also with specialized partners, increasing by over 40% the volume generated by these partnerships.
- **Extension of existing contracts** including at **regional level** – a new company in its large customer portfolio has decided to benefit from the expertise of Dendrio and the companies in Bittnet’s technology division for regional expansion. The project is all the more important as a transition has been made to cloud technology and managed services – IT Prepared, a company newly joined the Bittnet group, taking over the management and optimization of IT processes. We are convinced that in the future we will meet more and more companies located in Eastern Europe that will follow a similar expansion model.
- **Consolidation and integration of processes** at the level of the team dedicated to **medium and small companies**. The implementation of a sales process based on “Buyer Journey” was initiated by the education division. Based on its experience, we started adapting this process for the technology division at the end of 2020. In 2021, the Sales Development Representatives team already had 4 colleagues and we aim to expand it further in 2022, but also to expand the processes of the entire Dendrio company. More than 600 companies were contacted merely during Q4, with a 11% (outbound), and 19% (inbound) conversion rate.
- **The Customer Success team**, launched at the end of 2020 – became operational in 2021, making Dendrio one of the first Cisco Gold Partner companies specializing in Customer Experience in Romania. More than 50 of Dendrio’s most important customers have been included in the satisfaction rating program – a mechanism by which we aim to better understand our customers’ expectations.
- In the second half of 2021, the **Project Management Office** was created – at the level of the entire Bittnet group but with a significant impact on Dendrio’s delivery processes. There are 5 employees currently working in this department.
- Last but not least, it is important to mention the **increase in the number of projects delivered**. In 2021 the number of delivered projects increased by over 11% compared to 2020, confirming that the operational platform but also the delivery processes of Dendrio are scalable.
- **The sale of the Computer Aided Design (CAD) division** – an initiative that has generated an attractive financial return for shareholders but it will lead in the short and medium term to an increase in Dendrio’s focus on projects that include a significant component of services.

Cyber Security & Managed Services- GRX, iSEC, IT Prepared

Global Resolution Experts, iSec and IT Prepared are companies that have recently joined – in the second half of 2021 – the technology division of the Bittnet group. We will not go into extensive information about these companies in this report, and this information will be added in future reports. However, it is important to note certain directions that are manifested in this segment, cybersecurity services and managed services:

- The year 2021 was marked by a significant increase in requests from companies, both for consulting services to improve the level of IT security and for evaluation services (audits and penetration tests). This increase has been marked by a significant increase in the frequency and complexity of cyber attacks such as phishing, ransomware and APT (Advanced Persistent Threat). In addition, the pandemic context and the new rules imposed by work-from-home organizations have brought new challenges in managing and securing the equipment used by employees. All this context has favoured the growing need for cybersecurity services.
- We expect to have this trend maintained in 2022, but also to witness new opportunities emerging generated by the security requirements imposed by CERT-RO through the NIS Directive on Essential Service Operators (ESO), as well as other legislative initiatives launched by the Romanian Digitisation Authority.
- Last but not least, we believe that the budget for the digitization component envisaged under the PNRR program will generate new projects for the implementation of IT solutions and systems, which will also involve a solid component of cybersecurity services.

Business Applications - Elian

2021 was first and foremost dedicated to strengthening the team and improving the delivery capacity in projects. We invested in the recruitment process and we attracted senior resources, which went into production much faster than the average of previous years, decreasing significantly compared to 6 months – the average time before going into production. At the end of 2020 we had a team of 21 employees and collaborators, whereas at the end of 2021 we had 32 employees and collaborators – the new resources being mostly senior resources.

In terms of improving flows and processes during 2021, the position of dedicated Project Manager was created. We thus aim to improve communication with customers as well as to a better coordination of delivery teams per project. All these efforts resulted in a significant increase in turnover in 2021 (35% more compared to 2020), the results being visible especially during the second half, as a result of the efforts made in the first part of the year.

Significant initiatives and projects

- Significant projects were delivered ("Go Live") as planned: MyGeisha, Green PC Ambalaje, Bayer Strada. We also completed the pre-production processes at Dietsmann, so the customer started using the new solution in January 2022, as planned.
- **First Microsoft Business Central partner of the SAF-T statement** - In 2021 we focused on developing the solution for the new D406 statement (also known as the SAF-T), a statement that primarily impacts large taxpayers (who have been required to file a return since January 2022). As a result of our efforts, we was the first partner to complete the development for Microsoft Dynamics 365 Business Central!
- **Increasing recurring revenues** – increasingly large companies are opting for “cloud” licensing (subscription) rather than licensing, which has led to an increase in recurring revenue from monthly subscriptions – a trend that we believe will continue over the next period.
- **Real estate solution** – We started developing a real estate solution in 2021.
- It is also worth mentioning that Elian Solutions extended the certification of Microsoft Gold Partner in 2021.

Software Development - Nenos & Nonlinear

- In the field of software development and artificial intelligence, the accelerated development of a company depends to a large extent on its capacity to attract new talents. Considering this, Nenos and Nonlinear initiated Nenos Academy, an initiative which helps develop and attract new resources.
- With the help of the 4 trainers of Nenos Academy (team established in the second half of 2021) the company supports online training in JavaScript and Python languages
- The Nenos Academy also contributed to the organization of the Softbinator Foundation (synergy created by the entry of Nenos into the Bittnet group) – Nenos thus having access to a significant pool of talent in software development
- A software development project for Chromosome Dynamics (CHRD) was launched in December 2021 – a project that will bring several technological and operational innovations for the Romanian agricultural sector.

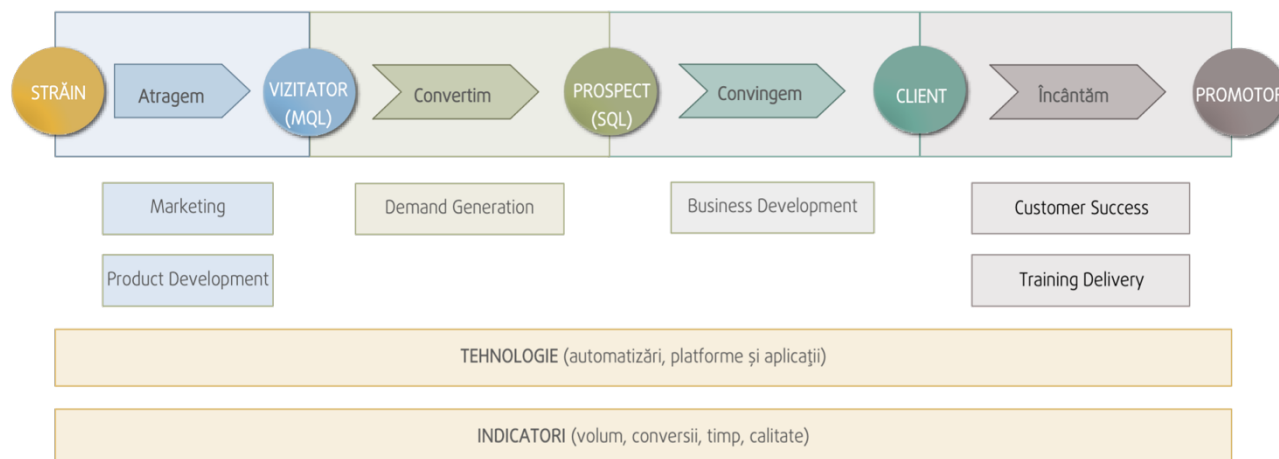
Education Division in 2021

	31.Dec.21	31.Dec.20	
Income	<u>14,156,623</u>	<u>12,794,103</u>	10.6%
Cost of sales	<u>6,983,578</u>	<u>5,024,193</u>	39.0%
Cost of sale of goods/materials	223,162	878,855	-74.6%
Man-hours	6,760,416	4,145,337	63.1%
Gross margin	7,173,045	7,769,911	-7.7%
Other revenues	1,246,884	303,544	310.8%
Sales/distribution expenses	<u>3,909,709</u>	<u>2,305,830</u>	69.6%
Staff expenditure	2,850,062	1,732,169	64.5%
Advertisement	1,059,647	573,661	84.7%
Administrative expenses	<u>4,834,360</u>	<u>6,836,056</u>	-29.3%

Staff expenditure	1,650,449	1,239,552	33.1%
Amortization	1,315,200	557,590	135.9%
Other third party services	1,100,868	406,643	170.7%
Miscellaneous	362,931	235,170	54.3%
EBIT	(324,139)	3,062,905	-110.6%

2021 was a typical year for the Education Division, in the sense that we returned to the classic model in the training industry where the first semester represents 40% of sales and the second semester 60%, as we were used to before the pandemic. Below you can find the main activities of each team as they are involved

in the “Buyer Journey”, our new operational model that we initiated two years ago, have been rigorously implementing throughout 2021 and are starting to deliver results. For example, in 2021 we have 50% more customers than in 2020, customers who will continue to buy in the years to come.



MARKETING & PRODUCT DEVELOPMENT team

Technical skills (Bittnet Training and CLC brands)

This year we continued to refine our lead generation model through content development. Both video content 7 and e-books developed have generated over 4,000 and 500 MQLs (Marketing Qualified Leads). In addition to lead generation activity, Product Managers built and implemented 21 campaigns to promote our webinars, generating over 4,000 registrations to our virtual events.

The second half of the year also saw the initiation of ABM (Account Based Marketing) campaigns on LinkedIn for DevOps Artisan, our international sales project, for CTRL+N, our retraining project, and for Bittnet. The encouraging results make us consider extending this approach to other projects or companies in the Education division.

In 2021, Bittnet sites www.bittnet.ro, www.ctrln.ro and www.devopsartisan.com, have been visited by a total of more than 183,000 visitors and our digital campaigns were seen in online environments by 4,947,000 users in total.

Since August, we have become the strategic education partner of ANIS (Employers' Association of the Software and Services Industry) and have already delivered a first webinar for L&D specialists of ANIS member companies.

In 2021 we introduced new courses in the area of IT Service Management from vendor Peoplecert to our portfolio and developed with our trainers trainings tailored to market requirements and customer needs in the area of security.

Human skills (Equatorial and The e-learning Company brands)

We completed the configuration of the new FutureSkills learning platform and started testing it in customer projects. The main features and benefits of the platform meet the needs and learning styles of the Learner Persona in the target group, identified through qualitative research conducted at the end of 2020:

- LMS & social media infrastructure
- Comprehensive learning experiences: live online sessions, self-paced study, collaborative working
- Adaptation to the pace and specificity of each participant
- Social Learning component through increased level of collaboration and communities of practice
- Continuous updating of content (learner generated content).
- Mixing content and methods in an architecture (learning journey) that allows collaboration with stakeholders in learning.

The month of March also brought us the recognition of HR professionals, at the HR Excellence Awards Gala, sponsored and organised by HR Club. We won the award for the best program in the Training and Development

category, for the VRunners Fn+F5 project implemented by Equatorial in 2020 for the Software Development department of Miele Brasov.

At the end of last year Equatorial perfected a partnership with Human Synergistics to provide consultancy services to IT companies as part of the National Organizational Culture and Leadership Impact Survey.

DEMAND GENERATION team

As the main lead generator for the sales team, the Demand Generation team has increased to 5 SDRs (Sales Development Representatives) led by a Team Lead.

Throughout the year we have constantly refined the two lead generation processes, i.e. *Inbound* and *Outbound* process, normalized the work and the workload and established which performance indicators help us to professionalize. At the end of the year we built the "operational manual" that is the standard for lead generation in the Education division

The inbound process involved managing a total of 523 leads coming from marketing campaigns and website registrations, further qualifying 175 leads. The Outbound process involved approaching 686 companies in areas such as IT&Telco, Finance&Banking, Manufacturing. Out of these, we qualified 85 leads.

Currently the value of leads won from these campaigns is of over EUR 160,000, while the value of those still open (under management) is over 80,000 EUR.

BUSINESS DEVELOPMENT

1. Bittnet Training team

In 2021 the business development team has undergone an accelerated process of change and experimentation of the way we approach the customers. It was a year in which we learned to use customer profiling applications and tools, strategic planning tools and worked more systematically with CRM. All this discipline in execution produced results especially in the second half of the year when we managed to recover from the slower start of the year.

The business development team opened a total of 1,573 opportunities of which 676 were closed with "won" status. We managed a total of 103 clients. Out of these, 35 were new clients. We closed the year with a turnover of RON 11 million and a gross margin of RON 6 million.

In addition to the current activity of the business development team, it is worth mentioning that last year, through partnerships with consulting firms, we also focused on the opportunities provided by European projects. There are 6 such opportunities we are actively working on, with an estimated value of EUR 2.5 million, of which we hope to win a significant part.

2. Computer Learning Center team

As one of the major players in the CyberSecurity training market in Romania, with young sales and instructor teams, with over 18 years of experience and more than 6000 trainees trained over the years, CLC provides training and education services, focusing mainly on training in information security, auditing and assessment of information systems and targeting both managers and information security professionals who want to be up-to-date with the cutting-edge technologies and solutions;

In addition to traditional sales, through the efforts of the entire team, we have managed to win three major projects following participation in public tenders:

1. "Cybersecurity training services necessary for the implementation of the project "Extension of the investigative capabilities of the cyber defence system at the level of the Ministry of Internal Affairs CYBINT, Code Sipoca/MySMIS 858/134962, LOT 4 - Advanced computer network course - fully implemented in 2021"
2. High-level training services in the field of cyber security for the implementation of the project "Upgrading and development of the national system of protection of IT&C infrastructures with critical value for national security against threats from cyberspace" - to be carried out from November 2021 to June 2022
3. "IDEA - Innovate, Discover, Evolve, Apply" - running in the first part of 2022

In September we started the integration process, a process that involved, in addition to the continuation of course sales activities, the adaptation to new working tools and procedures

3. Equatorial team

Overall, 2021 was a year of rebuilding and sustained effort, a year of business and people growth. The changes started in 2020 gained consistency, and we dedicated our efforts to strengthening our strategy to position Equatorial as a specialist in human skills development for Team Leaders in IT organisations. Equatorial's repositioning as a soft skills provider for IT organizations materialized in winning 7 new clients in the IT industry. The FutureSkills collaborative learning platform and the VRRunners game have been at the core of the projects won.

This year we have also contributed to the development of the next generation with two gamified projects using the VRRunners platform:

- **Happy Teens**, the first project dedicated to preventing depression among teenagers, in partnership with Happy Minds Association;
- **Pride-U VRRunners**, within the POCU project run by the Bucharest Academy of Economic Sciences.

4. The e-Learning Company team

2021 was the year of growth at a higher pace than expected, mainly due to the expansion of the course catalogue (645 course modules in Romanian) and more intensive use of the LMS platform. While before the pandemic the usage rate of online courses was around 15% (in the most optimistic cases reaching 20% of a company's employees), 2021 accelerated the 2020 trend related to the increasing access rate (even over 80% in some companies).

The industries that chose in 2021 to use e-learning solutions are: Banking; FMCG; Automotive; Oil and Gas; Utilities; Production; Retail; Services; Insurances.

In the second part of the year we also turned our attention to public administrations where we started pilot projects in the last months of the year and the results are above expectations, the adoption of online courses is at

a very high level, more than 60% of the employees who were involved in the pilot projects accessed online courses in the first two months.

DELIVERY & CUSTOMER SUCCESS

One of the main concerns of our Training Managers has been the growth and professionalisation of our team of internal trainers and collaborators. The fact that we now have a Training Manager for both technical and soft skills training has helped us to be able to build a significant part of the processes and procedures needed in the final stage of the Buyer Journey.

Customer Success managers also completed working procedures and Use cases that demonstrate the ROI achieved by customers for the educational projects carried out with us.

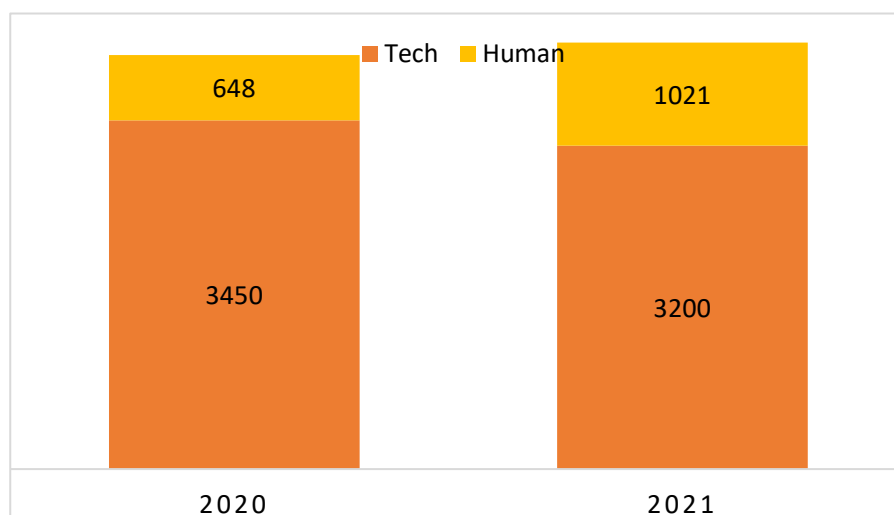
Technical skills

- 326 sessions, both private and public; we had 3200 learners (250 less than in 2020); delivery was done with 45 internal trainers and collaborators; DevOps Artisan and Microsoft have been the most requested curricula also in 2021.

	2021	2020	2019
Number of classes	326	321	367
Number of trainees	3200	3450	3836
Number of trainees per class	9.81	10.47	10.45

Human Skills

- 204 private sessions; we had 1,012 learners compared to 648 in 2020 (of which 450 and VRUNNERS players, compared to 180 in 2020); the courses were delivered by 7 in-house instructors and collaborators
- over 78,000 users have active accounts to access Skillsoft courses in Romanian provided by The e-learning Company, as compared to 52,000 last year. Out of these, over 50,000 are learners accessing our iKnowLMS platform, while for the other learners the client companies use other platforms



5.4. Strategy and objectives

A description of the issuer's business strategy and objectives, both financial and non-financial (if any). This description shall take into account the issuer's future challenges and prospects.

Gartner& IDC (one of the largest IT industry research and analysis companies in the world) estimated the Romanian IT market at over 4 billion USD in 2020, divided according to the chart below. The group's Technology division is present in all the main 'branches' of the IT industry (except outsourcing services). Moreover, the National Institute of Statistics (INS) assesses that the share of the IT industry has increased spectacularly in 2021, [reaching 6.7% of Romania's gross domestic product by the end of the year](#) (meaning EUR 14.6 billion). INS estimate for 2022 is that the IT industry will exceed 7% of GDP.

Only in Romania

\$4B



\$2B

Digital
Transformation

\$1B

Servicii
integrare

\$0.5B
Outsourcing

\$1B
HW

\$0.3B
SW

bittnet
group

We believe that the acceleration of the digitalisation of entrepreneurial companies is the engine of the development of the CEE economy and we want to have a decisive role in this process. That is why the strategy of the Bittnet Group is to become a platform of professional services in the field of technology and education, starting from our traditional, basic competencies, where we have competitive advantages, combining access to human resources with access to clients and access to financing through capital market mechanisms.

This business strategy is based on 3 pillars:

1. Continuous development of the portfolio of products and services offered, in line with global technological and socio-economic trends. We follow this approach both at the level of individual companies, by continuously adapting the services offered to market requirements (adding new products and services, eliminating products or services that are no longer of interest to clients, adding new ways of consuming our products and services) as well as at group level, through national and regional expansion, based on M&A activities.
2. The continuous strengthening of the financial position, both through the organisational development of the group companies, with the capitalisation of profits, and through successive, annual capital increases, in order to have a more solid financial base, to position the issuer as a main alternative for both clients but also for other companies in the field, who want to join an IT platform representative for Romania, EEC or (in the more distant future) Europe.
3. Development of strategic partnerships. This takes the form of participation in joint ventures of companies with common interests and activities, the search for partners to distribute our products and services to their clients, the search for partners from whom to purchase "bulk" products and services to resell to clients and our partners, the search for investment partners with whom to increase the capacity to carry out M&A projects.

Looking to the future, we predict a period of several years to come with the unprecedented acceleration of digital processes across the economy, without major political events, and we are confident that we will continue to see significant revenue growth. In recent years the importance of the IT industry has increased in all ways and its contribution to GDP formation has exceeded the 7% threshold and it will reach a 10% threshold by the end of 2025. The phenomenon has accelerated in the last months when the pandemic has highlighted the need of public and private organizations to reinvent themselves through technology and, consequently, the need to develop digital skills among employees.

According to the DESI index measuring the degree of digitalization at the level of the EU countries, Romania ranks second both in the chapter that measures the level of digital maturity among private and public companies and in the pillar that measures the level of basic and advanced digital skills among company employees.

The IT specialists market officially passed the 200.000 threshold, according to a study recently published by the ZF, which is double the number of 10 years ago; The perspective of the industry is that in the next 10 years the need for specialists will lead to a doubling of the number of specialists.

Both areas detailed above give us confidence that we are “operating in the right industry”, and indicate the market potential for the two divisions of the Bittnet Group for the period 2022 - 2024:

- **for the Education Division**, as employees, in order to better meet the needs of the market, are in a continuous process of professional retraining. In this respect, the programs and initiatives on our agenda such as the CTRL + N national reconversion project or the DevOps Artisan international platform were launched in advance and today, we are better positioned to meet the needs in the area of digital skills development.
- **for the Technology Division**, as organisations continue on their path, forced to adapt to the new context with funding either from their own resources or from accessing government programs backed by EU funding for digitisation.

At the Bittnet Group level, we have launched previously a series of initiatives aimed at both the human capital dimension and the integration of digital technology by companies (2 of the 5 pillars measured by DESI):

- On December 1, 2020, we launched the CTRL + N professional retraining program. Today, less than a year after the public announcement of the intention to develop this program and less than three months after its official launch, we are happy to provide 30 lessons offered by 5 of our trainers. So far, 82 Romanians have subscribed to the courses, some of them through the scholarship program launched with our partners, others financially supported by their companies or even from personal sources, understanding the need to learn new skills and prepare for tomorrow's jobs. Following the extensive communication campaign carried out for this project, we expect a steady growth of students during 2021.
- We have started, together with major technology partners such as Microsoft but also with business partners such as Raiffeisen Bank, Banca Românească, Eximbank, ProCredit Bank, programs for the digitalisation of entrepreneurship in Romania. These steps started in 2020 and we hope they will continue, in an accelerated way - in 2021 as well. An extremely important aspect is the alignment of these steps of the technology division with the National Recovery and Resilience Plan - respectively the digitization programs for SMEs.

We aim for a profitable, sustainable and accelerated growth and this can be achieved by focusing on customer segments where we already have a high profit rate, correlated with a higher percentage of profitability. Starting with 2021, we launched an internal management and leadership academy based on which we will build key skills at the level of the entire organisation, offering career development paths to the best of our colleagues.

Growth through M&As

In the journey towards the 2024 objective: consolidated business of RON 500 million, we are relying on operational transformation (in the sense of aligning internal processes to the buying journey of our customers in the new market reality - “low-touch economy”), and on an extensive M&A investment program aimed at consolidating the current portfolio, but also expanding to the CEE market and to strategic areas, software, cybersecurity and managed services.

2021 was also the most active year in terms of M&A projects. We completed 5 investments:

- **IT Prepared** – completed in Q3 and which is the first investment in the area of managed infrastructure services.
- **Nenos&Nonlinear** – completed in Q3 which strengthens the position in the software development division, while also entering the artificial intelligence sector.
- **CLC** – which consolidates the Education Division and expands the certification portfolio, especially in the cyber security sector.
- **ISEC** and **GRX** are two transactions that mark a new major stage in the development of our group, as with them a new division is born within the Bittnet Group, that of cyber security.

At the time of publication of this report we are in advanced stages of negotiation with 3 more projects communicated and approved by shareholders - Servodata, Datascript and TopTech. These projects continue the investments made in 2020 in Equatorial, Softbinator and The e-Learning Company. In addition to the “Group Structure” chapter of this report, I suggest you to also visit the “Group Structure” webpage on our investor relations website frequently, as this structure is in continuous evolution.

We conclude the presentation of the M&A activity already carried out in 2021 by mentioning the first exit, through the sale of the Autodesk software division, part of the Dendrio company, to the Graphein company, for the amount of RON 2.2 million, an amount equal to that paid in 2017 for the entire Gecad Net company (currently Dendrio). In the same respect, in the last days of the year, we attracted a number of investors to GRX, by selling a 14% stake, for RON 3.47 million.

We estimate that during 2022 the M&A activity will be intense; therefore, we will bring to the attention of investors in general meetings a series of investments, in line with the previously communicated expansion plans.

5.5. If material to the issuer's business or profitability, summary information regarding the extent to which the issuer is dependent, on patents or licences, industrial, commercial or financial contracts or new manufacturing processes.

This is not the case, the Issuer is not dependent on patents or licenses, industrial, commercial or financial contracts, new manufacturing processes so that they have a significant measure on the commercial activities or profitability of the issuer.

The issuer delivers technology (IT&C) solutions as well as training courses based on partnerships with major IT&C technology manufacturers such as Microsoft, Cisco, Amazon Web services, Oracle, etc. each of these manufacturers maintains specific licensing and certification policies for partners – the “channel of partners” (for both IT&C solution integration activities and trainings). Should such a producer decide that the entities in the Bittnet group no longer have the right to continue reselling the solutions of that producer, this would have a significant influence on the group's revenues. We believe that the certifications that group companies have from manufacturers are helpful by increasing our ability to attract customers and gain profitability (including through rebates from manufacturers). Similarly, loss of relationship with a manufacturer (loss of the right to sell certain solutions (especially from key partners such as Cisco or Microsoft would cause a problem for the Issuer).

In the case of Nenos & Nonlinear, there is no dependence on patents. In the case of the e-Learning Company ('ELC'), the company derives most of its revenue in relation to the international leading developer of eLearning courses Skillsoft. The loss of this partnership would have a significant negative influence on the revenues of the ELC.

In the case of ISEC and GRX it is not the case of patents dependencies, being two companies offering professional services in the cyber security area. The services provided are in the form of audit, consultancy and testing services in both traditional and managed services. The two companies hold the certificates in the field (ASF, BNR, CISA, CISM, CEH, CISSP, OSCP, CDPSE, ISO 27701, etc.).

5.6. The basis for any statements made by the issuer regarding its competitive position.

The issuer bases its competitive position statements on its own estimates, built either by analyzing the data available from the Ministry of Public Finance (on the business of companies deemed to be competitors) or by analyzing the feedback received by the sales team from interactions with existing and potential customers.

5.7. Investments

5.7.1. A description, (including the amount) of the issuer's material investments for each financial year for the period covered by the historical financial information up to the date of the registration document.

As of the date of publication of the latest financial statements, the Issuer has not initiated and has not carried out any significant investment program. At the end of the financial year, the consolidated statement of non-current assets was as follows:

	2018	2019	2020	2021	Explanation Others
(1) Goodwill	12,241,308	17,701,643	21,082,977	39,893,983	Procurement of Goodwill M&A transactions
(2) Other intangible assets	6,099,112	6,425,725	8,820,959	9,208,535	
(3) Tangible assets	2,003,818	6,742,571	5,444,104	2,352,513	Closure of the business point according to IFRS16
(4) Investments accounted for using the equity method	1,230,328	1,236,738	8,527,500	1,999,532	reclassification of CODE holding
(5) Other financial assets	1,056,588	1,107,049	7,483	372,744	

The increase in non-current assets in 2021 is entirely due to the M&A investments made, amounting in total to RON 18 million, combined with the decrease in the equity-accounted securities position with the reclassification of Softbinator's stake as mark-to-market. Also, with the termination of the lease for the Anchor Plaza offices, tangible fixed assets decreased by IFRS16.

5.7.1.B Specifying the location and characteristics of the main production capacities owned by the company.

The specific activity of the Company does not imply the ownership of significant tangible assets. The company owns the computing technique (laptops, servers, mobile phones), office furniture, multifunctional printers and networking equipment organized in the form of course laboratories and demonstration laboratory for technological solutions. A part of these assets were purchased by means of Regio O. A funds, SMIS project code 18446.

All of the company's tangible assets will be transferred to the new office building in Bucharest, ONE Cotroceni Park, as soon as it is ready to host the expanded Bittnet team.

5.7.1.C Overview and analysis of the degree of wear and tear of the company's properties.

The IT equipment owned by the company has a low degree of physical wear which is specific to the office activity. With the relocation to the new headquarters, the company will carry out a gradual renovation of the IT equipment used by employees and trainees, applying in this respect a 'pay as you use' approach - renting the equipment and not investing in tangible assets - according to the mandate granted in the General Shareholder Meeting in April 2017.

5.7.1.C. Specifying the potential issues arising from the ownership of tangible assets of the company.

Non-current assets acknowledged under IFRS 16 are not the property of the Issuer, being leased by the Issuer from their owners. This is not an "issue" but a "feature" of such contracts (operational leasing or long-term lease).

5.7.1. New products envisaged for which a substantial volume of assets will be allocated in the next financial year as well as the status of development of such products.

The company's development plan includes the following pillars, which have as their component the addition of new products and services. Every new product or service that is added to Bittnet's offer at some point starts from a specific demand, volume, in the market, among our customers. Thus, there are no new products for development to which substantial resources will be allocated, each addition being made under "breakeven" conditions. For the year 2022, in terms of CAPEX (investment in product development), the proposed maximum budget (which we do not intend to consume) amounts to RON 10,000,000.

In the Education Division we are exploring two investment directions. First, we will invest in equipping the Video Production Studio in our new headquarters, considering both the further development of training products where we own the intellectual property, and building marketing content to support lead generation efforts on the two workflows, namely inbound and outbound. The maximum budget allocated for the investment in the Video Production Studio is RON 200,000. The second investment line is the upgrade of the VRrunners game, the most prolific educational game we have developed, which with the repositioning of Equatorial as a soft-skills provider

for IT Team Leaders needs adjustments and some additional developments to reflect the changes in the labour market generated by the COVID-19 pandemic. The maximum budget allocated for the investment in VRUNNERS amounts to RON 150,000.

In the Technology Division we mainly focus on the development of existing products and services, as well as on workflow optimization. We will focus on increasing the volume of recurring projects, cloud solutions and cyber security. To this end we will use existing platforms (CRM, Project Planning and integrations with large platforms Cisco, Microsoft AWS) without the need to invest in new platforms.

In the document for 2021 we wrote that

we believe that an important part of the business growth will continue to come from the resale and implementation of solutions based on "Cloud", "IT Security" and "Managed Services" technologies. We intend to position the group's solutions, based on the team's evolving skills. Cybersecurity is an area in which the group has always excelled, our skills being certified by multiple relevant vendors in the IT security industry such as Cisco, Checkpoint, Bitdefender, etc. Cloud, Mobility or IoT solutions that are the technological trends of 2019 cannot be designed without a serious IT security component, and Bittnet Group is ready to support customers in this respect

As can be noticed from this report, the areas of interest continue to be the same, but our investments in the field have rather taken the form of M&A – buying some or all of the companies with products and services in the areas of interest. We believe that in the future this type of investment will be the one that will consume more capital resources, as compared to the "in house" launch of new products and services. At the GMS in September 2021, shareholders approved an M&A investment budget of RON 200 million for the coming years.

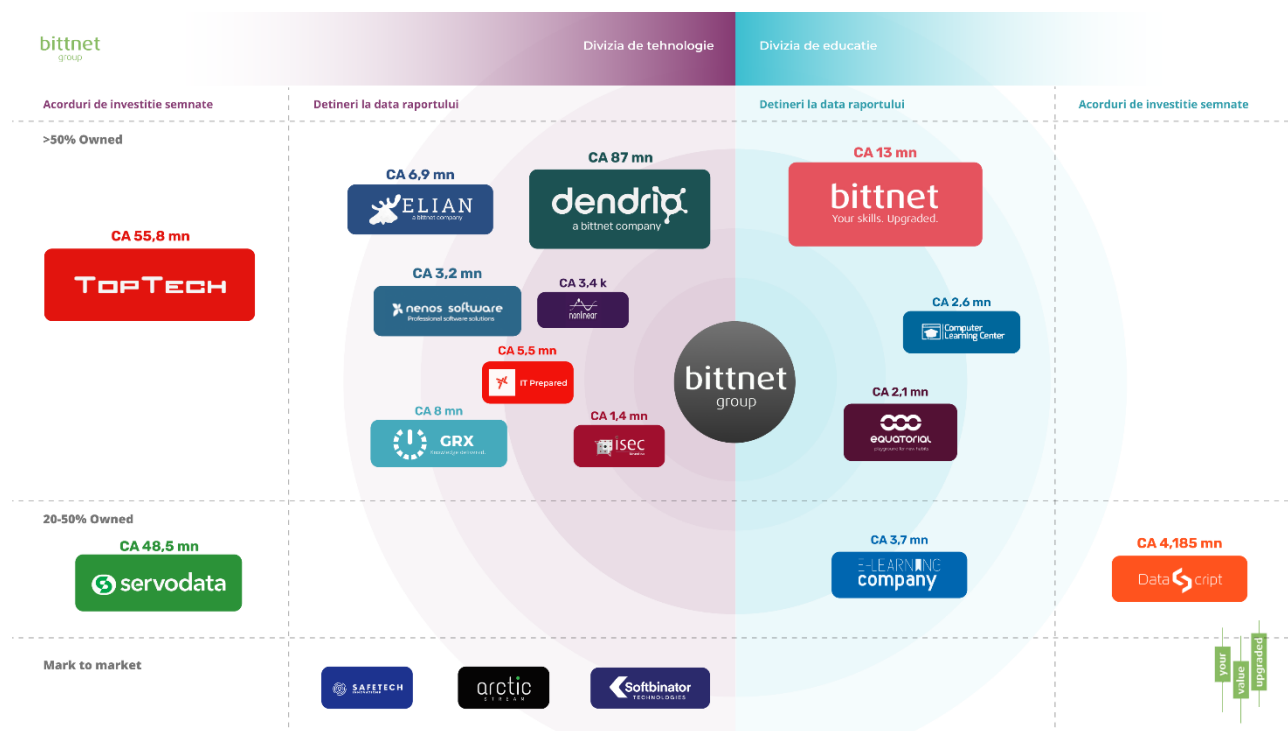
5.7.2. A description of any material investments of the issuer that are in progress or for which firm commitments have already been made, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external).

The issuer invests continuously in the development of IT systems, information access technology platforms, internal management and IT applications that can be provided to customers. None of these investments exceeds the statutory limit of 20 % of fixed assets and are included within the investment budget approved by the shareholders each year. The sources of funding related to investment in the development of internal IT systems and technology platforms are the internal ones.

At the GMS in September 2021, shareholders approved an M&A investment budget of RON 200 million for the coming years.

5.7.3. Information relating to the joint ventures and undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.

The process of continuous evolution of the group, both through the launch of new products and services and through continuous acquisitions, has led to the current situation where the activity is organised in more independent centres ("cells"), in areas of interest ("development pillars") or ("business groups"), which represent sub-domains of activity in the IT&C Services area. Bittnet is today a conglomerate that provides the investors with exposure to the entire IT&C industry in Romania. Each pillar (Business Group) will be able to have direct and independent funding from the capital market, cooperating with the other companies in the group to provide a higher added value to both customers and our employees / partners.



EDUCATION Division

- **Technical Skills**
 - **Bittnet Systems SA** (CUI 21181848): the parent company of the group, listed on BVB. It carries out the holding activity plus the IT Training activity, being the undoubted leader on this market in Romania. Revenues in 2021: RON 13 million, operating loss of RON 920 thousand.
 - **Computer Learning Center SRL** (CUI 26065887), wholly owned by Bittnet, is an IT training company with a focus on cybersecurity, founded in 2009, with a long history of serving corporate clients. In 2021 revenues amounted to RON 2.1 million and operating profit to RON 98 thousand.
- **Human Skills**
 - **Equatorial Gaming SA** (CUI 30582237) currently owned 99% by Bittnet is a game-based learning company that offers softskills training for the IT industry, both in classic and gamified form. Revenues in 2021 – RON 2.3 million, EBITDA of RON 641 thousand, depreciation from games RON 664 thousand and an operating loss of RON 23 thousand.
 - **The eLearning company SA** (CUI 30760571), 23% owned by Bittnet, is an entrepreneurial company that offers eLearning courses for companies. Founded in 2012, it recorded in 2021 a significant increase in revenues after joining the group, up to RON 3.2 million and an operating profit of RON 1 million.

Technology Division

▪ Infrastructure and Cloud

- **Dendrio Solutions SRL** (CUI 11973883), wholly owned by Bittnet is the only multi-cloud integrator in Romania, a certified partner at the highest standards by Cisco, Microsoft, Google, Amazon Web Services, but also many other vendors, is the company that brings together IT&C integration activities, provided by Bittnet, Gecad Net and Crescendo. Revenues in 2021 amounted to RON 87 million and operating profit to RON 5.45 thousand.
- **IT Prepared SRL** (CUI 35456175), 50.2% owned by Bittnet, is a managed services company founded in 2016, providing IT support services mainly in the US market. ITPrepared's customer portfolio is primarily based on US companies, but also contains a number of local customers. Managed services is the outsourcing of responsibility for maintaining and anticipating the need for a range of processes and functions aimed at improving operations and reducing expenses within a company. Revenues in 2021 increased up to RON 5.5 million and operating profit up to RON 1.5 thousand.

▪ Business solutions (ERP)

- **Elian Solutions SRL** (CUI: 23037351), a company founded in 2008 and 51% owned by Bittnet Systems SA, is a Microsoft Gold Certified Partner for ERP solutions. Revenues increased significantly in 2021 up to RON 6.9 million, with an operating profit of RON 158 thousand.

▪ Software development

- **Nenos Software SRL** (CUI 29612482), 61% owned by Bittnet, is a customized software development company with focus in the field of Artificial Intelligence and Machine Learning (AI/ML). The revenue for 2021 is RON 2.5 million, with a profit of RON 0.8 million.
- **Nonlinear SRL** (CUI 37758005) is a SPV established to access European funding, 60% owned by Bittnet. The activity is a product based software development, focused on the development of a platform for digitization and automation of processes in small and medium companies using low code/no code and machine learning technologies. In 2021 revenues amounted to RON 900 thousand, while operating profit amounted to RON 350 thousand.

▪ CyberSecurity

- **ISEC Associates SRL** (CUI: 23037351), 70% owned by Bittnet, is a company providing professional services in the area of cybersecurity, offering audit, consulting and testing services (penetration testing) in classical and managed services. The company holds many certifications (ASF, BNR, CISA, CISM, CEH, CISSP, OSCP, CDPSE, ISO 27701, etc). In 2021 revenues amounted to RON 1.4 thousand, while operating profit amounted to RON 380 thousand.
- **Global Resolution Experts S.A. (GRX)**(CUI 34836770), 60% owned by Bittnet, is a professional services company in the area of cybersecurity, offering penetration testing as well as design, implementation and maintenance of cybersecurity solutions. It 100% owns GRX Advisory SRL (CUI 43813325), with similar services. Consolidated revenues of GRX/A amount to RON 8 million, while operating profit amounts to RON 4 million. As it was acquired in December 2021, these figures are not included in any way in the consolidated results of the group.

Investments in listed companies

In addition to the previously listed companies in which we have significant positions, which are accounted for under IFRS consolidation rules, our group also holds some investments in listed companies, based on the philosophy of "buy stock in businesses that you would like to own yourself". We believe it is more useful to own a smaller portion of a company we like than to own nothing.

Instead, IFRS consolidation standards require accounting for these holdings through the income statement, as if we actually bought the shares at the beginning of each quarter and sold them on the last day of the quarter, repeatedly, every quarter. In other words, these fluctuations are recorded in our accounts "benefiting" from the specific capital market multipliers. Sometimes these fluctuations will increase the gross result and sometimes they will decrease it. What is important to bear in mind is that our ability to stay close to the companies in which we have invested over the long term will give us more opportunities to make an actual profit on these investments than losses. An illustrative example is our investment in Safetech in October 2020. SAFE shares have increased 15 times between the time of our investment and now. In terms of cash, we invested RON 290,000 at the time of the

private placement and we have so far received RON 2,500,000 in cash, and our current holdings in SAFE shares are still valued at over RON 600,000. In other words, although IFRS accounting shows different values at different times, this investment is already one that has brought a “marked” profit of 760%, and it can only increase. The investment in CODE shares is in a very similar situation, in Q3 2021, our group is recovering in cash more than two thirds of the cash amount actually invested, while the current holding was worth more than RON 15 million as of 31.12.2021.

5.7.4. A description of any environmental issues that may affect the issuer’s utilisation of the tangible fixed assets.

Not applicable. Not applicable

5.8 Specifying information on the safety of the sources of supply and on the prices of raw materials and on the sizes of stocks of raw materials and materials.

For the “IT solutions integration” business line, the company “supplies” with IT equipment and licenses (hardware and software) - which are sold again as goods to customers. The supply of goods is made from importers / distributors - companies present in Romania. There are no ‘single importer’ situations for any of the types of equipment or licenses sold, so the security of supply does not depend on the relationship with a particular supplier. The issuer maintains commercial relations with several distributors, with significant turnover with each of them.

For the “Education” business line, the group is being “supplied” with training manuals and access to official virtual laboratories, by multiple global external partners or directly by manufacturers, but also by services subcontracted from partners: either companies or independent subcontractors (freelancers). There are no “single supplier” situations in this area either, Bittnet maintaining relationships with several partners in each field of activity.

All previously described relationships are created based on partnerships with IT manufacturers (Cisco, Microsoft, Oracle, Amazon Web Services, ITIL, VMware, Dell, HP, etc.). These partnerships offer access for Bittnet to the producer’ offer and discount systems, and distributors/importers “transfer” the pricing conditions obtained from the producers. The relationships with IT solutions manufacturers are maintained by periodically renewing the competencies and certifications of our company. Each of these relationships is important for Bittnet and each year we carry out the activities required to maintain the “status” in the relationship with these vendors.

The overwhelming majority of the products and services delivered by Bittnet for which supply from producers is required are not subject to price risk, because the price lists of the major producers are published for one year in advance, and these companies have the size and processes required to sustain prices during the fiscal year. At the same time, Bittnet places orders with suppliers only based on orders from customers, so the period of time during which the price could fluctuate is very short (maximum 1 week). In conjunction with the previous explanation, we consider that price fluctuations in raw materials and materials are not a risk factor for the company.

As a basic rule, the Issuer does not operate with inventories, transmitting orders to suppliers based on firm orders from customers.

This situation is not similar for ELC where there are two distinct situations:

- The iKnowLMS platform is a proprietary product for which ELC owns all intellectual property rights.
- Skillsoft's courses in Romanian language are subject to a royalty fee system because the property rights for the English language version are fully owned by Skillsoft, but for the Romanian language versions they can only be sold by ELC due to the fact that they are customised versions with an exclusive investment by ELC. The agreement between Skillsoft and ELC has been extended in 2020 until January 2023.

So there will be no changes for ELC until at least January 2023.

5.9 Description of any significant dependence of the company on a single customer or on a group of customers whose loss would have a negative impact on the company's income.

In describing the structure of sales, the concentration of turnover and the risk of loss of significant customers, several considerations must be made, applicable to the majority of turnover (over 70%)

- the company does not have multiple, recurring delivery contracts. The type of products and services delivered are more suitable for the "framework contract with one-off orders" approach.
- recurrence of customers, the fact that they return and buy again from Bittnet is the result of the combination of two factors: our technical capacity to deliver products and services with a high degree of specialization and the demonstrated quality level at which we provide these services.

Due to these factors, relations with our “reseller” partners and also with customers strengthen over time, Bittnet being an increasingly reliable partner for them, which makes them involve us in several larger projects. On the other hand, as we increased both the number of customers we supplied for and the type of products, their concentration decreased significantly as compared to the first years as a listed company. Similar to previous years,

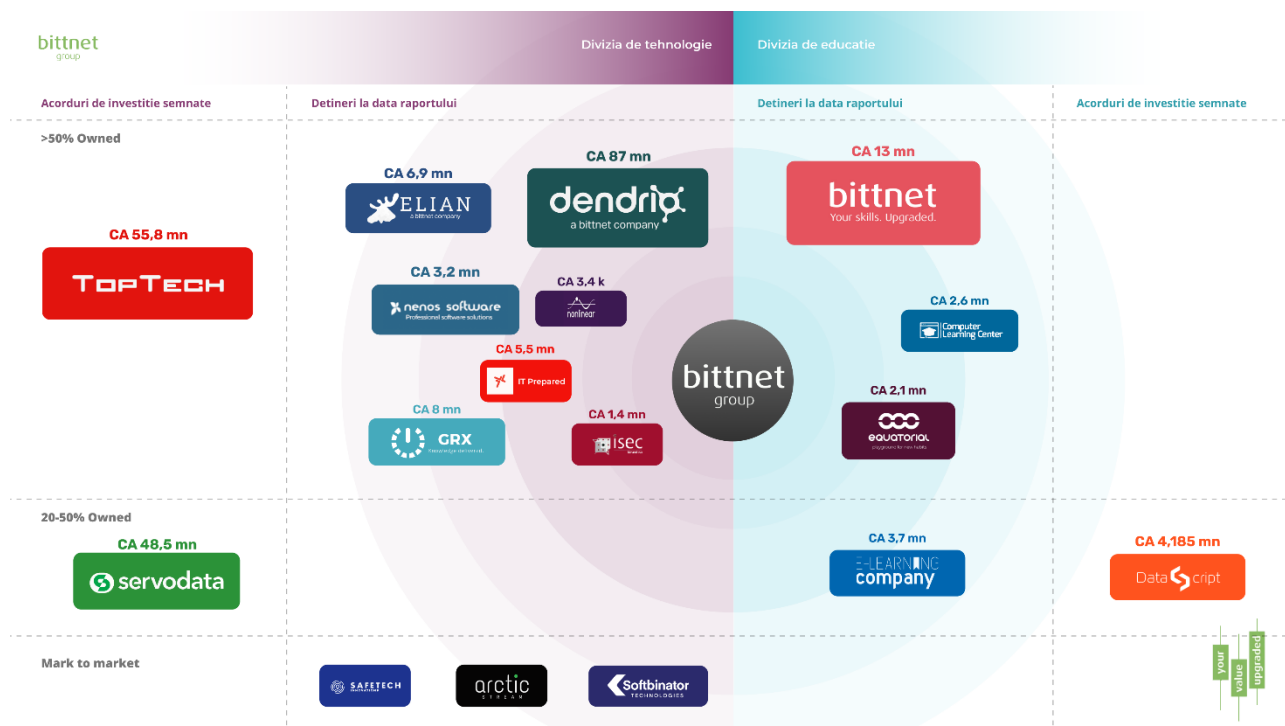
in 2021, the top 10 clients accounted for about 39% of the turnover. However, 11.5% of them represented sales made to the final customers of these partners (resale channel for us)

Banking Sector Customer	6.8%
Public Sector Customer	4.9%
Telecom Operator 1	4.8%
Public Sector Customer	4.6%
Telecom Operator 2	3.5%
Public Sector Reseller	3.3%
IT Vendor 1	2.9%
Global IT Support Center	2.9%
Real Estate Company	2.9%
Courier company	2.5%

Section 6: Organisational structure

6.1. If the issuer is part of a group, a brief description of the group and the issuer's position within the group. This may be in the form of, or accompanied by, a diagram of the organisational structure if this helps to clarify the structure.

Bittnet is today a conglomerate that provides the investors with exposure to the entire IT&C industry in Romania. Each pillar (Business Group) will be able to have direct and independent funding from the capital market, cooperating with the other companies in the group to provide a higher added value to both customers and our employees / partners.



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Technology Division

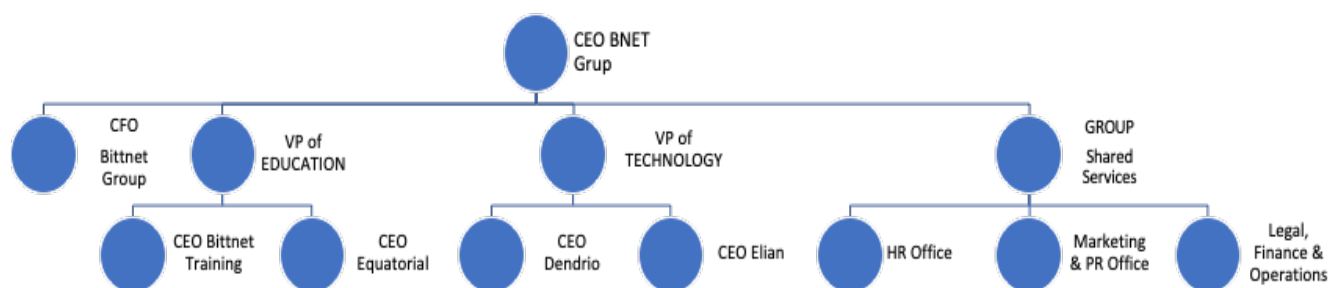
- **Infrastructure and Cloud**
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- **IT Prepared SRL** (CUI 35456175), 50.2% owned by Bittnet, is a managed services company founded in 2016, providing IT support services mainly in the US market. ITPrepared's customer portfolio is primarily based on US companies, but also contains a number of local customers. Managed services is the outsourcing of responsibility for maintaining and anticipating the need for a range of processes and functions aimed at improving operations and reducing expenses within a company. Revenues in 2021 increased up to RON 5.5 million and operating profit up to RON 1.5 thousand.
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 - **Eliau Solutions SRL** (CUI: 23037351), a company founded in 2008 and 51% owned by Bittnet Systems SA, is a Microsoft Gold Certified Partner for ERP solutions. Revenues increased significantly in 2021 up to RON 6.9 million, with an operating profit of RON 158 thousand.
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Group companies are managed operationally in a very decentralized manner. At group level there are only a few centralized functions, according to the organizational chart below. The senior management of the group, together with the persons acting as "Vice President" follow the governance efforts of the companies in the group, providing both support and 'conflict settlement'. Both the executive management and the strategic development committee aim to comply with the values of the group at all levels.



6.2. A list of the issuer's significant subsidiaries, including name, country of incorporation or residence, the proportion of ownership interest held and, if different, the proportion of voting power held.

The issuer holds participations in the share capital of other companies as follows:

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- **ISEC Associates SRL** (CUI: 23037351), 70% owned by Bittnet, is a company providing professional services in the area of cybersecurity, offering audit, consulting and testing services (penetration testing) in classical and managed services. The company holds many certifications (ASF, BNR, CISA, CISM, CEH, CISSP, OSCP, CDPSE, ISO 27701, etc). In 2021 revenues amounted to RON 1.4 thousand, while operating profit amounted to RON 380 thousand.

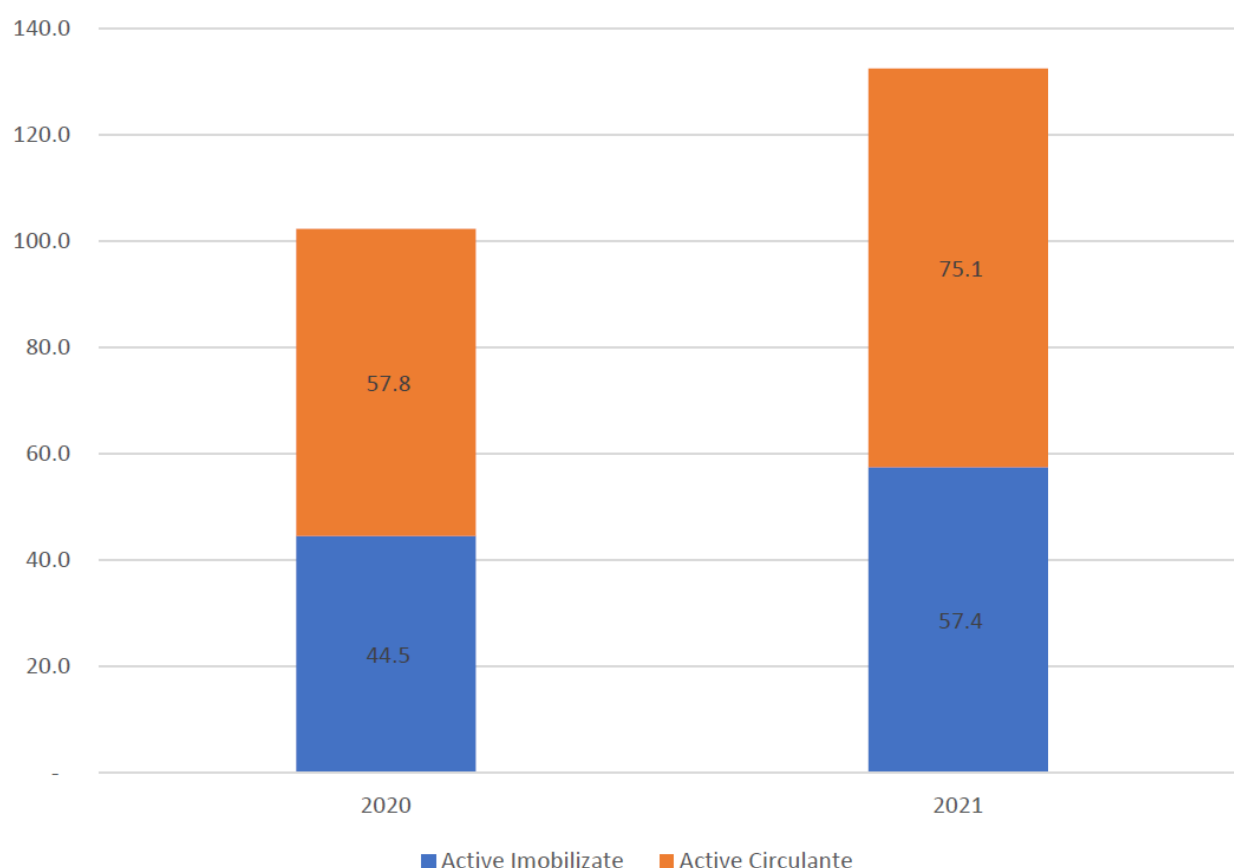
- **Global Resolution Experts S.A. (GRX)**(CUI 34836770), 60% owned by Bittnet, is a professional services company in the area of cybersecurity, offering penetration testing as well as design, implementation and maintenance of cybersecurity solutions. It 100% owns GRX Advisory SRL (CUI 43813325), with similar services. Consolidated revenues of GRX/A amount to RON 8 million, while operating profit amounts to RON 4 million. As it was acquired in December 2021, these figures are not included in any way in the consolidated results of the group.

There were no significant mergers or reorganisations of the Issuer, its subsidiaries or controlled companies during the financial year.

Section 7: Financial condition

7.1. Financial condition

To the extent not covered elsewhere in the registration document and to the extent necessary for an understanding of the issuer's business as a whole, a fair review of the development and performance of the issuer's business and of its position for each year and interim period for which historical financial information is required, including the causes of material changes. The review shall be a balanced and comprehensive analysis of the development and performance of the issuer's business and of its position, consistent with the size and complexity of the business. To the extent necessary for an understanding of the issuer's development, performance or position, the analysis shall include both financial and, where appropriate, non-financial Key Performance Indicators relevant to the particular business. The analysis shall, where appropriate, include references to, and additional explanations of, amounts reported in the annual financial statements.



The increase in non-current assets is entirely due to the M&A investments made, amounting in total to RON 20.6 million, combined with the decrease in the equity-accounted securities position with the reclassification of Softbinator's stake as mark-to-market. Also, with the termination of the lease for the Anchor Plaza offices, tangible fixed assets decreased by IFRS 16.

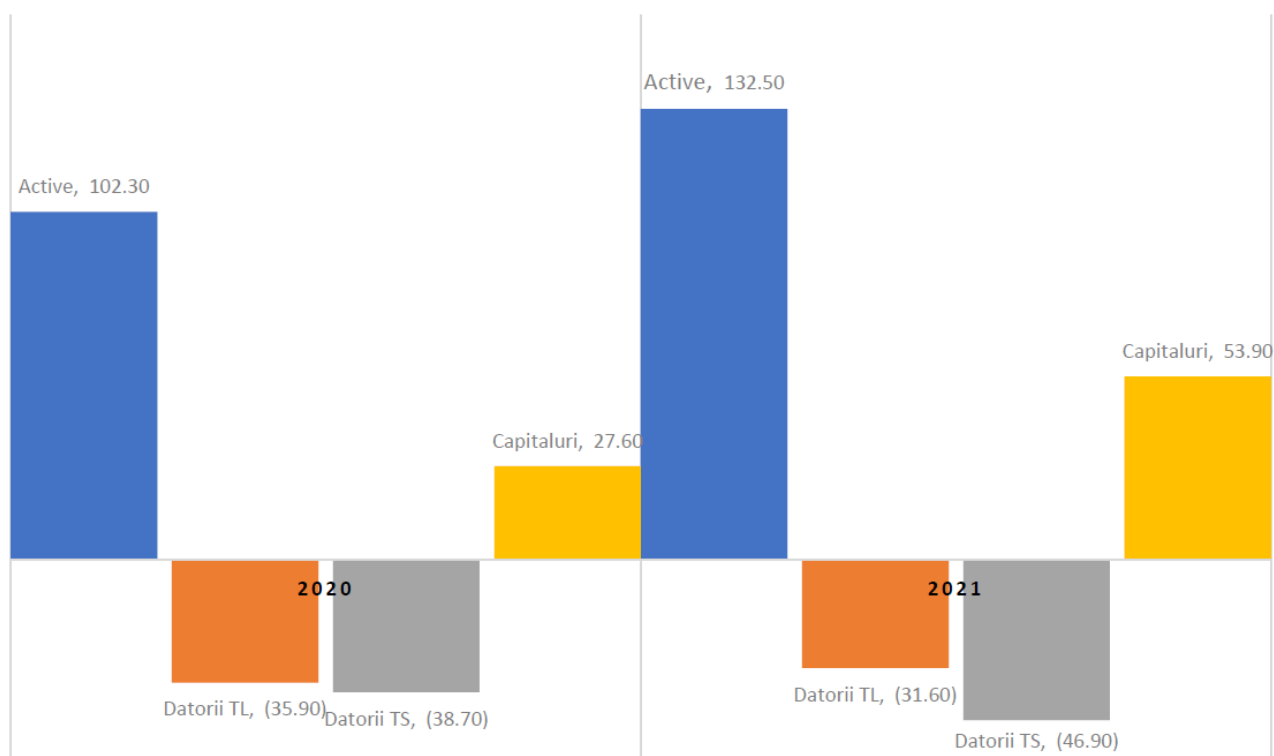
The increase in current assets is partly due to the increase in receivables from customers (positive evolution of RON 2.3 million), and to the reclassification of Softbinator's stake as 'mark to market' with the listing of the company.

Consolidated cash position amounts to RON 23.4 million.

Long-term debts decreased by RON 5 million with the repayment of the BNET22 bond issue.

The positive evolution of short-term debts (from RON 38.7 to 49.9 million) comes almost entirely from M&A operations - the part to be paid in shares or after confirmation of the 2021 results of the companies we invested in. Trade payables are covered 28:24 by trade receivables, with the cash position approximately equal to these representing a safety margin of $\pm 100\%$.

EVOLUTIE ACTIV NET , MIL RON



As a result, Shareholder equity increased by RON 10.4 million, through the operation of raising capital from the market at the beginning of 2021, as well as the net annual profit of RON 14.4 million.

Less than half of the equity capital comes from capital raising operations through stock exchange mechanisms – most of it represents profits generated by the business, capitalized by issuing new shares.

If we need to borrow at some points to be able to access either investment or commercial opportunities, we will not hesitate to do so. Instead, we generally seek to build a "financial fortress" that gives certainty to all our partners – customers, suppliers, team members, shareholders. Thus, the management continuously aims to strengthen the financial position, both by carrying out a business that is cash flow-positive in the area of operations, but also by permanently capitalizing profits and carrying out capital-raising operations like equity.

Compared to the results presented in the above charts and the table below, during the 1st quarter of 2021 the Issuer successfully carried out a capital increase operation which brought about the amount of RON 11 million. It is the 4th capital increase operation with shareholder contributions through the stock exchange mechanisms carried out by the Issuer in the 6 years of activity as listed company.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	31/Dec/21	31/Dec/20	31/Dec/19	31/Dec/18
Goodwill	41,705,648	21,082,977	17,701,643	12,241,308
Other intangible assets	9,208,535	8,820,959	6,425,725	6,099,112
Tangible assets	2,352,513	5,443,423	6,742,571	2,003,818
Investments accounted for using the equity method	1,999,532	8,527,500	1,236,738	1,230,328
Other financial assets	2,041,467	7.483	1,107,049	1,056,588
Deferred tax	47,257	650.200	910.581	-
Total non-current assets	57,363,094	44,532,542	34,124,307	22,631,153
Inventories	1,184,962	1,157,052	2,567,205	618.060
Trade receivables and other receivables	32,644,937	30,330,712	32,249,740	22,771,507
Financial assets	17,919,885	1,459,700	-	-
Cash and cash equivalents	23,404,847	24,872,655	20,824,117	13,047,882
Total current assets	75,152,981	57,820,119	55,641,063	36,437,449
Total assets	132,516,075	102,352,661	89,765,370	59,068,602
EQUITY AND DEBTS				
Share capital	48,043,690	26,443,139	11,620,321	5,175,524
Issue premiums	14,542,953	25,409,965	-	2,594,889
Other equity items	(19,082,504)	(19,893,997)	1,118,923	1,038,755
Legal reserves	1,114,139	468.943	352.151	266.124
Reported result	8,122,246	(5,036,978)	1,708,978	352.234
Capital related to the parent company	52,740,525	27,391,072	10,219,145	13,798,728
Minority interests	1,164,851	255.237	324.703	201.818
Total equity and reserves	53,903,376	27,646,309	10,543,849	14,000,546
Long-term debts				
Bond issue loans	24,044,334	28,357,324	28,195,593	18,380,362
Bank loans	6,337,191	4,570,517	4,807,687	1,164,199
Leasing liabilities	676,929	3,036,719	3,842,943	93.025
Trade liabilities and other liabilities	624,136	-	-	-
Total long-term debts	31,673,325	35,964,560	36,846,223	19,666,438
Current debts				
Bond issue loans	872,768	889.781	889.781	4,164,585
Bank loans	3,882,132	7,583,930	3,560,417	8,017,675
Leasing liabilities	540,786	1,401,465	1,325,649	78.555
Dividends payable	9,995	-	-	-
Corporate tax liabilities	294,606	121.203	226.880	570.928
Trade liabilities and other liabilities	41,337,088	28,745,411	36,372,572	12,569,875

Total short-term liabilities	46,937,374	38,741,791	42,375,298	25,401,618
Total liabilities	78,610,699	74,706,352	79,221,521	45,068,055
Total equity and debts	132,516,075	102,352,661	89,765,370	59,068,602

7.2. Operational Profit

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME:

	2021	2020	2019	2018
Revenues from contracts with customers	112,576,327	109,191,760	98,011,545	47,891,044
Gross margin	24,394,064	21,466,394	16,734,515	9,527,447
Other revenues	4,087,086	449,054	657,734	5,968,250
Sales expenses	9,547,280	- 7,508,988	- 7,271,196	-2,485,635
General and administrative expenses	-12,648,079	- 10,053,352	- 11,570,570	-6,656,647
EBIT (Operational Profit)	6,285,792	4,355,883	- 1,449,517	385,165

The financial results for 2021 validate again the group's operational and financial model and the motivation for pursuing a high-growth strategy: due to the fact that we operate with relatively high fixed costs, industry-specific, they represent an important threshold to be exceeded by the gross margin generated during each period. In contrast, once the gross margin exceeds the break-even point established according to the fixed costs, the following revenues generate a significant increase in profitability: the increase of the gross margin by found entirely in the increase of EBIT.

We consider it important to mention that, in relation to the table presented above, the adjustments regarding the stock options plans are included as operational expenses (General and Administrative Expenses). In 2020 they counted for around RON 1.6 million and in 2021, for around RON 1 million.

Management informed shareholders in several previous reports of their opinion on this adjustment, taking into account the specificities of the SOP settlement for our group. Thus, according to IFRS2, the consolidated profit and loss account contains an adjustment of the 'option market value' (determined using the Black-Scholes model). In other words, the profit and loss account includes as cost (lost revenue) the amount that the Issuer could have received if it had 'written' (sold) the call options that the members of the team, of the board, etc. receive and possibly they execute as part of the stock option plans.

This approach implies that the Issuer trades in derivatives with its own shares as underlying asset and comes into opposition with the key persons (option contracts are zero-amount contracts by definition, i.e. where the parties are in opposition with each other). None of these assumptions is accurate, but on the contrary, the existence of stock options plans allows the Issuer to be in a much privileged position than its competitors, both in terms of the team's 'engagement' and in terms of the alignment of the interests of shareholders with those of the management or employees.

On the one hand, the members of the Board of Directors or the development board (the former 'advisory board'), but also some members of the senior management or the persons in charge of business development – are individuals that no one (not just the Issuer) could "hire" for a fixed amount. We provide a proper example: Dan Stefan, a Member of the Audit and Strategic Development Committee is one of the most successful entrepreneurs in Romania, actively leading Autonom Group. There is no possible amount of money that can be offered to him to "work" for Bittnet. Or this is exactly what IFRS2 seeks to get: the answer to the question "how much would it cost us if we paid in cash".

Furthermore, given that in the case of BNET, all the SOPs settlement operations were carried out as capital increases, we are in a situation where we have recorded in the profit and loss account, as well as in the Issuer's balance sheet, amounts as "capital losses". Thus, in addition to the registration of operations in P&L related to a capital increase, we also record in the consolidated financial statement the equivalent of 'capital losses' (as if the Issuer could make increases to other values, but makes increases at the strike-price value in the option).

In view of all the above, the Issuer publishes in its financial statements and in its communication with shareholders the indicator "Operational profit" which cancels the effects of the SOP adjustment (excludes it from the calculation).

Please find below some links to the documents previously submitted to shareholders, both on the appropriateness to carry out Stock Option Plans, the appropriateness to settle them by capital increases and not by redemptions, and the definition of Operational Profit as an "alternative performance indicator" in ESMA's opinion.

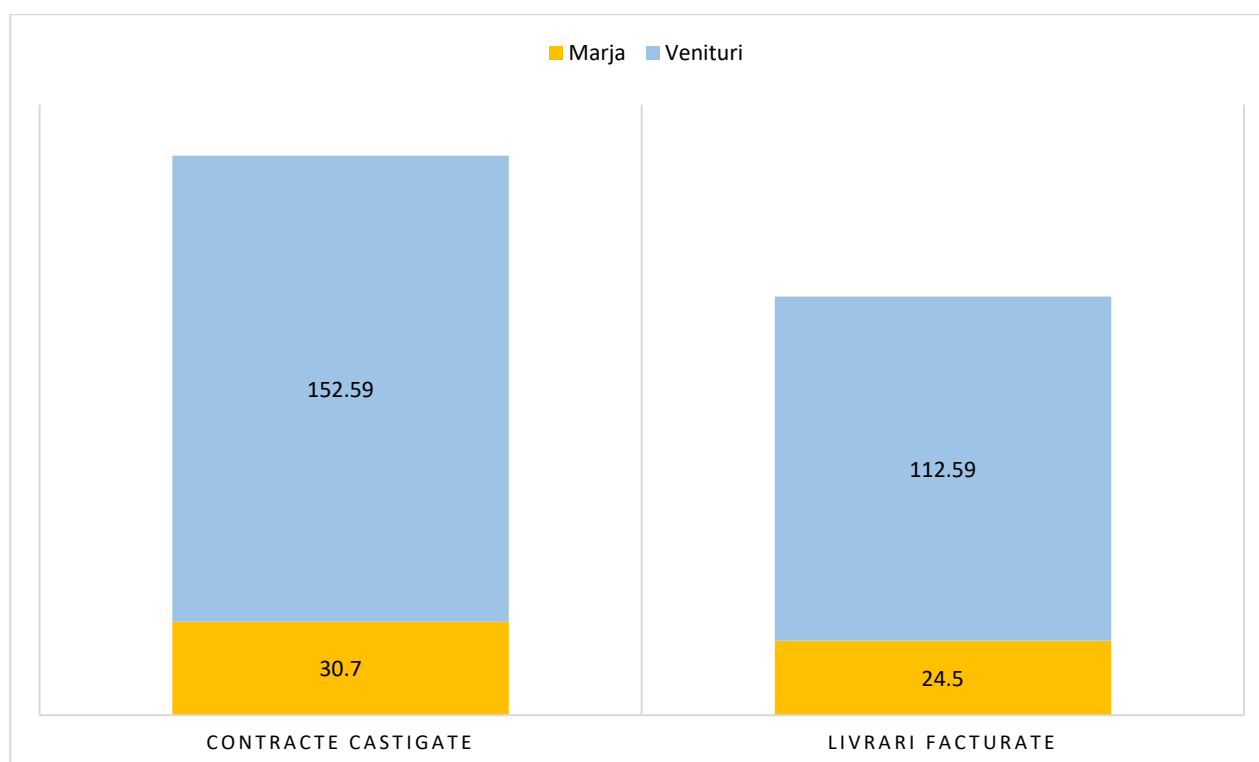
1) <https://docs.google.com/document/d/1UfH51APx9j00tnp8kxgeWlvNr-FSnMLB1IhuOPXRYec/edit?usp=sharing> (explanatory memorandum SOP 2020-2021)

2) <https://investors.bittnet.ro/ro/rezultate-financiare/4q-2020/anexa-1/> ((alternative performance indicators)

7.2.1. Information on significant factors, including unusual or rare events, or new developments, that significantly affect the issuer's operating income, indicating the extent to which they are affected.

In 2021 the most important element that had a significant effect on the Issuer's revenues was the very long delivery times for hardware equipment - "supply chain crisis" . **The exacerbation of the semiconductor crisis** has significantly affected projects that include hardware components. Although in the first quarter and even the first 6 months of 2021 there were moments of return of supply flows with components (processors / chips), since May 2021 this trend has entered a downward spiral (more information: <https://www.bloomberg.com/news/articles/2021-05-18/wait-for-chip-deliveries-increased-in-sign-shortage-persists> and here: <https://www.bloomberg.com/news/articles/2021-08-23/chip-shortage-set-to-worsen-as-covid-rampages-through-malaysia>). When can we consider this situation was overcome? Certainly not in the near future: <https://www.bloomberg.com/graphics/2021-chip-production-why-hard-to-make-semiconductors/>.

The effect on revenues was a difference of RON 40 million between the revenues earned by the sales team (signed contracts, placed orders) and those actually invoiced, according to the chart below (the figures are in millions RON).



7.2.2. Where historical financial information reveals significant changes in sales or net revenue, a description of the reasons that generated such changes shall be included.

There have been no significant changes in sales or non-normal income in the activity carried out on the market in which the issuer operates, combined with M&A operations.

7.3. Evaluation of R&D activity. Specifying the expenses in the financial year, as well as those anticipated in the next financial year for the R&D activity

There is no "R&D" activity within the group companies.

Section 8: Capital resources

8.1. Information on the issuer's capital resources (short and long term).

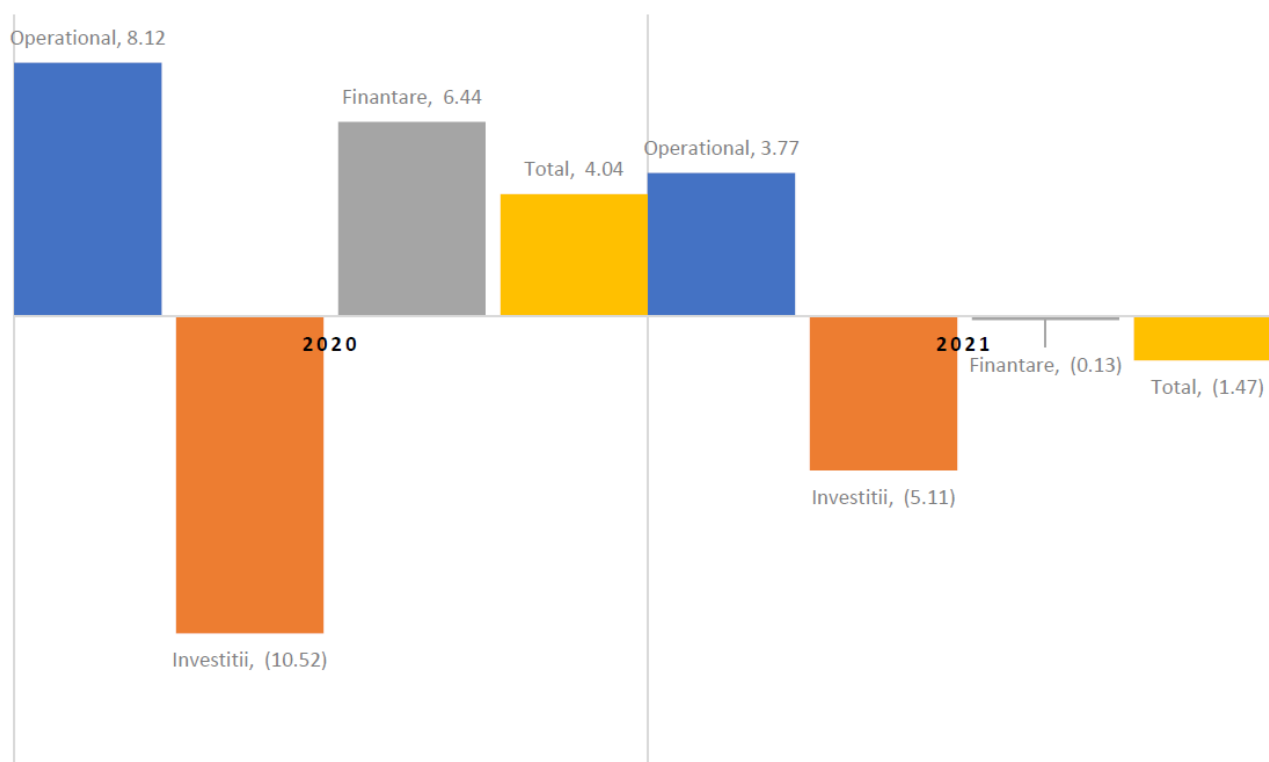
At the end of 2021, the issuer's equity exceeds RON 55 million. In the first quarter of 2021, the Issuer carried out a capital increase with new capital contributions that increased the equity resources by RON 10.7 million. In line with the trend over the recent years, the Issuer also takes into account future capital increases, both with free shares and by attracting new resources through cash contributions, which is why he chose to submit this Universal Registration Document for approval.

Apart from the capital resources drew in capital increase operations, the issuer has other financing mechanisms in the capital market (bond issues) as well as short and long term bank lending. Upon the preparation of this Universal Registration Document, the company has 3 issues of trading bonds on the BVB SMT-Bonds market (BNET23, BNET23A, BNET23C) for a total amount of RON 25,4 million. All capital resources borrowed from bond issues are available with a long-term maturity.

8.2. An explanation of the sources and the value of the issuer's cash flows and a description of the cash flows.

The operational activity generated RON 4.24 million. 2016 continues to be the only year in the company's history in which the operational cash flow did not register a positive value. The financing activity was approximately neutral, the year starting with accessing a round of "equity" financing amounting to just over RON 10.4 million, and during the year we fully repaid the bond issue BNET22 (RON 4.5 million), we repaid loans bank of RON 1.9 million, I paid total interest of RON 3.2 million and leasing debts of approximately RON 1.2 million. The "game" of these figures allowed us to increase the investment activity by another RON 3.5 million compared to last year - making payments in total of almost RON 14 million, but also to end the year with a cash position of RON 23.4 million, about the same as at the beginning of the year!

CASH FLOW, MIL RON



We mention that the CAPEX investment needs for maintenance are specific to the IT sector in which we perform our activity - around 1% of annual turnover

8.3. Information on the credit terms and funding structure of the issuer.

Upon the preparation of this document, the Bittnet Group operated with the following bank credit products for the financing of working capital and current activity:

- ProCredit Bank - Bittnet: credit agreement transformed from 'overdraft ceiling' amounting to RON 2.790.000. The product has been on the due date since February 2020. Repayments shall be carried out monthly for a period of 36 months. ROBOR3M+2,5% interest per year. Amount to be reimbursed remaining in the balance at the time of writing this document: RON 973 thousand
- Procredit Bank – Dendrio: an overdraft credit product amounting to 4,5 million with an interest rate of ROBOR3M+2,4% contracted in July 2019. 24 months maturity with extension possibility
- ProCredit Bank – Dendrio: loan for the financing of working capital, with a total value of RON 5 million, contracted in December 2020, for a period of 3 years with an interest rate of ROBOR3M+3%.
- NG Bank – Dendrio: the revolving-overdraft financing line of RON 2 million with ING Bank was extended in August 2021. ROBOR1M+2,9% interest per year.
- Banca Transilvania – Dendrio: „global exploitation ceiling” with a value of RON 2.3 million. In November 2021 it was extended and supplemented for a period of 24 months. Dendrio uses this product exclusively for issuing bank letters of guarantee in order not to tie up its own cash.
- In August 2020, Equatorial Gaming contracted a credit facility from Raiffeisen Bank through the government's IMM Invest programme for a total amount of RON 495,000. The interest rate of the loan is ROBOR3M+2.5% per annum and the maturity is of 36 months. The purpose of the product: the financing of working capital and current activities.
- In February 2021, Elian Solutions extended the revolving-overdraft facility contracted with Unicredit Bank and increased the ceiling availability to the amount of RON 800,000. Maturity of the facility: 12 months with possibility of extension; Interest: ROBOR3M+3% p.a.; movable mortgage on current accounts opened with Unicredit Bank, general assignment of receivables, Corporate guarantee letter issued by Bittnet Systems SA.
- ITPrepared – financing product for current activities in the form of revolving overdraft in the amount of RON 200,000

Apart from bank loans, the issuer has borrowed capital from the 3 issues of bonds that can be traded on the AeRO-SMT-Bonds market, all maturing in 2023 (BNET23, BNET23A, BNET23C). In May 2021, the Issuer has repaid in advance and in full the BNET22 bond issue – in the total amount of RON 4.5 million.

Also, both the Issuer and the Group companies have signed agreements for discounting projects through banking products such as factoring for specific customers. The agreements are contracted from Banca Transilvania, Unicredit Bank and ING Bank.

Bittnet Systems and Dendrio Solutions have also negotiated preferential interest rates for savings accounts in RON and EUR with ProCredit Bank.

8.4. Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.

Not applicable. There are no restrictions on the issuer regarding the use of capital resources

8.5. Information regarding the anticipated sources of funds needed to fulfil commitments referred to in item 5.7.2.

The revenue and expenditure budget for 2022 provides for a maximum amount of RON 10 million for investments, but such amount will be allocated by the management for investments only if the management considers that the investments in question will not create a cash flow problem for the Issuer. None of the investments already initiated raise financing problems for the Issuer, they are easily borne by the available cash resources. Regarding the M&A program with a ceiling of RON 200 million, the Issuer will finance each of the new transactions either by attracting co-investment partners, or by issuing dedicated bonds, or from its own sources, as we did in for operations during the year 2021.

Section 9: Regulatory framework: market on which shares and bonds are traded

9.1. A description of the regulatory framework that the issuer operates in and that may materially affect its business, together with information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.

The issuer shall be subject to the Romanian law. The regulatory framework in which the issuer operates shall include national law as well as specific EU law, including but not limited to:

- Companies Law no. 31/1990, republished, as further amended and supplemented;
- Law no. 24/2017 on issuers of financial instruments and market operations;
- ASF Regulation No 5/2018 on issuers of financial instruments and market operations;
- Regulation (EU) 2017/1129;
- Delegated Regulation (EU) 2019/979;
- Delegated Regulation (EU) 2019/980;
- Regulation (EU) NO 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse (market abuse regulation).

9.2 . Specifying the markets in Romania and other countries on which the securities issued by the company are traded.

As of June 3, 2020, the shares issued by the company are traded on the Bucharest Stock Exchange, on the regulated market, Standard category, BNET symbol, ISIN code ROBNETACNOR1.

The increased liquidity of BNET shares meant that, only 3 months of trading on BSE Main Market, our group's shares were included in several indices: BET-XT, BET-XT-TR, BET-BK, as well as in extended main BET index - BETPlus.

In 2021, the average daily value of transactions with BNET shares amounted to approximately RON 250K per trading session. The total value of transactions amounted to almost RON 56 million for a volume of almost RON 63 million BNET shares, which represents 27% of the total shares registered on December 31 (and 39% of the free-float). As at the beginning of the road on the AeRO market, the volume expressed as the number of transactions paints an additional picture of liquidity and investor interest: transactions with BNET shares represented 3.6% of the total number of transactions on the Regulated Market.

At the end of 2021, the number of shareholders exceeded 4,100 individuals and legal entities, of which 12 were investment funds, along with 60 legal entity investors.

During 2021, we continued to carry out market operations as in previous years, both by capitalizing on existing resources and by attracting funds through capital increases:

- Capital increase contributions (January - March 2021) - we attracted RON 10.4 million through the mechanisms of the capital market, representing a 100% subscription of the offer of new shares, within the 2 stages. The capital was used for M&A investments and the strengthening of the company's financial position, as well as for the early repayment of the BNET22 bond issue;
- A capital increase with 6 free shares for every 10 shares held (6:10) – July 2021;
- A capital increase with 1:10 treasury shares and cash distribution to shareholders who have opted for it (July - September 2021).

BNET22, BNET23, BNET23A, BNET23C bond issues in 2021:

Also during 2021, Bittnet bonds were among the most liquid fixed-income securities on the AeRO-SMT-Bonds market, totaling trades of RON 5.46 million, i.e 19% of the total nominal value of the 4 bond issues, even though, starting with May 2021, the BNET22 issue was stopped from trading in view of the early redemption.

- **BNET22:** 2,375 BNET22 bonds changed holders (until the suspension of trading on 05.05.2021) representing 5.28% of the total issue volume and a total value of RON 242 thousand. The redemption price of the BNET22 issue was 100% of the nominal value and the redemption value of the BNET22 issue included interest as a fraction of the coupon until the effective redemption date
- **BNET23:** 12.575 NBET23 bonds have been exchanged by holders in 2021, i.e. 26.75% of the total volume of the issue in 382 transactions at an average tradingprice of 102.5% of the nominal value and a total value of RON 1.27 million.
- **BNET23A:** 5,232 BNET23A bonds have been exchanged by holders in 2021, i.e. 5.4% of the total volume of issue in 198 transactions at anaverageprice of 103.1% of the nominal value and a total value of transactions of RON 536K.
- **BNET23C:** 33,575 BNET23C bonds have been exchanged by the holders of 2021, i.e. 33.57% of the total volume of issue in a number of 830 transactions at an averageprice of 101.3% of the nominal value and a total value of exchanges of RON 3.40 million.

The company is up to date with coupon payments the bondholders.

9.3. Description of the company's dividend policy

The General Shareholder Meeting adopts the decision on the allocation of profits annually. The Company's strategy is not to pay dividends in the following financial year. Bittnet is active in a very dynamic field – Information

Technology . So far, we have managed to achieve significant growth rates, being always profitable both in terms of EBITDA, as well as net profit.

On the other hand, the current size of the company, coupled with the consolidation trend across all industries in the global economic landscape makes us believe that the only way we can go is 'higher and higher'. That is why we intend to continue to invest any available resources in the development of the company.

From the shareholders' point of view, the 'full profit reinvestment' policy also means a 'no dividend' policy. We intend to propose this reinvestment policy to the Shareholder Meeting as long as the growth prospects of the company generally outweigh the growth prospects of the market. In the long run, the value that the company creates is reflected in the value of the company itself – its stock price. The management considers that we can continue to maintain a growth rate above that of the general market for a significant period of time.

Our current operational capacity is such that we can extract profits from the accelerated growth in turnover. This is the intention of our management: to keep growing the turnover in similar 'gross margin' profitability conditions. Thus, the company will generate more money to cover a generally fixed structure of costs, basically the 'additional gross margin' contributing almost entirely to the company gross profit.

9.4 Specifying the dividends due/paid/accumulated in the last 3 years and, if applicable, the reasons for any decrease of dividends during the last 3 years.

According to the dividend policy, in 2016, 2017, 2018, 2019, 2020 and 2021, the General Meeting decided to reward shareholders by capitalizing the company's profits and granting free shares – one operation per year.

9.5. Description of any activities of the company for the purchase of its own shares.

At the General Meeting of the Shareholders in April 2021, the shareholders approved the increase of the share capital by 1 free share for every 10 shares owned by the shareholders on the registration date, combined with the shareholders' consent to leave the resulting shares at the disposal of the company, receiving in exchange the nominal value.

Between July 21 and August 3, 2021, the shareholders from the registration date expressed their choice between free action to be granted in the future or in cash on August 3. Following the expression of the options, in September 2021, the Central Depository loaded into the account of the Issuer a number of 19.8 million shares, to be used by it to fulfill its obligation towards the stock options holders, in incentive programmes for key people, in a direct transfer process.

9.6. If the company has subsidiaries, specify the number and nominal value of the shares issued by the parent company owned by the subsidiaries.

None of the companies in the group (except the Issuer, according to point 9.5) owns shares or bonds issued by Bittnet.

9.7. If the company has issued bonds and/or other debt securities, the presentation of the manner in which the company pays its obligations towards the holders of such securities.

The company is up to date with the payment of coupons to bond holders, for all bond issues, made through the Central Depository system.

Section 10: Trend information

10.1. A description of:

(a) the most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the registration document;

Starting with 2020 and thereafter, the Issuer faced the effect of the following socio-economic trends:

1. **Increasing competition for human resources** („heating the labor market”). This trend continues for several years and it is particularly obvious in the IT industry, in which the Issuer operates. Especially in the IT services industry, anyone can provide services from anywhere to customers in any other part of the world. This makes the Romanian market of IT experts subject to global competition. Thus, there are multinational companies that have offices in Romania, but also freelancing platforms that accept Romanian citizens as members of the platform. Both alternatives provide more options for qualified staff and they can choose on which one they want to provide their services, resulting in an increase in the price for human resources. From an accounting point of view, in the case of the Issuer and the group companies this leads to an increase in the cost of staff and subcontractors. From an operational point of view, this leads to the increase in difficulties in finding and attracting skilled staff, but also the need to pay time, attention and material resources to create a pleasant and attractive job. These are internal management priorities.
2. **Commoditization of IT services.** This trend leads to lower sales prices for the Issuer's products and services, which in conjunction with the increase in the cost of human resources leads to a pressure on the gross margin (revenues minus direct costs). In addition, it gives customers a preference to pay only what they consume, moving away from subscriptions or major investments in advance.
3. **Gig Economy (“Uberisation”).** The emergence and development of this trend has partly relieved the pressure exerted by the Issuer on fixed costs (in that the personal income of the Issuer's collaborators results from several sources and thus there is no pressure for us) but the need for development of operations on a larger scale has also increased, so we can take advantage of this trend. We consider it essential for us to continue the policy of accelerated growth of the Issuer's size in the following years, in order to ensure access to sufficient human resources.

(b) any significant change in the financial performance of the group since the end of the last financial period for which financial information has been published to the date of the registration document, or provide an appropriate negative statement.

Not applicable. No significant changes were found in the financial performance of the group since the end of the last financial year and until the publication of this Document.

10.2. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.

Not applicable.

Section 11: PROFIT FORECASTS OR ESTIMATES

Where an issuer has published a profit forecast or a profit estimate (which is still outstanding and valid) that forecast or estimate shall be included in the registration document. If a profit forecast or profit estimate has been published and is still outstanding, but no longer valid, then provide a statement to that effect and an explanation of why such forecast or estimate is no longer valid

Not applicable. The Issuer shall not make forecasts regarding profitability. The Issuer operates annually with a Revenue and Expenditure Budget approved by the General Shareholder Meeting. BVC for 2022, which is subject to shareholder approval at the general meeting scheduled for April 27, 2021, is as follows:

item (figures in thousands RON)]	Training	Vs 2021	Integration	Vs 2021	Consolidated	Vs 2021
Turnover	23,872	69%	134.621	37%	158.493	41%
Direct expenses	10.420	50%	99.739	23%	110.159	25%
Gross margin	13.451	87%	34.882	104%	48.333	99%
Indirect expenses (out of which)	10.791	21%	18.695	50%	29.486	38%
Sales/distribution expenses	5.205	33%	9.350	67%	14.555	53%
Indirect expenses Man-hours	2.299	40%	4.630	42%	6.929	6%
Administrative expenses	3.286	-11%	4.714	86%	8.001	15%
EBITDA	2.660	424%	16.186	0%	18.847	114%
Depreciation	1.023	-21%	987	-7%	2.011	-15%
Operating profit	1.763	-324%	15.198	110%	16.961	163%
Financial Profit					1.250	-87%
SOP Adjustment					840	-21%
Gross profit					17.371	8%
Net profit					14.592	4%

The assumptions on which this budget is built are, we consider, conservative, and are presented below:

1. Sales increase only with the current backlog, otherwise we repeat 2021
2. We do not complete any M&A projects in 2022
3. The gross margin increases by only 2x compared to the sales level, although historically this multiplier is 3-6x;
4. Administrative expenses increase by 15%, versus the historical downward trend;
5. Financial activity generates only 1.25 million profit, versus 9.7 previously
6. We are not attracting capital of any kind, we are not reducing interest paid.

Section 12: Administrative, Management and Supervisory Bodies and Senior Management

12.1 Names, business addresses and functions within the issuer of the following persons and an indication of the principal activities performed by them outside of that issuer where these are significant with respect to that issuer.

According to Article 91 ^ 2, letter (b) of Law no. 24/2017, manager shall mean “any Member of the Board of Directors, as well as any director, in the case of the unitary management system, that is any Member of the Supervisory Board and of the Management, in the case of the dual management system, as required by Law No 31/1990, republished, as further amended and supplemented, including in all cases where he has been appointed, the CEO and, if there is such a position, the deputy CEO.”

Therefore, the Issuer determined that the following roles and persons comply with the law provisions:

- Members of the Board of Directors, including the Chairman
- CEO
- CFO

These persons are listed below:

Board of Directors of the Issuer

The administration of the issuer shall be carried out by a Board of Directors made up of 3 members, chosen by the General Assembly of shareholders dated 29.01.2020:

- Ivylon Management SRL duly represented by LOGOFĂTU MIHAI ALEXANDRU CONSTANTIN
- ANGHEL LUCIAN CLAUDIU
- LOGOFĂTU CRISTIAN ION

Directors

The executive management of the Issuer is delegated to the directors, according to the articles of incorporation and the Boards of Directors decision, as follows:

- Logofătu Mihai - CEO
- STANESCU Adrian – CFO

Chairman of the Board of Directors and CEO

By Decision no. 1 dated 12.02.2020, the Board of Directors of the President of the Board of Directors, namely Ivyton Management SRL (Romanian legal entity having its registered office in Bucharest, Drumul Sariei nr. 45, cam. 1 sector 6, sector 6, registered with the Trade Register Office attached to the Bucharest Tribunal with registration no. J40/7852/2019, tax registration code 41260660), a company with the object of activity "business management and consulting". The company was elected by the shareholders as a member of the Board of Directors taking into consideration the resume of Mr. Logofătu MIHAI-ALEXANDRU-CONSTANTIN – Romanian citizen.

The business address of the Chairman of the Board of Directors is the correspondence address of the Issuer, Str Tudor Arghezi, Nr. 8-10, Clădirea Unimed, Etaj 1, Spațiul TOF112, Sector 2, București 020945. Mr. Logofătu Mihai is the cofounder of the Issuer and holds **12,0454%** from the shares issued by the Issuer, according to the BVB website on 31.12.2021. Moreover, Mr. Mihai Alexandru Constantin LOGOFĂTU also acts as CEO.

The Issuer declares that Mr. LOGOFĂTU MIHAI-ALEXANDRU-CONSTANTIN, who acts as Chairman of the Board of Directors and CEO:

- i. has not been a member of an administrative, management or supervisory body or a General Partner, at any moment in the last 5 years, within another company;
- ii. has not been convicted for fraud during the least the last five years;
- iii. has not been involved, during the last five years, in issues related to any bankruptcy, seizure or liquidation procedure; and
- iv. has not been incriminated and/or sanctioned by the statutory or regulatory authorities. Moreover, he has not been restricted by a court to act as a member of an issuer's administration, management or supervisory body or from intervening in the management or conduct of an issuer's business during the last five years.
- v. The CEO shall not carry out activities for other entities than the Issuer that would have a significant impact on the Issuer.

The Chairman of the Board of Directors performs his activity based on a contract of mandate according to the Decision of 29.01.2020 of the General Shareholder Meeting

Education:

- 2012 PhD in Management– the University of Craiova
- 2009 Master degree in Computer Science – University of Bucharest
- 2007 Bachelor degree in Management – Academy of Economic Studies – Bucharest

Professional experience:

- 2007 – Present: Bittnet Systems, CEO, Founder
- 2003 – Present: Academia Credis Bucuresti, Manager
- 2001 – 2003 Cisco Academy of the University of Bucharest, Instructor

Vice President and independent member of the Board of Directors

The Vice president of the Board of Directors was elected Mr. ANGHEL LUCIAN CLAUDIU - Romanian citizen.

The business address of the Vice-chairman of the Board of Directors is the correspondence address of the Issuer, Str Tudor Arghezi, Nr. 8-10, Clădirea Unimed, Etaj 1, Spațiul TOF112, Sector 2, București 020945. Mr. Anghel holds **0.8299%** from the shares of the issuer and **8.2443%** of the bond of **BNET23A**.

The Issuer declares that Mr. ANGHEL LUCIAN CLAUDIU who acts as Vice President of the Board of Directors:

- i. has not been convicted for fraud during the least the last five years;
- ii. has not been involved, during the last five years, in issues related to any bankruptcy, seizure or liquidation procedure; and
- iii. has not been incriminated and/or sanctioned by the statutory or regulatory authorities. Moreover, he has not been restricted by a court to act as a member of an issuer's administration, management or supervisory body or from intervening in the management or conduct of an issuer's business during the last five years.
- iv. Mr. Anghel was Chairman of the Board of Directors of the Bucharest Stock Exchange from January 2012 to January 2020.

Mr Anghel has been General Manager of Banca Romaneasca SA since February 2020 and a member of the Board of Directors of Teraplast since January 2021.

Mr. Anghel shall not carry out activities that would have a significant impact on the Issuer.

Education:

- 2006, HEC Montreal: Business Administration and Management, General
- 2003, Georgetown University: Postgraduates Program, Field Of Study Bank Risk Management
- 2003, Bucharest Academy of Economic Studies: Doctor of Philosophy – PhD, Managerial Economics
- 1997, Bucharest Academy of Economic Studies: Master's degree, Information Technology
- 1996, Bucharest Academy of Economic Studies: Bachelors Degree Information Sciences and Support Services

Professional experience:

- 2012 – 2020: President of Bucharest Stock Exchange
- 2015 – 2019: Acting CEO , BCR Banca pentru Locuinte
- 2012 – Present: University Professor at the Faculty of Management, ASE Bucharest
- 2012 – 2015: Acting CEO, BCR Pensii
- 1996 – 2012: BCR, various positions, including Chief Economist

The Vice President of the Board of Directors performs his activity based on a contract of mandate according to the Decision of 29.01.2020 of the General Shareholder Meeting

Non-executive member of the Board of Directors

The non-executive member of the Board of Directors of the Issuer is LOGOFĂTU CRISTIAN ION, Romanian citizen. The business address of Mr. Logofătu Cristian is the correspondence address of the Issuer, Str Tudor Arghezi, Nr. 8-10, Clădirea Unimed, Etaj 1, Spațiul TOF112, Sector 2, București 020945. Mr. Logofătu Cristian is the cofounder of the Issuer and holds **11,1278** % the shares issued by the Issuer.

The Issuer declares that Mr. LOGOFĂTU CRISTIAN ION who acts as member of the Board of Directors:

- i. In the last 5 completed financial years, he has not been a member of the Board of Directors or supervision of other companies. Starting with 2019 and until 31.03.2020, Cristian Ion Logofătu held the position of member of the Board of Directors of Norofert Group.
Until 22.12.2021 Mr. Cristian Logofătu served as a member of the board of Softbinator Technologies SA. Mr. Cristian Logofătu also fulfils the position of CEO of the "Academia Credis" NGO.
- ii. has not been convicted for fraud during the least the last five years;
- iii. has not been involved, during the last five years, in issues related to any bankruptcy, seizure or liquidation procedure;
- iv. has not been incriminated and/or sanctioned by the statutory or regulatory authorities. Moreover, he has not been restricted by a court to act as a member of an issuer's administration, management or supervisory body or from intervening in the management or conduct of an issuer's business during the last five years.

Mr. Cristian Ion Logofatu shall not carry out activities that would have a significant impact on the Issuer.

Education:

- 2006 Master degree in Computer Networks – University of Bucharest
- 2003 Bachelor degree in Finances– Bucharest Academy of Economic Studies

Professional experience:

- 2007 – Present: Bittnet Systems, CFO, Founder
- 2003 – 2007: University of Bucharest – ID Department, Economist
- 1999 – 2002: University of Bucharest – ID Department, WebDesigner

Mr. Logofătu Cristian performs his activity based on a contract of mandate according to the Decision of 29.01.2020 of the General Shareholder Meeting. Mr. Logofătu Cristian Ion and Mr. Logofătu Mihai Alexandru Constantin are the founders of the company and are brothers.

CFO

The Issuer's CFO is Mr. Stanescu Adrian Victor, Romanian citizen.

The business address of Mr. Stanescu Adrian is the correspondence address of the Issuer, Str Tudor Arghezi, Nr. 8-10, Clădirea Unimed, Etaj 1, Spațiul TOF112, Sector 2, București 020945.

Mr. Stanescu holds 0,6908% of the shares issued by the Issuer on 31.12.2021.

The Issuer declares that Mr. STANESCU ADRIAN VICTOR, who acts as CFO:

- i. In the last 5 completed financial years, Adrian has been a member of the Board of Directors or supervision of the following companies: Nectcity Telecom S.A., Certsign S.A., UTI Grup S.A.
- ii. has not been convicted for fraud during the least the last five years;
- iii. has not been involved, during the last five years, in issues related to any bankruptcy, seizure or liquidation procedure;
- iv. has not been incriminated and/or sanctioned by the statutory or regulatory authorities. Moreover, he has not been restricted by a court to act as a member of an issuer's administration, management or supervisory body or from intervening in the management or conduct of an issuer's business during the last five years.

Mr. Stanescu shall not carry out activities that would have a significant impact on the Issuer.

Education:

- 2013 - CFA program (Chartered Financial Analyst), Level III
- 2008 – Bachelor's Degree, Faculty of Electronics, Telecommunications and Information Technology ('ETTI'), Polytechnic University, Bucharest
- 2008 – Bachelor's Degree, Faculty of Finance, Insurance, Banking and Stock Exchanges ('FABBV'), Academy of Economic Studies ('ASE'), Bucharest

Professional experience:

- 2018 – Present: CFO , Bittnet Group;
- 2014 – 2018: Economic Manager/ CFO, UTI Grup S.A.
- 2012 – 2014: Deputy Economic Manager, UTI Grup S.A.
- 2012 – Treasury Manager, UTI Grup SA
- 2008- 2012 – Client Relations Manager, BCR, , Group Large Corporates' Directorate

Mr. Stanescu Adrian performs his activity based on a contract of mandate according to the Decision of 16.03.2020 of the General Shareholder Meeting.

12.2. Administrative, management and supervisory bodies and senior management conflicts of interests

Not applicable. There is no conflict of interests of any of the persons referred to in point 12.1 between the obligations to the Issuer and its private interests and other obligations. There is no information on any arrangement or agreement with the principal shareholders, customers, providers or other persons according to which any of the persons referred to in point 12.1 has been chosen as a member of an administrative, management or supervisory body or Member of senior management. There is no restriction accepted by the persons referred to in paragraph 12.1 on the transfer, within a certain period of time, of the issuer's securities held by them.

Mr. Logofătu Cristian Ion and Mr. Logofătu Mihai Alexandru Constantin, the founders of the company and members of the Board of Directors, are brothers.

12.3 Statement on disputes concerning the managers

None of the persons mentioned in section 12 has been involved in litigation or administrative procedures in the last 5 years, litigation related to their activity within the Issuer, as well as those related to the respective person's ability to perform their duties within the Issuer.

Section 13: Remuneration and benefits

In relation to the last full financial year for those persons referred to in points (a) and (d) of the first subparagraph of item 12.1, the amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to such persons by the issuer and its subsidiaries for services in all capacities to the issuer and its subsidiaries by any person. That information must be provided on an individual basis unless individual disclosure is not required in the issuer's home country and is not otherwise publicly disclosed by the issuer.

General Shareholder Meeting of 29 January 2020 approved the remuneration of the members of the Board of Directors applied as follows:

For the previous fiscal year – 2021 – Ivylon Management SRL received a fixed monthly remuneration equal to RON 25.000, starting with March 2020. Ivylon representative – Mr. Logofătu Mihai Alexandru was included in the stock options plan approved AGA January 2020, receiving the right to purchase at a preferential price a number of shares equal to 0.75 % of the total shares of the Issuer per each year in which he holds the position of Chairman of the Board of Directors, at a price per share according to the capitalization of the company at the beginning of the fiscal year 2020, and has an exercise period of 30 days, i.e. in May – June 2022. Prior to March 2020, in January and February 2020, Mr. Logofătu Mihai was remunerated with the average gross wage per economy. There are no other benefits.

For the previous fiscal year – 2021 -Mr. Logofatu Mihai Alexandru received a fixed monthly gross remuneration of RON 5 000 as of March 2020 and he was included in the stock options plan approved by GMS in January 2020, receiving the right to purchase at a preferential price a number of shares equal to 0.5% of the total shares of the Issuer per each year in which he act as a member of the Board of Directors, at a price per share according to the capitalization of the company at the beginning of the fiscal year 2020, and has an exercise period of 30 days in May – June 2022. Prior to March 2020, in January and February 2020, Mr. Logofătu Cristian was remunerated with the average gross wage per economy. There are no other benefits.

In 2021, Mr. Anghel Lucian Claudiu received a fixed monthly gross remuneration of RON 5 000 as of March 2020 and he was included in the stock options plan approved by GMS in January 2020, receiving the right to purchase at a preferential price a number of shares equal to 0.5% of the total shares of the Issuer per each year in which he is a member of the Board of Directors, at a price per share according to the capitalization of the company at the beginning of the fiscal year 2020, and has an exercise period of 30 days in May – June 2022. Prior to March 2020, in January and February 2020, Mr. Anghel Lucian has received no remuneration. There are no other benefits.

CFO

For the previous fiscal year, Mr. Adrian Stanescu received a net monthly remuneration of RON 10.000. Starting with March 2020, the starting date of the CFO term of office. Mr. Stanescu was included in the stock options plan approved in April 2020, receiving the right to purchase at a preferential price a number of shares equal to 0.5% of the total shares of the Issuer per each year. This option has the exercise price per share according to the capitalization of the company at the beginning of the fiscal year 2020, and has an exercise period of 30 days in May – June 2022. In addition, Mr. Stanescu received for 2020 a performance bonus set by the CEO at the value of RON 120.000, payable in BNET shares.

CEO

Taking into account the fact that Mr. Mihai Logofătu, founder of the company, also acts as CEO and Chairman of the Board of Directors, Mr. Logofătu gave up in 2020 any remuneration for the position of CEO. The benefit received as CEO is access to an operational leased car – Toyota Camry – worth EUR 499 per month.

Section 14: Board practices

In relation to the issuer's last completed financial year, and unless otherwise specified, with respect to those persons referred to in point (a) of the first subparagraph of item 12.1.

14.1. Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.

On 29 January 2020, the General Shareholder Meeting approved the amendment of the articles of incorporation of the company in terms of its administration by a Board of Directors composed of 3 members. According to the

decision of the General Shareholder Meeting of 29.01.2020, the members of the management board shall be elected for a period of 4 years from the date of appointment, i.e. up to 13.02.2024.

The CFO was appointed by the Board of Directors and operates under a 4-year mandate contract, until March 16, 2024.

14.2. Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate statement to the effect that no such benefits exist.

The managers perform their duties according to the contracts on the terms of reference approved by the General Shareholder Meeting in January 2020. The contracts on the terms of reference shall provide for a compensatory payment equal to the annual remuneration for the year in question plus one hundred thousand euros if the contract is concluded for reasons beyond the administrator's control.

There are no clauses regarding the granting of benefits upon the expiration of the contract for the CFO.

14.3. Information about the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.

The Audit Committee is operational and is composed of:

- Lucian Anghel
- Cristian Logofătu
- Dan Stefan

The Audit Committee's terms of reference shall be to provide support to the Board of Directors of the company BITTNET SYSTEMS S.A. for the efficient supervision of the aspects related to the risk management system and internal control within the Company. Therefore, the main responsibilities of the Audit Committee consist of making recommendations to the Board regarding:

- Financial reporting: The Committee shall examine and check the accuracy of the annual and interim consolidated financial statements of the Company and any other financial reports before they are submitted to the Board for approval
- Financial audit: The Committee shall examine and draft recommendations to the Board on the appointment, re-appointment and dismissal of financial auditors, to be approved by shareholders, periodically assess the efficiency, independence and objectivity of financial auditors;
- Internal audit and internal control: The Committee shall endorse the organization and operation of the Internal Audit Department, it shall review the Internal Auditor's report as well as its recommendations' implementation status, and it shall submit recommendations to the Board on the appointment or dismissal of the Internal Auditor.
- Compliance, conduct and conflicts of interest: The Committee shall ensure that the policies and practices of the Company comply with local and international laws and regulations, the recommendations of the regulatory bodies and the best practices, and it shall examine the implementation of the conflict of interests policy.
- Risk management: The Committee shall inform the Board of the main risks taken by the company, monitor these risks and ensure that they are effectively managed.

The Nomination and Remuneration Committee consists of the following persons:

Mr. Cristian Logofătu	Chairman of the Nomination and Remuneration Committee Member of Board of Directors
Mr. Mihai Logofătu	Member of the Nomination and Remuneration Committee Chairman of the Board of Directors, as representative
Mr. Lucian Anghel	Member of the Nomination and Remuneration Committee, Vice-President of the Board of Directors
Mr. Sergiu Negut	Member of the Nomination and Remuneration Committee External member
Mr. Andrei Pitis	Member of the Nomination and Remuneration Committee External member

The Nomination and Remuneration Committee's terms of reference shall consist of providing support to the Board of Directors of BITTNET SYSTEMS S.A. for the implementation of the remuneration policy of the management structure. In this respect, the Committee:

- shall develop the remuneration policy of the management structure, taking into consideration the long-term interests of shareholders, strategy, business plan and performance of the Company, best practices in

the field, a balanced mix of incentives to attract and retain the staff that the Company needs for its operations;

- shall submit proposals to the Board and, through the Board, to the General Shareholder Meeting, as appropriate, on the programs for share granting and/or share purchase options;
- shall review the annual remuneration report, which sets out how the remuneration policy for members of the management structure has been implemented during the annual period under review.

14.4. A statement as to whether or not the issuer complies with the corporate governance regime(s) applicable to the issuer. In the event that the issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the issuer does not comply with such regime.

Provisions of the Code	Respect	Does comply partially complies	not or	Reason for non-compliance
A.1 All companies should have internal regulation of the Board which includes terms of reference/responsibilities for Board and key management functions of the company, applying, among others, the General Principles of Section A.	YES			
A.2 Provisions for the management of conflict of interest should be included in Board regulation. In any event, members of the Board should notify the Board of any conflicts of interest which have arisen or may arise, and should refrain from taking part in the discussion (including by not being present where this does not render the meeting non-quorate) and from voting on the adoption of a resolution on the issue which gives rise to such conflict of interest.	YES			
A.3 The Management Board or the Supervisory Board shall have at least five members.		PARTIALLY		The Articles of Association stipulate the composition of the Board of Directors as 3.5 or 7 members, with the possibility for shareholders to decide the exact number of members. The General Shareholder Meeting of January 2020 decided to set up a Board of Directors consisting of 3 members, taking into account the small size of the Company, the limitation of costs, but also the alignment of the interests of the shareholders with those of the management/senior management, given the situation of the shares of the members of the Board of Directors, namely Messrs Logofătu Mihai and Logofătu Cristian, who are the founders of the company and the majority shareholders of the Company.
A.4 The majority of the members of the Board of Directors shall have no executive function. At least one member of the Board of Directors or Supervisory Board must be independent in companies included in the Standard Category. In the case of Premium Category companies, no less than two non-executive members of the Board of Directors or Supervisory Board must be independent. Each independent member of the Administrative Board or Supervisory Board, as the case may be, shall submit a statement at the time of his nomination for election or re-election, as well as when any change in his or her status occurs, indicating the elements on the basis of which he or she is deemed to be independent in terms of his or her character and judgement and in accordance with the following criteria of the Code.	YES			.
A.5 Other relatively permanent professional commitments and obligations of a member of the Board, including executive and non-executive positions in the Board of some companies and non-profit institutions, must be disclosed to shareholders and potential investors before nomination and during their term of office.	YES			

Provisions of the Code	Respect	Does comply partially complies	not or	Reason for non-compliance
A.6 Any member of the Board shall submit to the Board information on any relationship with a shareholder who directly or indirectly holds shares representing more than 5% of all voting rights. This obligation shall relate to any kind of report which may affect the member's position on matters decided by the Board.	YES			
A.7 The Company shall appoint a Secretary of the Board responsible for supporting the work of the Board.	YES			
A.8 The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.	YES			
A.9 The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (in person and in absentia) and a report of the Board and committees on their activities.	YES			
A.10 The corporate governance statement shall contain information on the exact number of independent members of the Board of Directors or Supervisory Board.	YES			
A.11 The Board of the Premium Companies should set up a nomination committee of non-executive members, which will conduct the nomination procedure for new members of the Board and it will make recommendations to the Board. The majority of the nomination committee members must be independent.	YES			The Nomination and Remuneration Committee was established and functions within the Board of Directors, although the Company does not have this obligation and is not included in the Premium category.
B.1 The Board shall establish an audit committee in which at least one member must be an independent non-executive administrator. The majority of members, including the chairman, must have proven to own adequate qualifications relevant to the functions and responsibilities of the Committee. At least one member of the audit committee must have proven and appropriate audit or accounting experience. In the case of companies in the Premium Category, the audit committee shall consist of at least three members and the majority of the members of the audit committee shall be independent.	YES			
B.2 The chairperson of the audit committee must be an independent non-executive member.	YES			
B.3 Within the framework of its responsibilities, the audit committee shall carry out an annual assessment of the internal control system.	YES			
B.4 The assessment shall take into account the effectiveness and scope of the internal audit function, the adequacy of the risk management and internal control reports submitted to the Board's audit committee, the timeliness and effectiveness with which the executive management addresses deficiencies or weaknesses identified as a result of internal control and the submission of relevant reports to the Board.	YES			
B.5 The audit committee shall assess conflicts of interest in relation to the transactions of the company and its subsidiaries with related parties.	YES			
B.6 The audit committee shall assess the effectiveness of the internal control system and the risk management system.	YES			

Provisions of the Code	Respect	Does comply partially or complies	Reason for non-compliance
B.7 The Audit Committee should monitor the application of generally accepted legal and internal audit standards. The audit committee shall receive and evaluate the reports of the internal audit team.	YES		
B.8 Whenever the Code mentions reports or analyses initiated by the Audit Committee, these should be followed by periodic (at least annually) or ad hoc reports to be submitted to the Board thereafter.	YES		
B.9 No shareholder may be granted preferential treatment over other shareholders in connection with transactions and agreements entered into by the company with shareholders and their affiliates.	YES		
B.10 The Board must adopt a policy to ensure that any transaction of the Company with any of its closely related companies whose value is equal to or greater than 5% of the net assets of the Company (according to the latest financial report) is approved by the Board following a binding opinion of the Board's audit committee and correctly disclosed to shareholders and potential investors to the extent that such transactions fall within the category of events subject to reporting requirements.	YES		
B.11 Internal audits must be carried out by a structurally separate division (internal audit department) within the company or by hiring an independent third party entity.			The implementation of an internal self-contained audit function is in the process of completion. During 2021, the issuer sought an external resource. The internal audit function has been outsourced to a specialist firm.
B.12 In order to ensure the fulfilment of the main functions of the Internal Audit Department, it shall report functionally to the Board through the Audit Committee. For administrative purposes and within the framework of management's obligations to monitor and reduce risks, it shall report directly to the Director-General.			The implementation of an internal self-contained audit function is in the process of completion. During 2021, the issuer sought an external resource. The internal audit function has been outsourced to a specialist firm.
C.1 The Company shall publish on its website the remuneration policy and include in its annual report a statement on the implementation of the remuneration policy during the annual period under review. [...] The remuneration report shall present the implementation of the remuneration policy for the persons identified in the remuneration policy during the annual period under review. Any material change in the remuneration policy must be published on the company's website in a timely manner.	YES		
D.1 ² The company should have an Investor Relations function - indicated, by person (s) responsible or an organizational unit, to the general public. In addition to information required by legal provisions, the company should include on its corporate website a dedicated Investor Relations section, both in Romanian and English, with all relevant information of interest for investors, including:	YES		

² Compliance with D.1. means that the company complies with all its subparagraphs (D.1.1, D.1.2, etc.).

Provisions of the Code	Respect	Does comply partially or complies	Reason for non-compliance
D.1.1 Principal corporate regulations: the articles of association, general shareholders' meeting procedures;;	YES		
D.1.2 Professional CVs of the members of its governing bodies, a Board member's other professional commitments, including executive and non-executive Board positions in companies and not-for-profit institutions;	YES		
D.1.3 Current reports and periodic reports (quarterly, semi-annual and annual reports) – at least as provided at item D.8 – including current reports with detailed information related to non-compliance with the present Code;	YES		
D.1.4 Information related to general meetings of shareholders: the agenda and supporting materials; the procedure approved for the election of Board members; the rationale for the proposal of candidates for the election to the Board, together with their professional CVs; shareholders' questions related to the agenda and the company's answers, including the decisions taken;	YES		
D.1.5. Information on corporate events, such as payment of dividends and other distributions to shareholders, or other events leading to the acquisition or limitation of rights of a shareholder, including the deadlines and principles applied to such operations. Such information should be published within a timeframe that enables investors to make investment decisions;	YES		
D.1.6 The name and contact data of a person who should be able to provide knowledgeable information on request;	YES		
D.1.7 Corporate presentations (e.g. IR presentations, quarterly results presentations, etc.), financial statements (quarterly, semi-annual, annual), auditor reports and annual reports.	YES		
D.2 The company should have an annual dividend of other benefits distribution policy, proposed by the CEO or the Management Board and adopted by the Board, as a set of directions the company intends to follow regarding the distribution of net profit. Principles of the annual policy of distribution to shareholders will be published on the Company's website.	YES		
D.3 The Company shall adopt a policy with respect to forecasts, whether they are distributed or not. Forecasts means the quantified conclusions of studies aimed at determining the total impact of a list of factors related to a future period (so called assumptions): by nature such a task is based upon a high level of uncertainty, with results sometimes significantly differing from forecasts initially presented. The policy should provide for the frequency, period envisaged, and content of forecasts. Forecasts, if published, may only be part of annual, semi-annual or quarterly reports. The forecast policy should be published on the corporate website.	YES		
D.4 The rules of general meetings of shareholders should not restrict the participation of shareholders in general meetings and the exercising of their rights. Amendments of the rules should take effect, at the earliest, as of the next General Shareholder Meeting.	YES		
D.5 The external auditors should attend the shareholders' general meeting when their reports are presented during those meetings.	YES		

Provisions of the Code	Respect	Does comply partially or complies	Reason for non-compliance
D.6 The Board shall present to the annual General Shareholder Meeting a brief assessment of the internal controls and significant risk management system, as well as opinions on issues subject to resolution at the general meeting.		PARTIALLY	The Company shall provide its shareholders with supporting notes for the items included in the agenda of the general meetings.
D.7 Any specialist, consultant, expert or financial analyst may attend the shareholders' meeting upon prior invitation from the Board. Accredited journalists may also participate in the General Shareholder Meeting, unless the President of the Board decides otherwise.	YES		
D.8 The quarterly and semi-annual financial reports should include information in both Romanian and English regarding the key drivers influencing the change in sales, operating profit, net profit and other relevant financial indicators, both on quarter-on-quarter and year-on-year terms.	YES		
D.9 A company should organize at least two meetings/conference calls with analysts and investors each year. The information presented on these occasions should be published in the IR section of the company website at the time of the meetings/conference calls.	YES		
D.10 If a company supports various forms of artistic and cultural expression, sport activities, educational or scientific activities, and considers the resulting impact on the innovativeness and competitiveness of the company part of its business mission and development strategy, it should publish the policy guiding its activity in this area.	N/A		

A.8 The corporate governance statement should inform on whether an evaluation of the Board has taken place under the leadership of the chairman or the nomination committee and, if it has, summarize key action points and changes resulting from it. The company should have a policy/guidance regarding the evaluation of the Board containing the purpose, criteria and frequency of the evaluation process.

For the activity carried out in 2021, under the leadership of the chairman, the assessment process of the Board of Directors was carried out, based on the Guide for assessing the performance and efficiency of the Board of Directors adopted by the Company; following the self-assessment, the Board established the following key areas of interest to be addressed in the following period:

- 1. Strengthening the Group's management** by extending the leadership responsibilities within the Group to the current members;
- 2. Starting a process to identify new candidates** for leadership positions within the Group;
- 3. Analysis of how the international expansion of the Group requires a new management structure** in view of the time needed to allocate abroad.

A.9 The corporate governance statement should contain information on the number of meetings of the Board and the committees during the past year, attendance by directors (in person and in absentia) and a report of the Board and committees on their activities.

Corporate governance:

In 2021, the shareholders of Bittnet System met in 3 general meetings:

Ordinary General Shareholder Meeting of 27.04.2021, for: approval of the financial statements for the year 2020 and the method of profit distribution, the income and expenditure budget for the financial year 2021, approval of the Remuneration Policy and the Remuneration Report for the year 2020;

Ordinary General Shareholder Meeting of 27.04.2021, for:

- increase of the share capital by RON 16,956,596,60 by issuing 169,565,966 shares with a nominal value of RON 0.1/share, through partial capitalization of share premiums, with the distribution of newly issued shares in the proportion of 6 free shares for every 10 shares held;
- increase the share capital by the amount of RON 2,826,099.50 by issuing 28,260,995 shares with a par value of RON 0.1/share through the partial capitalization of share premiums, to be distributed to shareholders on record date, who choose to support the Company, with distribution of the newly issued shares in the proportion of 1 free share for every 10 shares held;
- increase the share capital by making new contributions in cash from shareholders, under certain conditions;
- approval of an incentive plan for key persons, by offering options for the acquisition of a maximum of 5% of the Company's shares at a preferential price;
- the acquisition of 35% of the share capital of SERVODATA A.S., a company registered in the Czech Republic;
- granting loans or guarantees for accessing loans from companies in the Bittnet Group, in the amount of up to EUR 2,000,000 (two million euros), within 2 calendar years after completion of the investment, to SERVODATA A.S.;
- amendment of the Memorandum and Articles of Association as regards the amount of authorised capital;
- extension for a period of 3 (three) years of the period for which the Board of Directors is authorised to decide to increase the subscribed share capital, with the power to decide to restrict or waive the preemption rights of the shareholders existing at the date of the said increase in share capital;
- to carry out share buy-back programmes for the purpose of offering own shares under approved Stock Option Plan ("SOP") programmes or for the reduction/decrease of the share capital;
- authorisation granted to the Board of Directors of the Company to decide, within a period of 3 years from the date of the authorisation resolution, to increase the subscribed share capital, through one or more issues of shares with a value not exceeding half of the subscribed share capital existing at the time of the authorisation, and consequently to approve the amendment of the Articles of Association;

Ordinary General Shareholder Meeting of 07.09.2021, for:

- purchase of 20% of the share capital of Datascript SRO A.S., a company registered in the Czech Republic, and mandating the Board of Directors of the Company to establish the procedure for the implementation and performance of all necessary steps for the completion;

- granting loans or guarantees for accessing loans from companies in the Bittnet Group, in the amount of up to EUR 500,000 (five hundred thousand euros), within 2 calendar years after the completion of the investment, to Datascript SRO;
- ratification of the investment agreement on the purchase of a number of registered shares representing 100% of the share capital of COMPUTER LEARNING CENTER SRL;
- granting loans or guarantees for accessing loans from companies in the Bittnet Group, in the amount of up to EUR 420,000 (forty-two thousand euros), within the next 2 calendar years after the completion of the investment, to COMPUTER LEARNING CENTER SRL;
- ratification of the investment agreement on the purchase of a number of registered shares representing 69.99200 % of the share capital of ISEC Associates S.R.L.;
- granting loans or guarantees for accessing loans from companies in the Bittnet Group, in the amount of up to EUR 241,000 (two hundred and forty-one thousand euros), within 2 calendar years after the completion of the investment, to ISEC Associates S.R.L.;
- ratification of the investment agreement concerning the purchase of a number of registered shares representing 60.97000% of the share capital of NENOS SOFTWARE SRL and to mandate the Board of Directors of the Company to establish the implementation procedure and to take all necessary steps to carry it out;
- ratification of the investment agreement on the purchase of a number of registered shares representing 60.0000 % of the share capital of NONLINEAR;
- acquisition of 90 % of the share capital of top tech Ltd and the mandate of the company's board of directors to establish the implementation procedure and to carry out all necessary steps to carry out the due diligence process, after the completion of the due diligence process;
- ratification of the Company's investment in the share capital of ARCTIC STREAM S.A.;
- the deregistration of the business point in Bucharest, Bd. Timișoara nr. 26, Clădirea "Plaza Romania Offices", et. 1, sector 6;
- the establishment of the business point located in Bucharest, Str. Tudor Arghezi, nr. 8-10, Clădirea Unimed, Etaj 1, Spațiul TOF112, Sector 2;
- amendment of the Articles of Association as regards the delegation of certain powers to the Board of Directors;
- extension for a period of 3 (three) years of the period for which the Board of Directors is authorised to decide to increase the subscribed share capital, with the power to decide to restrict or waive the preemption rights of the shareholders existing at the date of the said increase in share capital;
- amendment of the Memorandum and Articles of Association as regards the amount of authorised capital;
- ratification of the decision of the Board of Directors of 06.07.2021 regarding the maintenance of the share capital increase ratio established by the AGM by Resolutions 2 and 3 of 27 April 2021 - as mandated by the shareholders;
- mandating the Board of Directors to identify opportunities for new investments in other companies, to negotiate and conclude transactions concerning the acquisition of stakes in other companies, as well as other financial assets, up to a maximum of RON 200,000,000 (two million two million lei) cumulatively until 31.12.2025.

The documents of the Bittnet General Shareholder Meetings are available on our website <https://investors.bittnet.ro/en/intalniri-ale-ale-actionarilor/>

The Articles of Association of the Company were amended during 2021, their current form being available on the Company's website at:

<https://investors.bittnet.ro/bittnet-group/corporate-regulations-policies/>

Board of Directors

The framework under which the Board performs its activity is regulated by the Regulation of the Board of Directors of Bittnet System, a document that can be consulted on the Company's website at:

<https://investors.bittnet.ro/bittnet-group/corporate-regulations-policies/>

During 2021, Bittnet's Board of Directors met in 18 meetings, 16 of which were organized by remote means of communication, considering measures to prevent and combat the effects of the COVID-19 pandemic. Members' participation in Board meetings was unanimous.

The main topics discussed by the Council were:

- The annual reports of the Advisory Committees and the self-assessment of the Audit Committee's work for 2020;

- Evaluation of the performance and efficiency of the Board of Directors related to 2020 activity;
- Approval of the preliminary, unaudited consolidated financial statements for the financial year 2020, accompanied by the Preliminary Annual Report for 2020;
- Approval of the early closing of the offer for sale of ordinary, registered, dematerialised shares issued by the Company;
- Convening of the ordinary and extraordinary general meetings of shareholders for 27/28.04.2021 and the materials related to the agenda items for presentation to shareholders;
- Early redemption of the BNET22 bonds;
- Settlement of the 2nd instalment of the price for the acquisition of shares in the share capital of THE E-LEARNING COMPANY SRL, in exercise of the mandate granted by the EGMS resolution dated 26.11.2020;
- Measures related to the implementation of the recommendations of the Supplementary Report addressed to the Audit Committee in connection with the audit of the consolidated financial statements prepared by BITTNET SYSTEMS SA for the financial year 2020, report prepared by BDO Audit SRL;
- The manner of implementation of EGMS Resolutions No. 2 of 27.04.2021 and EGMS No. 3 of 27.04.2021;
- Investment agreement on the purchase of a number of registered nominal shares representing 60.97000 % of the share capital of NENOS SOFTWARE SRL;
- Investment agreement on the purchase of a number of registered shares representing 60.0000 % of the share capital of NONLINEAR SRL;
- convening of the extraordinary generalmeeting of shareholders for 07/08.09.2021 and the materials related to the agenda items for presentation to the shareholders;
- Individual and consolidated financial results, unaudited, for H1 2021 and the Half-Year Report for H1 1/2021, prepared in accordance with ASF Regulation no. 5/2018;
- Sale of shares issued by Softbinator Technologies SA and held by BITTNET SYSTEM SA;
- Acquisition of a 74% stake in Global Resolution Experts SRL by BITTNET SYSTEMS SA;
- Sale of a 14% stake in Global Resolution Experts by BITTNET SYSTEMS SA;
- Analysis of the financial indicators of the Bittnet Group, estimated as of the 4th quarter of 2021;
- Evaluation of the performance and efficiency of the Board of Directors related to 2021 activity.

For the activity carried out in 2021, under the leadership of the chairman, the assessment process of the Board of Directors was carried out, based on the Guide for assessing the performance and efficiency of the Board of Directors adopted by the Company; following the self-assessment, the Board established the following key areas of interest to be addressed in the following period:

- 1. Strengthening the Group's management** by extending the leadership responsibilities within the Group to the current members;
- 2. Starting a process to identify new candidates** for leadership positions within the Group;
- 3. Analysis of how the international expansion of the Group requires a new management structure** in view of the time needed to allocate abroad.

Activity of the Advisory Committees

The Consultative Committees are constituted, by the decision of the Board of Directors of the Company, based on the provisions of Article 140 of the Companies Law no. 31/1990 republished, as further amended and completed and of Article 19.11 of the Articles of Association.

The Advisory Committees aim to conduct Investigations develop recommendations for the Board, in the specific field of each committee.

At the level of the Company, the following Advisory Committees are established by Board decisions:

- Audit Committee;
- Nomination and Remuneration Committee;
- Strategic Development Committee

For detailed information on the terms of reference specific to each Advisory Committee visit our website [at https://investors.bittnet.ro/en/despre-bittnet/corporate-regulations-policies/](https://investors.bittnet.ro/en/despre-bittnet/corporate-regulations-policies/)

Audit Committee

The role of the Audit Committee is to assist the Board of Directors in efficiently supervising the aspects related to the risk management and internal control system at the level of the Company, in fulfilling the responsibilities of the Board in the field of financial reporting, internal controlling and risk management.

The composition of the Audit Committee remained unchanged in 2021, consisting of the following:

Mr. Lucian Claudiu ANGHEL	Chairman of the Audit Committee, Vice-President of the Board of Directors (independent non-executive administrator)
Mr. Cristian Ion LOGOFĂTU	Member of the Audit Committee, Member of Board of Directors (non-executive administrator)
Mr. Dan STEFAN	Member of the Audit Committee, External member

During 2021, the Audit Committee met during 7 meetings, attended by all Committee members.

The topics discussed during the meetings of the Audit Committee, for which it made recommendations to the Board of Directors, where appropriate, were the following:

- Adoption of the preliminary, unaudited consolidated financial statements for the financial year 2020, accompanied by the Preliminary Annual Report for 2020;
- Adoption of the individual and consolidated annual financial statements for the financial year 2020;
- Approval of the Report of the Board of Directors (in the form of a Universal Registration Document) for 2020;
- Presentation of the Independent Auditor's Report for 2020;
- Adoption of the proposals for profit distribution for 2020;
- Adoption of the Income and Expenditure Budget for the financial year 2021;
- Presentation of the Supplementary Report addressed to the Audit Committee in connection with the audit of the consolidated financial statements prepared by BITTNET SYSTEMS SA for the financial year 2020, report prepared by the financial auditor BDO Audit SRL;
- Adoption of the individual and consolidated financial results, unaudited, for H1 , 2021 and the Half-Year Report for H1 1/2021, prepared in accordance with ASF Regulation no. 5/2018;
- Presentation of the Quarterly Report for Quarter 3 - 2021, prepared in accordance with ASF Regulation No. 5/2018, which also includes the unaudited consolidated financial results for Quarter 3, 2021;
- Presentation of the status of the implementation of the action plan related to the recommendations of the Supplementary Report to the Audit Committee on the audit for the financial year 2020, prepared by the financial auditor BDO Audit SRL;
- Presentation of the Internal Audit Report for the period January – June 2020, prepared by the internal auditor Contexpert Audit & Advisory SRL.

The Audit Committee carried out the self-assessment of the activity carried out in 2021, concluding that, overall, the Committee operated effectively and efficiently supervised the risk management and internal control system at the level of the Company, thus being satisfied in terms of fulfilling its role or providing effective support to the Board of Directors in fulfilling its responsibilities in the field of financial reporting, internal control and risk management.

Nomination and Remuneration Committee

The role of the Nomination and Remuneration Committee is to assist the Board of Directors in the elaboration and implementation of the remuneration policy of the management structure and the nomination of candidates for the Board.

The composition of the Nomination and Remuneration Committee remained unchanged in 2021 and consists of the following persons:

Mr. Cristian Logofătu	Chairman of the Nomination and Remuneration Committee Member of Board of Directors
Mr. Mihai Logofătu	Member of the Nomination and Remuneration Committee Chairman of the Board of Directors, as representative
Mr. Lucian Anghel	Member of the Nomination and Remuneration Committee, Vice-President of the Board of Directors
Mr. Sergiu Neguț	Member of the Nomination and Remuneration Committee External member
Mr. Andrei Pitiș	Member of the Nomination and Remuneration Committee External member

During 2021, the Nomination and Remuneration Committee met during one meeting, attended by all Committee members.

Thus, the Nomination and Remuneration Committee discussed the following topics:

- Adoption of the Company's Remuneration Policy;
- Adoption of the Remuneration Report for 2020;
- Adoption of an incentive plan for key persons, by offering options for the acquisition of a maximum of 5% of the Company's shares at a preferential price - Stock Option Plan.

Strategic Development Committee

The Strategic Development Committee has an advisory role and develops recommendations on the Company's development strategy.

The composition of the Strategic Development Committee remained unchanged in 2021 and consists of the following persons:

Mr. Mihai Logofătu	Chairman of the Strategic Development Committee, Chairman of the Board of Directors, as representative
Mr. Lucian Anghel	Member of the Strategic Development Committee, Vice-President of the Board of Directors
Mr. Cristian Logofătu	Member of the Strategic Development Committee, Member of Board of Directors
Mr. Sergiu Neguț	Member of the Strategic Development Committee, External member
Mr. Andrei Pitiș	Member of the Strategic Development Committee, External member
Mr. Dan Ștefan	Member of the Strategic Development Committee, External member
Mr. Dan Berteanu	Member of the Strategic Development Committee, External member

During 2021, the Strategic Development Advisory Committee met in 4 meetings, one of which was a joint meeting with the Board of Directors, attended by all Committee members.

The topics discussed during these meetings focused on the analysis of future prospects, the context of Bittnet Group's business and growth prospects, and the status of implementation of M&A plans.

D.7 Any specialist, consultant, expert or financial analyst may attend the shareholders' meeting upon prior invitation from the Board. Accredited journalists may also participate in the General Shareholder Meeting, unless the President of the Board decides otherwise.

ALL GENERAL SHAREHOLDER MEETINGS OF THE ISSUER ARE TRANSMITTED VIRTUALLY ON THE INTERNET, LIVE.

14.5. Potential material impacts on the corporate governance, including future changes in the board and committees composition (in so far as this has been already decided by the board and/or shareholders meeting).

Not applicable

Section 15: Employees

15.1. Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main category of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year.

In 2021, the average number of employees of the group was 79. The following table shows the breakdown by functional departments at the end of the fiscal years. The figures do not include at all the situation of Softbinator and E-Learning Company. The figures include only companies within the scope of consolidation as at 31.12.2021.

Department	2017	2018	2019	2020	2021
Sales	4	5	14	16	25
Technical	4	5	23	25	27
Marketing	2	1	2	4	9
Deliveries	1	3	8	14	16
Management	4	4	3	2	2

The company outsources a part of its activities to independent subcontractors. At the end of 2021, the Issuer was working with more than 100 contractors.

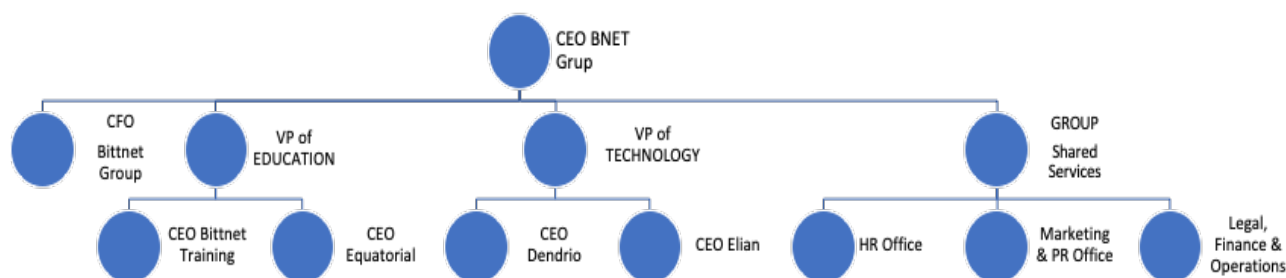
All employees of the company are graduates of higher education. The employees of the company are not organized into trade unions. In the history of the company, no conflicting situations occurred between the management and the employees.

As a peculiar aspect of the IT industry, it should be mentioned that employees and workers (freelancers) in the field are persons with a high degree of education, a steady willingness to learn and a high degree of independence. The type of working environment and the activity is characterized by joviality, youth, a desire to work and to “prove” one’s professional worth.

The internal vibe, which in itself is a motivating factor for the performance of our projects, will improve this year, as in April we will move to a new office - One Cotroceni Park - designed according to current standards. The team will continue to grow in 2022, with 60 new colleagues who joined us in 2021. With the new headquarters, we will all be able to be under the same roof, increasing the chances of integrating current M&A and finding potential synergies between group companies.

It should also be underlined that we operate in the digital economy area, and we are taking full advantage of the so-called “gig economy”, but we also face the challenges that it brings. Thus, the company is actively seeking to position itself as a platform that matches experts on various subjects with the relevant customers for the services concerned.

Each of the companies in the group have their own organizational charts, specific to the current, historical and future activity. The group is managed in a very decentralized manner, benefiting from only a few 'grouped' functions at 'shared services' level, according to the organizational chart below:



15.2. Shareholdings and stock options - With respect to each person referred to in points (a) and (d) of the first subparagraph of item 12.1 provide information as to their share ownership and any options over such shares in the issuer as of the most recent practicable date.

The shareholders of the company approved during the general meetings in January 2020, April 2020, April 2021 stock options plans for key persons and terms of reference contracts for the executive management.

In the framework of these Stock Options Plans, persons within the Issuer's management and other persons likely to positively influence the results of the group may be granted the right to purchase Issuer's shares at preferential prices, as follows:

- 1) General Meeting of the Shareholders in April 2020: Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2022. Exercise price per share corresponding to the capitalisation of the Issuer on 21 April 2020.
- 2) General Meeting of the Shareholders in January 2020: Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2022. Exercise price per share corresponding to the capitalisation of the Issuer on 01 January 2020.

Within this plan, Mr. Logofătu Mihai, as representative of the Chairman of the Board of Directors, has the right to purchase from the company, during May-June 2022, a number of shares equal to 0.75% of the total shares of the Company, for each year in which he acted as Chairman of the Board of Directors.

Within this plan, Mr. Logofătu Cristian and Anghel Lucian, as members of the Board of Directors, have the right to purchase from the Company, during May-June 2022, a number of shares equal to 0.5% of the total shares of the Company, for each year in which he acted as Chairman of the Board of Directors.

Within this plan, Mr. Adrian Stanescu, as CFO, has the right to purchase from the Company, during May-June 2022, a number of shares equal to 0.5% of the total shares of the Company, for each year in which he has acted as Financial Manager.

- 3) General Meeting of the Shareholders in April 2021: Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2023. Exercise price per share corresponding to the capitalisation of the Issuer on 14 April 2021.

15.3. Description of any arrangements for involving the employees in the capital of the issuer

The shareholders of the company approved during the general meetings in April 2020, April 2021 and January 2020 stock options plans for key persons. In the framework of these Stock Options Plans, persons within the Issuer's management and other persons likely to positively influence the results of the group may be granted the right to purchase Issuer's shares at preferential prices, as follows:

- 1) General Meeting of the Shareholders in January 2020: Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2022. Exercise price per share corresponding to the capitalisation of the Issuer on 1 January 2020.
- 2) General Meeting of the Shareholders in April 2020: Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2022. Exercise price per share corresponding to the capitalisation of the Issuer on 21 April 2020.
- 3) The General Shareholder Meeting of April 2021 has on its agenda the approval of an Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2023. Exercise price per share corresponding to the capitalisation of the Issuer on 14 April 2021.

Section 16: Major shareholders

16.1. In so far as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each such person's interest, as at the date of the registration document or, if there are no such persons, an appropriate statement to that effect that no such person exists.

On 31.12.2021, the Issuer is aware of a group of shareholders associated with the Impetum Group, who in common have exceeded the 5% threshold, according to the notification sent to us by them:
https://bvb.ro/Infocont/RaportariActionari/BSE/BNET_20211220192055_Raportare_detineri_5.pdf

On 31.12.2021, the only shareholder whose holding exceeds 5% of the company's capital is Mr. Capatina-Grosanu Razvan, who holds 6.9328% of Bittnet's voting rights.

16.2. Whether the issuer's major shareholders have different voting rights, or an appropriate statement to the effect that no such voting rights exist.

Not applicable, issuer's major shareholders have the same voting rights as the other shareholders. 1 share grants 1 voting right in the General Meetings of Shareholders.

16.3. To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.

The issuer is not owned or controlled directly or indirectly.

16.4. A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.

Not applicable. There is no arrangement that is known to the Issuer and that could generate a change of control over the Issuer.

Section 17: Related party transactions

17.1. Details of related party transactions (which for these purposes are those set out in the Standards adopted in accordance with the Regulation (EC) No 1606/2002 of the European Parliament and of the Board (2), that the issuer has entered into during the period covered by the historical financial information and up to the date of the registration document, must be disclosed in accordance with the respective standard adopted under Regulation (EC) No 1606/2002 if applicable. If such standards do not apply to the issuer the following information must be disclosed: (a) the nature and extent of any transactions which are, as a single transaction or in their entirety, material to the issuer. Where such related party transactions are not concluded at arm's length provide an explanation of why these transactions were not concluded at arm's length. In the case of outstanding loans including guarantees of any kind indicate the amount outstanding; (b) the amount or the percentage to which related party transactions form part of the turnover of the issuer.

If the international financial reporting standards adopted in compliance with Regulation (EC) no. 1606/2002 shall apply to the issuer, the information referred to in points (a) and (b) shall be presented only for transactions carried out since the end of the last financial year for which audited financial information has been published.

During 2021, the Issuer did not conclude significant transactions with persons with whom it acts in collaboration or with affiliates. In carrying out normal operational activity, there are trade flows that generate transactions between group companies in amounts that do not cumulatively reach the threshold of 5% of net assets:

- Bittnet to:
 - Dendrio: RON 1.25 million, out of which 1.14 million is distribution of indirect expenses
 - Computer Learning Center: RON 55 thousand
 - Elian: RON 154K, out of which 149 is distribution of expenses
 - Equatorial: RON 70 thousand
- Dendrio to:
 - Bittnet: RON 415K, out of which RON 360K is distribution of expenses
 - Elian: RON 107 thousand
 - IT Prepared: RON 1.9 million, products resold to customers
- Elian to:
 - Bittnet: RON 19 thousand, licenses and Microsoft Nav support
 - Dendrio: RON 132K, products resold to customers
- Computer Learning Center to Bittnet: RON 15K– services resold to customers
- IT Prepared to Dendrio: RON 48K, services resold to customers

Section 18: Financial information on the Issuer's assets, liabilities, financial position and profits and losses

18.1. Historical financial information

18.1.1. Audited historical financial information covering the latest three financial years (or such shorter period as the issuer has been in operation) and the audit report in respect of each year.

According to Article 19 of the Regulation (EU) 2017/1129, taking into account that the annual and interim financial information, as well as the audit reports are such information that can be incorporated by reference in the document, if they were published previously, below we list the internet addresses where the audited annual results are available in IFRS format (accompanied by the audit report):

- The IFRS financial results for 2016-2018 were published by the Issuer, together with the audit report, in November 2019 at: <https://investors.bittnet.ro/wp-content/uploads/2019/12/IFRS-Raportul-auditorului-situatii-financiare-consolidate-2016-2018-Bittnet.pdf>
- IFRS financial results for fiscal year 2019 were made available to investors as supporting documents for General Shareholder Meeting dated 29.04.2020, together with the audit report at: <https://investors.bittnet.ro/ro/intalniri-ale-actionarilor/29-aprilie-2020/>
- IFRS financial results for fiscal year 2020 were made available to investors as supporting documents for General Shareholder Meeting dated 27.04.2021, , together with the audit report at: <https://investors.bittnet.ro/ro/intalniri-ale-actionarilor/aga-27-aprilie-2021/>

18.1.2. Change of accounting reference date

If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical information shall cover at least 36 months, or the entire period for which the issuer has been in operation, whichever is shorter.

Not applicable, the Issuer has not changed the accounting reference date in the interval for which it is requested historical financial information.

18.1.3. Accounting standards

The financial information must be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002. If Regulation (EC) No 1606/2002 is not applicable, the financial information must be prepared in accordance with: (a) a Member State's national accounting standards for issuers from the EEA, as required by Directive 2013/34/EU; (b) a third country's national accounting standards equivalent to Regulation (EC) No 1606/2002 for third country issuers. If such third country's national accounting standards are not equivalent to Regulation (EC) No 1606/2002 the financial statements shall be restated in compliance with that Regulation.

The financial information shall be prepared according to International Financial Reporting Standards as endorsed in the Union based on Regulation (EC) No 1606/2002

18.1.4. Change of accounting framework

The last audited historical financial information, containing comparative information for the previous year, must be presented and prepared in a form consistent with the accounting standards framework that will be adopted in the issuer's next published annual financial statements having regard to accounting standards and policies and legislation applicable to such annual financial statements. Changes within the accounting framework applicable to an issuer do not require the audited financial statements to be restated solely for the purposes of the document. However, if the issuer intends to adopt a new accounting standards framework in its next published financial statements, at least one complete set of financial statements (as defined by IAS 1 Presentation of Financial Statements as set out in Regulation (EC) No 1606/2002), including comparatives, must be presented in a form consistent with that which will be adopted in the issuer's next published annual financial statements, having regard to accounting standards and policies and legislation applicable to such annual financial statements.

The most recent audited financial information of the Issuer, namely information related to the financial year 2021, were published as supporting documents for the General Shareholder Meeting dated April 2022 and then included

in the Annual Report 2021, published on the issuer's website at the investors section as well as on the BVB website at the BNET symbol.

Starting with the financial year 2019, the Financial Information is prepared in accordance with IFRS International Financial Reporting Standards based on Regulation (EC) No. 1606/2002.

The financial results in IFRS format for the period 2016-2018, 2019 and 2020 have been published by the Issuer together with the audit reports since November 2019 on the Investor Relations website at:

<https://investors.bittnet.ro/ro/rezultate-financiare/>

18.1.5. Where the audited financial information is prepared according to national accounting standards, it must include at least the following: (a) the balance sheet; (b) the income statement; (c) a statement showing either all changes in equity or changes in equity other than those arising from capital transactions with owners and distributions to owners; (d) the cash flow statement; (e) the accounting policies and explanatory notes.

Not applicable. The issuer prepares and reports the financial statements in accordance with IFRS.

18.1.6. Consolidated financial statements

If the issuer prepares both stand-alone and consolidated financial statements, include at least the consolidated financial statements in the registration document.

18.1.7. Date of financial information

The balance sheet date of the last year of audited financial information may not be older than one of the following: (a) 18 months from the date of the registration document if the issuer includes audited interim financial statements in the registration document; 16 months from the date of the registration document if the issuer includes unaudited interim financial statements in the registration document

The last financial year for which the financial statements were audited is 2021.

18.2. Interim and other financial information

18.2.1. If the issuer has published quarterly or half-yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half-yearly financial information has been audited or reviewed, the audit or review report must also be included. If the quarterly or half-yearly financial information is not audited or has not been reviewed, state that fact. If the registration document is dated more than nine months after the date of the last audited financial statements, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year. Interim financial information prepared in accordance with the requirements of Regulation (EC) No 1606/2002. For issuers not subject to Regulation (EC) No 1606/2002, the interim financial information must include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the year's end balance sheet in accordance with the applicable financial reporting framework.

Not applicable. This document is drafted and published before the publication of the quarterly financial results for the 1st quarter of 2022. Any subsequent financial information will be published on BVB's website and on the issuer's website according to the communication schedules of the financial results for each financial year.

18.3. Auditing of historical annual financial information

18.3.1. The historical annual financial information must be independently audited. The audit report shall be prepared in accordance with the Directive 2014/56/EU of the European Parliament and Council (3) and Regulation (EU) No 537/2014 of the European Parliament and of the Council (4). Where Directive 2014/56/EU and Regulation (EU) No 537/2014 do not apply: (a) the historical annual financial information must be audited or reported on as to whether or not, for the purposes of the document, it gives a true and fair view in accordance with auditing standards applicable in a Member State or an equivalent standard; (b) if audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications, modifications of opinion, disclaimers or an emphasis of matter, such qualifications, modifications, disclaimers or emphasis of matter must be reproduced in full and the reasons given.

According to Article 19 of the Regulation (EU) 2017/1129, taking into account that the annual and interim financial information, as well as the audit reports are such information that can be incorporated by reference in the document, if they were published previously, below we list the internet addresses where the audited annual results are available, as IFRS format (accompanied by the audit report), and the non-audited half-yearly results (the Issuer is not required to audit the interim results).

The financial results in IFRS format for the period 2016-2018, 2019, 2020 and 2021 have been published by the Issuer together with the audit reports since November 2019 on the Investor Relations website

<https://investors.bittnet.ro/ro/rezultate-financiare/>

18.3.2. Indication of other information in the document that has been audited by the auditors.

Not applicable.

18.3.3 Where financial information in the document is not extracted from the Issuer's audited financial statements, please state the source of the information and that the information is not audited.

Not applicable

18.4. Pro forma financial information

In the case of a significant gross change, a description of how the transaction might have affected the assets, liabilities and earnings of the Issuer, had the transaction been undertaken at the commencement of the period being reported on or at the date reported. This requirement will normally be satisfied by the inclusion of pro forma financial information. This pro forma financial information is to be presented as set out in Annex 20 and must include the information indicated therein. Pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.

Not applicable

18.5. Dividend policy.

18.5.1. A description of the Issuer's policy on dividend distributions and any restrictions thereon. If the Issuer has no such policy, please include an appropriate negative statement.

The General Shareholder Meeting adopts the decision on the allocation of profits annually. The Issuer's strategy is not to pay dividends from the financial year profits. The Issuer intends to continue to fully invest the profits in the company development, that means a 'no dividend' policy for the shareholders. The Issuer intends to maintain this profit reinvestment policy for as long as its growth prospects outweigh the growth prospects of its activity market.

The Issuer's dividend policy is set out in detail at:

<https://investors.bittnet.ro/politicile-corporative/politica-de-dividend/?lang=ro>

At the General Meeting of Shareholders of November 2020, both amendments to the Articles of Incorporation and an offer of preferential shares were approved, the latter aims to replace the debenture loans of the Issuer by preferential shares – so they will mandatory offer dividends to shareholders.

Given that the issuance of preference shares has not been launched within one year of approval, in November 2020, the operation on the coordinates will no longer be able to be put into practice, as the resolutions of the EGMS to increase the capital expire within one year of approval. In this regard, the Issuer examines the opportunity to

propose to the shareholders, during the GMS taking place in April 2022, a new capital increase operation by issuing preference shares. This operation will start depending on the market context during 2022.

According to the Articles of Incorporation, if there are preferential shares, they will receive an allocation of the priority dividend from the consolidated net profit of the previous fiscal year, calculated as a multiple of 1.75 applied to the percentage of preferential shares in the total share capital.

18.5.2. The amount of the dividend per share for each financial year for the period covered by the historical financial information adjusted, where the number of shares in the Issuer has changed, to make it comparable.

The Issuer did not pay dividends from the results of its historical financial years. The General Meeting of Shareholders adopts the decision on the allocation of profits annually. The intention of the issuer is not to pay dividends in the following financial years unless preference shares bearing the priority dividend will be issued under the terms of the Articles of Association. Bittnet is active in a very dynamic field – Information Technology . So far Bittnet has managed to achieve significant growth rates. On the other hand, the current size of the company, coupled with the consolidation trend across all industries, makes us believe that the only way we can go is ‘higher and higher’. That is why we intend to continue to invest any available resources in the development of the company. From the shareholders’ point of view, the ‘full profit reinvestment’ policy also means a ‘no dividend’ policy.

We intend to propose this reinvestment policy to the Shareholder Meeting as long as the growth prospects of the company generally outweigh the growth prospects of the market. In the long run, the value that the company creates is reflected in the value of the company itself – its stock price. The management considers that we can continue to maintain a growth rate above that of the general market for a significant period of time.

Our current operational capacity is such that we can extract profits from the accelerated growth in turnover. This is the our management intention: continue to increase the turnover under similar conditions of profitability expressed as gross margin. Thus, the company will generate more money to cover a generally fixed structure of costs, basically the ‘additional gross margin’ contributing almost entirely to the company gross profit.

According to the dividend policy, in 2016, 2017, 2018, 2019, 2020 and 2021 the General Meeting decided to reward the shareholders by capitalizing the company’s profits and granting free shares – one operation each year.

In 2022, taking into account the current price of the action and the existing liquidity, we will not propose a new distribution of free shares, but only the already “patented” operation of distribution of a free share, which shareholders can choose to leave available to the company for settlement of future obligations, being rewarded with cash distribution. This year we propose cash distribution per share at a higher value than before, that is RON 0,15 according to the EGMS Convener of 20 April 2022.

18.6. Legal and arbitration proceedings

Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the Issuer and/or group’s financial position or profitability, or provide an appropriate negative statement.

The issuer declares that there are no governmental, judicial or arbitration proceedings that have had an effect on its financial results in the last 12 months. During 2021 the Issuer became aware of the existence of case 30598/3/2021 on the Bucharest Court's docket, in contradiction with the owner of our former office space - București Mall Development and Management S.R.L. (“Anchor” or “Anchor Group”)

In March 2022 the Issuer became aware of the contents of this file and the amount of the claims – RON 4 million representing in particular the penalty clause for the termination without reason of the contract, and the failure to comply with the termination term.

Taking into account the approval given by the GMS in September 2021 regarding the expansion of the office space and training rooms, in order to accommodate the team that will result from the M&A operations already carried out, plus those that have been approved to be carried out in the next 3 years, the Issuer requested during 2021 from the owner of the office building in which it operates, the expansion of the space according to the contract.

The owner of the space did not submit an acceptable offer, under conditions similar to the ones in the contract – in particular the existence of a common office space, in a single building, on one floor, so that employees and collaborators of the group companies can continue to carry out their work in a common environment, which will stimulate the integration and operationalization of collaborative processes following the M&A investments.

As a result, the Issuer has provided the space owner with the notice of termination in accordance with the termination exception clause - article ... of the lease agreement. The owner of the space considers that our request has not been made in good faith, although subsequent to the termination, Bittnet signed a lease agreement with One United Properties on double the area of the space previously leased from Anchor Group. Thus, Anchor asked the court to apply the penalties for termination – full payment of the contract by the end of the lease as if we had continued the lease contract.

In March 2022 –the date of drafting this document, the case is in ‘regularisation’ status, a statement of claim is to be filed by our company’s lawyers, and subsequently a first deadline is to be set. This first deadline is estimated to take place in the second half of 2022, and the entire ‘merits’ stage of the proceedings could last up to 3 calendar years.

Taking into account these conditions, our opinion that we have exercised a contractual right in the way it was envisaged, and the fact that the lawsuit is expected to have a long duration, management considers that there is insufficient data at this point to materially quantify the risk of loss of the lawsuit, in the sense of establishing provisions that would affect the results of 2021. The same cannot be said about the future – if the final and irrevocable decision of the courts will pronounce the plaintiff as winner, our company could be forced to pay an amount of around RON 4 million, which without leading us into difficulty, would be a significant negative evolution.

18.7. Significant change in the Issuer’s financial position

18.7.1. A description of any significant change in the financial position of the group which has occurred since the end of the last financial year for which either audited financial statements or interim financial information have been published, or provide an appropriate negative statement.

Not applicable.

Section 19: Additional information

19.1. Share capital – The information in items 19.1.1 to 19.1.7 in the historical financial information as of the date of the most recent balance sheet:

19.1.1. The amount of issued capital, and for each class of share capital:

(a) the total of the Issuer's authorized share capital;

According to the approval of the General Meeting of the Shareholders of September 2021, the authorized share capital was of 240,000,000 ordinary shares and 120,000,000 preferential shares.

Upon the drafting of the universal registration document, the Issuer's subscribed and paid-up share capital was of RON 48.043.690,40 divided into 480,436,904 registered, common, dematerialized shares, with a nominal value of RON 0.1.

(b) the number of shares issued and fully paid, and issued but not fully paid;

The number of shares issued and fully paid up was of 480,436,904.

The number of shares issued but not fully paid up was 0

(c) the par value per share, or that the shares have no par value; and

The nominal value of a share was RON 0.1.

(d) a reconciliation of the number of shares outstanding at the beginning and end of the year. If more than 10 % of capital has been paid for with assets other than cash within the period covered by the historical financial information, please state that fact.

Change date	Registration date	Operation	Initial No. of shares	Final No. of shares
26/03/2021	21/05/2020	Increase in share capital – with cash contribution by issuing only 18,178,550 new shares	229,049,725	247,228,275
22/07/2021	21/07/2021	Share capital increase by granting free shares, 06:10	247,228,275	395,565,240
10/09/2021	21/07/2021	Share capital increase by granting free shares, 01:10	395,565,240	420,288,068
21/10/2021	N/A	Capital share increase pursuant to Decision of EGMS no. 12/25.04.2018; Decision of EGMS no. 4/26.11.2020; Decision of EGMS no. 5/26.11.2021; Decision of the Board of Directors no. 7/18.08.2020; Decision of the Board of Directors no. 10/17.12.2020;	420,288,068	455,669,736
10/11/2021	N/A	Capital share increase pursuant to Decisions of EGMS no. 2 and no. 3/27.04.2021; Decision of the Board of Directors of 06.07.2021 and Decision of EGMS no. 17/07.09.2021;	455,669,736	480,436,904

During the period covered by the historical financial information, no part of the share capital was paid for with assets other than cash.

19.1.2. If there are shares not representing capital, please state the number and main characteristics of such shares.

Not applicable

19.1.3. The number, book value and face value of shares in the Issuer held by or on behalf of the Issuer itself or by subsidiaries of the Issuer.

As of the date of this writing, the Issuer holds 19,987,106 treasury shares to be used to satisfy its obligations under the key persons' stock options plans. All shares of the issuer are common shares with a nominal value of RON 0.1.

19.1.4. The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.

Not applicable

19.1.5. Information about and terms of any acquisition rights and/or obligations over authorized but unissued capital or an undertaking to increase the capital.

The General Meeting of Shareholders of September 2021 authorized the Issuer to increase the share capital by a maximum of 240,000,000 ordinary shares and 120,000,000 shares, respectively.

19.1.6. Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate.

The shareholders of the company approved during the general meetings in April 2020, April 2021 and January 2020 stock options plans for key persons. In the framework of these Stock Options Plans, persons within the Issuer's management and other persons likely to positively influence the results of the group may be granted the right to purchase Issuer's shares at preferential prices, as follows:

- 1) General Meeting of the Shareholders in January 2020:
 - a. Stock Options Plan for key persons not appointed at the time of approval: maximum 1.5% of the total shares of the company. Exercise period: May-June 2022. Exercise price per share corresponding to the capitalisation of the Issuer on 1 January 2020.
 - b. Members of the Management Board, except the Chairperson: 0.5 % per 2020, 0.5 % per 2021. Exercise period: May-June 2022. Exercise price per share corresponding to the capitalisation of the Issuer on 01 January 2020.
 - c. Chairperson of the Management Board: 0.75% per 2020, 0.75% per 2021. Exercise period: May-June 2022. Exercise price per share corresponding to the capitalisation of the Issuer on 01 January 2020.
- 2) General Meeting of the Shareholders in April 2020: Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2022. Exercise price per share corresponding to the capitalisation of the Issuer on 21 April 2020.
- 3) General Meeting of the Shareholders in April 2021: Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2023. Exercise price per share corresponding to the capitalisation of the Issuer on 14 April 2021.
- 4) The General Shareholder Meeting of April 2022 has on its agenda the approval of an Stock Options Plan for key persons not appointed at the time of approval: maximum 5% of the total shares of the company. Exercise period: May-June 2024. Exercise price per share corresponding to the capitalisation of the Issuer on 14 April 2022.

19.1.7. A history of share capital, highlighting information about any changes, for the period covered by the historical financial information.

The figures in the table below are presented in RON, and represent the 3 capital increase operations decided during 2021, together with their registration dates and the date on which the shares were actually loaded into the shareholders' accounts. It concerns a capital increase with free shares, by incorporation of reserves and share premiums, which generated an allocation of 6 free shares for every 10 shares held, both for existing shares (date of 21 July) and for those due to creditors from capital increases not yet registered on 21 July (MCS August 2020, MCS December 2020), plus a capital increase with one free share that could be left at the company's disposal in exchange for the collection of RON 0.1 per share.

Change date	Registration date	Operation	Initial No. of shares	Final No. of shares
22/07/2021	21/07/2021	Share capital increase by granting free shares, 06:10	247,228,275	395,565,240
10/09/2021	21/07/2021	Share capital increase by granting free shares, 01:10	395,565,240	420,288,068
10/11/2021	N/A	Capital share increase pursuant to Decisions of EGMS no. 2 and no. 3/27.04.2021; Decision of the Board of Directors of 06.07.2021 and Decision of EGMS no. 17/07.09.2021;	455,669,736	480,436,904

19.2. Memorandum and Articles of Association

19.2.1. The register and the entry number therein, if applicable, and a brief description of the Issuer's objects and purposes and where they can be found in the up to date memorandum and articles of association.

The Issuer's updated Articles of Association are available on the Issuer's website under the *Investors* section and can be accessed here: <https://investors.bittnet.ro/updated-articles-of-association/>

The Issuer's main object and purpose is 6202 – Consultancy activities in information technology. This class includes the planning and design of computer systems that integrate hardware, software and communication technologies, and consultancy services that may also include user training.

The object and purpose are set out in 'Article 5 – Company object and purpose' of the Issuer's updated Articles of Associations.

19.2.2. Where there is more than one class of existing shares, a description of the rights, preferences and restrictions attaching to each class.

Not applicable. Although the Issuer's Articles of Incorporation provide for the possibility to issue preferential shares, at the time of drafting this document there were only ordinary shares.

19.2.3. A brief description of any provision of the Issuer's articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the Issuer.

Not applicable

Section 20: Important contracts

20.1. A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the Issuer or any member of the group is a party, for the two years immediately preceding publication of the registration document. A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the registration document.

Outside the normal framework of the investment activity, the Issuer makes investments in the capital of other companies. Following the approval by the November 2020 General Meeting of Shareholders of the investments in the Equatorial Gaming, Softbinator Technologies and Elearning Company, the Issuer signed the investment contracts and informed the shareholders thereof through current reports.

Following the approval by the September 2021 General Meeting of Shareholders of the investments in the Computer Learning Center, ISEC Associates, Nenos Software & Nonlinear companies, the Issuer signed the investment contracts and informed the shareholders thereof through current reports. Also during 2021, the contract for the acquisition of shares was signed in the company ITPrepared and Global Resolution Experts – "GRX".

All these investment contracts implied the payment of the equivalent value of the purchased shares, partly in cash and partly by BNET shares.

Also, according to the mandate granted by the GMS in September 2021, the Issuer could sign in 2022 and in the following 2 years other M&A acquisitions up to a total value of RON 200 million.

Section 21: Available documents

21.1. A statement that for the term of the document the following documents, where applicable, can be inspected:

- (a) the up to date memorandum and articles of association of the Issuer;**
- (b) all reports, letters, and other documents, valuations and statements prepared by any expert at the Issuer's request any part of which is included or referred to in the registration document. An indication of the website on which the documents may be inspected.**

During the document validity period, the updated Articles of Association, the universal registration document and all documents relevant for the shareholders can be checked on the Issuer's website under the *Investors* section (<https://investors.bittnet.ro/>).

BITTNET SYSTEMS S.A., represented by Mihai Alexandru Constantin Logofătu, CEO

Annex 2 – ‘Alternative Performance Measurements’

The ESMA guidelines require us to explain any indicator we have used in assessing the financial or non-financial results of the company, if that indicator is not found in the IFRS or XBRL standards, published by ESEF. In our financial statements, we used the following indicators:

Indicator	Definition/Calculation method	Why is it relevant?
Operating profit	<p>It is about the core business profit, i.e. the business of serving our clients.</p> <p>It takes into consideration all the incomes and expenses related to the current business and does not take into consideration the financial incomes and expenses, or those related to the holding-type business (of the group, i.e. us as a listed company).</p> <p>It is calculated by taking out of each business line results the income and expenses items (cash or non-cash) that are not related to the current business.</p> <p>The most significant adjustments (differences between gross profit and operating profit) are:</p> <ol style="list-style-type: none"> 1. Financial result elimination (expenses addition to the gross profit, and financial-type incomes subtraction) 2. Non-cash IFRS adjustment elimination, related to the Stock Option Plan 	<p>Operational business (also known as ‘current’ or ‘core’) means the company businesses.</p> <p>This measures the performance and the business activity in relation to the competition, regardless of the taxation environment, the reporting accounting framework or the company financing method (the mix of equity and loans, the costs of maintaining the stock exchange rate, etc.).</p> <p>That is to say, this is the result the company (or each business line) would have if it operated as a company fully financed by its own resources (by ‘equity’ – shareholders’ equity).</p>
‘Gross Margin’, or ‘gross margin’, or ‘GM’, or ‘margin’	<p>The calculation formula for this indicator is the ‘revenue MINUS COGS (cost of goods sold)’.</p> <p>Thus, the expenses directly related to those projects (obtaining those revenues) is subtracted from the invoices issued to clients. For the software license resale projects, we buy a license for RON 90 and resell it to the client for RON 100. The difference is the ‘gross margin’.</p> <p>If we invoice a client for a cloud project implementation services, the gross margin is the difference between the revenues invoiced to the client and the man-hour cost required for implementation, regardless if the implementing engineer is our employee or a subcontractor.</p>	<p>This indicator is the company’s ‘GDP’, it is the ‘added value’ that we generated for our partners.</p> <p>This indicator reflects not only the value we bring to our clients, but also, by inward looking at the company, it reflects the amounts of money we have at our disposal to cover the fixed expenses.</p>

Annex 3 - Investment thesis

From the beginning of our journey as a listed company we have tried to convey “our value proposition” to investors in an as transparent manner as possible. In other words, what we offer to investors, which is the investment thesis that anyone who chooses to trust us can have.

This can be expressed very simply in the following sentence:

You invest in the medium and long term in BNET shares if you want exposure to the Romanian IT&C industry, an accelerated growth field, together with a management team that has not only skin in the game but also demonstrated over 15 years better results than industry average, both operationally and in terms of capital management.

Each of the decisions we make is aimed at building an anti-fragile group, so that we have the strongest force – time – with us (“Time is the friend of the wonderful business, the enemy of the average ones”). The second element is the combination of ‘good operations’ and the ability to manage capital, as described in the ‘secret of success’ in the book ‘The outsiders – 8 outstanding CEOs’. Below are some arguments for each of the components of this investment thesis:

- Choosing an industry with favourable prospects is a decision that completely eases both the work of investors and decreases the importance of choosing a competent management: “a rising tide lifts all boats”. There has been no industry in the last 20 years that has continued to grow faster than the IT&C industry.
- The existence of a management team with ‘significant skin in the game’ solves the ‘principal-agent’ problem so demanded by investors on the Romanian capital market. If the well-being of the management comes from the same sources, through the same mechanisms as the small shareholders, the most important conflict is eliminated. Thus, in our case, the value of BNET shares represents for management both most of the personal wealth and most of the income (unlike salary, the option-based compensation policy aligns the management’s income with the wealth brought to the shareholders).
- Demonstrated track record from an operational point of view: in addition to numerous international recognitions (Deloitte Top 50 in Tech, Financial Times Top 1000 Fastest Growing Companies, EY Entrepreneur of the Year finalists, etc.), we can illustrate the operational capacity in 2 ways:
 - I saw in 2021 an announcement of a very respectable IT company that was doing a retrospective of the entire activity, on the occasion of a 10 or 15 year anniversary. During this period, the company successfully delivered over 700 projects. By comparison, Bittnet delivers over 4,000 projects annually, with minimalist operational overhead, both in terms of cost and time. The fact that our initial activity is basic is IT training and, the specific complexity of successfully organizing this business, forced us to build systems and operational tools specific to companies much larger than business, with increased complexity. On the other hand, once this impediment is overcome, we now enjoy a competitive advantage that is hard to match from this point of view.
 - Analysing the historical evolution of the return on equity (Return on Equity), it always has values around 41%.
- Demonstrated track record from the point of view of capital management: the growth rate of equity attracted historically, through the mechanisms of the capital market is about 43%, which strengthens our confidence in the adopted financial model, which we intend to continue to apply as long as the results continue to be visibly better than the market average.

	Net profit	Equity t0	ROE
2014	115	865	
2015	889	1.920	103%
2016	870	3.100	45%
2017	1.206	5.961	39%
2018	4.408	14.001	74%
2019	-4.459	12.372	-32%
2020	1.025	27.646	8%
2021	14.424	55.249	53%
		Average	42%

Operation	Amount
Equity on 15 April 2015	-864.743
MCS05-Dec-17	-807.127
MCS14-Dec-18	-2,892,205
MCS10-Apr-20	-9,168,712
MCS02-Mar-21	-10,725,345
Equity on 31-Dec-21	55,949,054
Of which, amounts attracted	-23,593,389
IRR	45.7%

Of course, some investors may find that any of the components of the investment thesis described above do not match their investment style. However, we would like our shareholders to understand the “bet” they make when investing in Bittnet Group shares: the fact that the vision of accelerated growth towards a turnover of RON 500 million generates a special opportunity in the medium and long term. and that sometimes the evolution of quarterly, half-yearly or annual results will fluctuate. We, the management team, are here to clarify these fluctuations and to guide our journey together towards the figure of RON 500 million, without having as objective the share price, which, on the contrary, is decided by the shareholders. However, we are convinced that in the long run the value of the company will reflect the business results.

We conclude this chapter by reminding you that no investment in the shares of a company is risk-free, and please, prior to any investments, read carefully the chapters on Risks in the Universal Registration Document, or on the investor relations website.

INDEPENDENT AUDITORS' REPORT

To the Shareholders of BITTNET SYSTEMS S.A.

Șoimuș St., no. 23, ap. 24, Bucharest, Romania

Registration: 21181848

Report on the Audit of the Consolidated Financial Statements

Opinion

1. We have audited the consolidated financial statements of BITTNET SYSTEMS S.A. (the Company), which comprise the statement of financial position as at December 31, 2021, and the consolidated statement of comprehensive income, consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The consolidated financial statements as at and for the year ended 31 December 2021 are identified as follows:

- Net assets/Total equity: 54,905,376 RON
- Net profit for the year: 14,423,861 RON

2. In our opinion, the accompanying consolidated financial statements give a true and fair view of the consolidated financial position of the Company as at December 31, 2021, and of its consolidated financial performance and its cash flows for the year then ended in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of the accounting regulations compliant with International Financial Reporting Standards.

Basis for opinion

3. We conducted our audit in accordance with International Standards on Auditing (ISAs), UE Regulation no. 537/2014 of the European Parliament and of the Council („The Regulation”) and Law no. 162/2017 („The Law”). Our responsibilities under those standards and regulations are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants (“IIESBA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Romania, including the Regulation and the Law, and we have fulfilled out other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw attention over Note 28 “Contingent liabilities”, where is included a description of the litigation for the former office space, in which the Company conducted its activities until the end of May 2021. Considering the early stage of the dispute, as well as the fact that the level of potential losses related to this litigation cannot be reliable assessed, the Management considers premature any assessment of the chances or procedures, in establishing provisions affecting the results of 2021. Our opinion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
Key audit matter	How our audit addressed the key audit matter
<p>Please see Note 7 “Revenue from contracts with customers”.</p> <p>In accordance with International Standards on Auditing, there is an implicit risk on revenue recognition due to the pressure on management in obtaining the planned results.</p> <p>The Group’s main activity from which the Company records revenue are represented by sale and implementation of IT&C goods, training services, and sale of licenses.</p> <p>Revenue is recorded after the control is transferred to the final client, which takes place after the formal acceptance for goods sold, or after the service was provided.</p>	<p>Our audit procedures included, among other:</p> <ul style="list-style-type: none"> ▪ Evaluation of processes and controls on the existence and accuracy of the recorded revenues. ▪ Testing a sample of agreements concluded with customers to understand terms and conditions for transfer of control, also for conditions agreed for discounts to be granted. ▪ Verification of sale register to identify unusual transactions and to check the supporting documents to confirm that revenues are properly recorded. ▪ Audit procedures for testing that revenues were recorded in the appropriate period, for a sample of transactions recorded around the year-end. ▪ Testing a sample of receivables by sending direct confirmation letters.

Other information - Administrators’ Report

6. Management is responsible for the preparation and presentation of Other information. The Other information comprise the Board of Directors report, and the Remuneration Report but does not include the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the consolidated financial statements for the period ended at 31 December 2021, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

In respect to the Board of Directors report, we read and report whether the Board of Directors report is prepared, in all material respects, in accordance with the Order of Minister of Public Finance no 2844/2016, articles 15-19, respectively 26-28 of the accounting regulations in accordance with International Financial Reporting Standards.

In respect of Remuneration Report, we read and report if this was prepared, in all material respects, in accordance with Law 24/2017, articles 106-107.

8. Based solely on the work required to be undertaken in the course of the audit of the financial statements, in our opinion:
 - a) The information given in the Board of Directors report for the financial year for which the financial statements are prepared, is consistent, in all material respects, with the consolidated financial statements;
 - b) The Board of Directors Report, including the non-financial representation has been prepared, in all material respects, in accordance with OMFP no. 2844/2016, points 15-19, respectively 26-28, of the accounting regulations compliant with the International of Financial Reporting Standards.
 - c) The remuneration report has been prepared, in all material respects, in accordance with the provisions of Law 24/2017, articles no. 106-107
9. In addition, based on our knowledge and understanding of the entity and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

10. Management is responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with the Order of the Minister of Public Finance no. 2844/2016. and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
12. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those

risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
 - Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
 - Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
 - Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
 - Obtaining sufficient and appropriate audit evidence for the entities and activities from the Group, to issue an opinion over the consolidated financial statements. We are responsible for coordination, supervision and execution of the group audit. We are solely responsible for our audit opinion.
15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

18. We were appointed as auditor of BITTNET SYSTEMS S.A. by the General Shareholders' Meeting on 26 November 2020. Our total uninterrupted period of engagement is 2 years, covering periods ending 31 December 2020 to 31 December 2021.
19. We confirm that:
 - Our audit opinion is consistent with the additional report presented to the Audit Committee of the Company, which is issued with the same date as the current report. We also remain independent of the audited entity in conducting the audit.
 - We have not provided to the Company the prohibited non-audit services referred to in article 5 (1) of EU Regulation no 537/2014.

Report on compliance with Commission Delegated Regulation (EU) 2018/815 (European Single Electronic Format Regulatory Technical Standard or ESEF)

We have undertaken a reasonable assurance engagement on the compliance with Commission Delegated Regulation (EU) 2018/815 applicable to the consolidated financial statements included in the annual financial report of the Company as shown in the digital files containing the unique code LEI 315700VUUQHM9VEDRO36 (Digital Files).

Responsibility of management and those charged with governance for Digital Files prepared in accordance with ESEF

Management is responsible for preparing the Digital Files in accordance with ESEF. This responsibility includes:

- the design, implementation and maintenance of the internal control relevant to the application of ESEF;
- ensuring consistency between the Digital Files and the financial statements that will be published in accordance with Order no. 2844/2016 with subsequent amendments.
- selection and implementation of appropriate iXBRL mapping;

Those in charge of governance are responsible for overseeing the preparation of Digital Files in accordance with ESEF.

Auditor's Responsibilities for Audit the Digital Files

Our responsibility is to express a conclusion on whether the financial statements included in the annual financial report complies in all material respects with the requirements of the ESEF, based on the evidence we have obtained. We conducted our reasonable assurance assignment in accordance with International Standard on Assurance Assignments 3000 (revised), Assurance Assignments other than audits or reviews of historical financial information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with ESEF. The nature, timing, and extent of the procedures selected depend on the auditor's judgement, including the assessment of the risk of material departures from the requirements set out in ESEF, whether due to fraud or error. A reasonable assurance engagement includes:

- obtaining an understanding of the Company's process for preparation of the Digital Files in accordance with the ESEF, including the relevant internal controls;
- reconciling the Digital Files with the audited financial statements of the Company that will be published in accordance with Order no. 2844/2016 with subsequent amendments.
- evaluating if all financial statements that are included in the annual financial report have been prepared in a valid XHTML format.
- Evaluating if the iXBRL mapping are in compliance with ESEF requirements.

We consider that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the financial statements for the financial year ended December 31, 2021 included in the annual financial report and presented in the Digital Files comply, in all material respects, with the requirements of ESEF.

In this section we do not express an audit opinion, a review conclusion or any other assurance conclusion on financial statements. Our audit opinion on the Company's financial statements for the financial year ended December 31, 2021 is included in the " Report on the Audit of the Consolidated Financial Statements" section above.

Other matters

20. This report of the Independent Auditor is addressed exclusively to the Company's shareholders, as a body. Our audit was undertaken in order to report to the Company's shareholders all those aspects that we are required to state to them in a financial audit report and for no other purposes whatsoever. To the extent permitted by law, we do not accept or take responsibility to anyone other than the Company and its shareholders, as a body, for our audit work, for the report on the financial statements and the report on the Board of Directors report, or for the opinion we have formed.

For and behalf of BDO Audit SRL

Registered in the Public Electronic Report of financial auditors and audit firms with no. FA18

Partner's name: Cristian Iliescu

Registered in the Public Electronic Report of financial auditors and audit firms with no. AF1530

Bucharest, Romania

Refer to original signed version in Romanian language
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20 March 2022

BITTNET SYSTEMS SA

**CONSOLIDATED FINANCIAL
STATEMENTS**

**Prepared in accordance with
Order of the Minister of Public Finance
no. 2844/2016, as amended,
for the financial year ended
31 December 2021**

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BITTNET SYSTEMS SA
CONSOLIDATED FINANCIAL STATEMENTS for the financial year 2021
(all the amounts shall be expressed in RON, unless otherwise provided)

CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

	Note	2021	2020
Revenues from contracts with customers	[7]	112,576,327	109,191,760
Cost of sales	[8]	(88,182,261)	(87,725,366)
Gross margin		24,394,065	21,466,394
Other revenues		4,087,086	451,828
Sales expenses	[9]	(9,547,280)	(7,508,988)
General and administrative expenses	[10]	(12,648,079)	(10,053,352)
Profit/(loss) – Investments accounted for using the equity method	[11]	773,014	(171,521)
Financial revenues		12,370,760	1,319,470
Financial expenses	[13]	(3,274,673)	(4,019,587)
Gross profit		16,154,893	1,484,245
Income tax	[14]	(1,731,032)	(459,211)
Net Profit, of which:		14,423,861	1,025,034
related to the parent company		13,722,136	895,127
related to minority interests		701,725	129,907
Other comprehensive income		-	-
Total comprehensive result		14,423,861	1,025,034
related to the parent company		13,722,36	895,127
related to minority interests		701,725	129,907
Earnings per share	[5]		
basic		0.0289	0.0020
diluted		0.0254	0.0018

The financial statements from page [3] to page [59] were approved and signed on 20 March 2022.

Mihai Logofatu
Chief Executive Officer

Adrian Stanescu
Chief Financial Officer

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	Notes	31 December 2021	31 December 2020
ASSETS			
Fixed assets			
Goodwill	[15]	41,705,648	21,082,977
Other intangible assets	[16]	9,219,368	8,820,959
Property, plant and equipment	[17]	2,352,513	5,443,423
Investments accounted for using the equity method	[18]	1,996,840	8,527,500
Other financial fixed assets		2,041,467	7,483
Deferred tax	[14]	47,257	650,200
Total fixed assets		57,363,094	44,532,542
Current assets			
Inventories	[19]	1,184,962	1,157,052
Trade receivables and other receivables	[20]	32,644,937	30,330,712
Financial assets at fair value	[18]	17,919,885	1,459,700
Cash and cash equivalents	[21]	23,403,197	24,872,655
Total current assets		75,152,981	57,820,119
TOTAL ASSETS		132,516,075	102,352,661
EQUITY AND DEBTS			
Share capital		48,043,690	26,443,139
Share premium		14,542,953	25,409,965
Other equity items		(19,082,504)	(19,893,997)
Reserves		1,114,139	468,943
Retained earnings		8,122,246	(5,036,978)
Capital related to the parent company		52,740,525	27,391,072
Non-controlling interests		1,164,851	255,237
Total equity and reserves	[22]	53,905,376	27,646,309
Long-term debts			
Bonds	[23]	24,044,334	28,357,324
Bank loans	[24]	6,337,926	4,570,517
Leasing liabilities	[25]	676,929	3,036,719
Long-term debts		624,136	-
Total long-term debts		31,673,325	35,964,560
Current debts			
Bonds	[23]	872,768	889,781
Bank loans	[24]	3,882,132	7,583,930
Leasing liabilities	[25]	540,786	1,401,465
Dividends payable		9,995	-
Profit tax liabilities	[15]	294,606	121,203
Trade payables and other debts	[26]	41,337,088	28,745,411
Total current debts		46,937,374	38,741,791
Total debts		78,610,699	74,706,352
TOTAL EQUITY AND DEBTS		132,516,075	102,352,661

The financial statements from page [3] to page [59] were approved and signed on 20 March 2022.

Mihai Logofatu
Chief Executive Officer

Adrian Stanescu
Chief Financial Officer

CONSOLIDATED CASH FLOW STATEMENT

	2021	2020
Gross profit	16,154,893	1,484,245
Adjustments for:		
Depreciation expenses	2,388,267	1,993,939
Expenses on assets disposed	102,899	-
Benefits granted to employees SOP	1,066,911	1,574,721
Adjustments for impairment of receivables	46,459	(262,885)
Interest expenses and other financial costs	3,318,310	3,362,206
Interest revenues and other financial revenues	(41,247)	323,690
Securities investment gains	(11,988,124)	(1,168,120)
Gain from investments accounted for using the equity method	(773,014)	171,521
Operating profit before working capital change	10,275,153	7,479,318
Variation of receivables account balances	(1,342,417)	3,224,995
Variation of stock account balances	(27,748)	1,410,184
Variation of accounts payable balances	(4,147,634)	(3,683,943)
Cash generated from operation	4,757,355	8,430,553
Profit tax paid	(978,608)	(310,496)
Net cash from operating activities	3,778,747	8,120,058
Investment activities:		
Payments for the purchase of subsidiaries, +/- purchased cash	(9,004,189)	79,279
Payments for the purchase of participating interests	(861,219)	(4,027,500)
Loans granted to related entities	(184,889)	-
Acquisitions of tangible and intangible assets	(1,627,488)	(957,637)
Other investments in financial instruments	(2,015,800)	(291,580)
Proceeds from other financial investments	7,829,183	-
Dividends collected	670,082	-
Interest collected	82,339	130,897
Net cash from investment activities	(5,111,981)	(10,516,541)
Financing activities:		
Proceeds from share issue	10,412,024	8,851,720
Repurchases/sales of own shares	66,096	(949,483)
Drawdowns from bank loans	-	6,110,872
Repayments of bank loans	(1,944,388)	(2,700,000)
Receipts/reimbursements from the bond issue	(4,500,000)	-
Payments of leasing liabilities	(1,261,365)	(1,607,641)
Interest paid	(2,869,324)	(3,200,475)
Dividends paid related to minority interests	(39,267)	(59,972)
Net cash from financing activities	(136,225)	6,445,020
Net increase in cash and cash equivalents	(1,469,459)	4,048,537
Cash and cash equivalents at the beginning of the financial year	24,872,655	20,824,117
Cash and cash equivalents at the end of the financial year	23,403,197	24,872,654

The financial statements from page [3] to page [59] were approved and signed on 20 March 2022.

Mihai Logofatu
Chief Executive Officer

Adrian Stanescu
Chief Financial Officer

BITTNET SYSTEMS SA
CONSOLIDATED FINANCIAL STATEMENTS for the financial year 2021
(all the amounts shall be expressed in RON, unless otherwise provided)

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

	Share capital	Share premium	Other equity items	Legal reserves	Retained earnings	Total capital	Non-controlling interests	Total equity
31 December 2019	11,620,321	-	1,118,923	352,151	(2,872,249)	10,219,145	324,703	10,543,849
Net profit	-	-	-	-	895,127	895,127	129,907	1,025,034
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive result	-	-	-	-	895,127	895,127	129,907	1,025,034
<i>Transactions with shareholders</i>								
Share capital increase	14,822,819	25,409,964	(22,587,641)	-	(3,092,905)	14,552,236	-	14,552,236
Benefits granted to employees SOP			1,574,721			1,574,721	-	1,574,721
Non-controlling interests	-	-	-	-	-	-	10,440	10,440
Dividend distribution					149,842	149,842	(209,814)	(59,972)
Distribution of the legal reserve				99,842	(99,842)	-	-	-
31 December 2020	26,443,139	25,409,965	(19,893,997)	451,993	(5,020,028)	27,391,072	255,237	27,646,310
Net profit	-	-	-	-	13,731,149	13,722,136	710,016	14,423,861
Other comprehensive income	-	-	-	-	-	-	-	-
Total comprehensive result	-	-	-	-	13,731,149	13,722,136	701,725	14,423,861
<i>Transactions with shareholders</i>								
Share capital increase	21,600,551	(10,867,013)	(321,515)	-	-	10,412,024	-	10,412,024
Benefits granted to employees SOP			1,066,911		-	1,066,911	-	1,066,911
SOP implementation	-	-	66,096	-		66,096		66,096
Non-controlling interests	-	-	-	78,675	(78,675)		329,440	329,440
Dividend distribution				-	82,284	82,284	(121.550)	(39.266)
Distribution of the legal reserve				583,471	(583,471)	-	-	-
31 December 2021	48,043,690	14,542,953	(19,082,504)	1,114,139	8,122,246	52,740,424	1,164,851	53,905,376

The financial statements from page [3] to page [59] were approved and signed on 20 March 2022.

Mihai Logofatu
Chief Executive Officer

Adrian Stanescu
Chief Financial Officer

BITTNET SYSTEMS SA
CONSOLIDATED FINANCIAL STATEMENTS for the financial year 2021
(all the amounts shall be expressed in RON, unless otherwise provided)

NOTA 1. GENERAL INFORMATION

Group structure and operational activities

The financial statements include the consolidated financial information of the parent company Bittnet Systems (the "Issuer"), headquartered in Str. Soimus nr. 23, bl 2, ap. 24, Sector 4, Bucharest, and the following subsidiaries, all being registered in Romania:

	<u>31 December 2021</u>	<u>31 December 2020</u>
SUBSIDIARIES - % ownership		
Dendrio Solutions	100%	100%
Elian Solutions	51.02%	51.02%
Equatorial Gaming	98.99%	98.99%
Equatorial Training, through Equatorial Gaming	100%	100%
Computer Learning Center	100%	-
ISEC Associates	69.992%	-
IT Prepared	50.2%	-
Nenos Software	60.97%	-
Nonlinear	60%	-
Global Resolution Experts	60%	-
GRX Advisory, through Global Resolution Experts	60%	-
MINORITY INTERESTS		
Softbinator Technologies (*)	18.898%	25%
E-Learning Company	23%	-

**shareholding reclassified into other financial assets (securities) at fair value starting with 30.09.2021*

The Group has over 120 employees and collaborators, who work for one of the 12 companies included in the group (Bittnet Systems, Dendrio Solutions, Elian Solutions, Equatorial Gaming, Equatorial Training, Computer Learning Center, ISEC Associates, IT Prepared, Nenos Software, Nonlinear, Global Resolution Experts, GRX Advisory).

The consolidated financial statements include the results of the business combination through the acquisition method. In the statement of financial position, the assets, liabilities and contingent liabilities of the acquirer entity are initially recognized at their fair values at the acquisition date. The results of the acquired operations are included in the consolidated statement of comprehensive income from the date of acquiring control (Dendrio Solutions – September 2017, Elian Solutions – November 2018, Equatorial Gaming and Equatorial Training – December 2020, Computer Learning Center, ISEC Associates, IT Prepared, Nenos Software, Nonlinear – August 2021, Global Resolution Experts and GRX Advisory – December 2021).

Bittnet Systems S.A.

Bittnet was established in 2007 and focused on providing IT training and integration solutions, based on market-leading technologies such as Cisco, Microsoft, Dell, Oracle, HP, VMware, Google, Amazon Web Services.

In February 2009, the company changed its legal status to joint stock company (SA), following the increase in the share capital, using the profits generated in 2008. In 2012, the company received a first infusion of capital "from abroad" (equity investment) from the business angel Răzvan Căpățînă, who is still an important shareholder of the company.

Since March 2015, Bittnet has been listed on the AeRO market of the Bucharest Stock Exchange, under the symbol BNET. Bittnet was the first IT company to be listed on BVB, after an infusion of EUR 150,000 in the company, received from the Polish fund Carpathia Capital SA in exchange for a 10% stake.

In 2016, the company created a new area of expertise by introducing consulting and cloud migration services. As a result, Bittnet has launched a series of actions dedicated to customers strictly for this range of services, targeting a new group of customers, with a slightly different profile. During 2017, the company continued to invest in increasing and diversifying AWS and Azure-specific technical skills in order to meet the requests received.

BITTNET SYSTEMS SA
CONSOLIDATED FINANCIAL STATEMENTS for the financial year 2021
(all the amounts shall be expressed in RON, unless otherwise provided)

From April 2018, the new structure of the group was adopted and the business structure of Bittnet Group was reorganized into two key divisions: Education and Technology.

- **Education** - which currently consists of the IT training segment where Bittnet is the market leader, with almost 20 years of experience and the largest team of trainers in Romania.

The trainings provided by **Bittnet** and **Equatorial Gaming** allow the access of technology experts by teaching IT skills, from the basic ones (e.g.: Microsoft Office Suite) to the most advanced ones (Cloud, DevOps, Cybersecurity). The business training portfolio includes project management, IT services management, business intelligence, CRM, ERP, Agile etc.

- **Technology** - which is focused on IT integration services, offering integration solutions previously offered by both **Bittnet**, **Dendrio** and **Elian**. This activity has a shared portfolio of products, services and solutions and a larger team that will allow a greater volume of work, both technically and in terms of sales.

Starting with June 2020, Bittnet shares (symbol: BNET) have been listed on the Regulated Market of BVB.

Dendrio Solutions

During 2017, the Bittnet Group acquired GECAD NET from the entrepreneur Radu Georgescu. In the first half of 2018, GECAD Net was renamed Dendrio Solutions. Dendrio is the only integrator of hybrid "multi-cloud" solutions in Romania, having a consolidated position as a company certified by the most important IT providers in the world, focusing on cloud and IT security.

The IT solutions provided by Dendrio include: general consulting services, IT assessment services, implementation and migration services, maintenance and support services, infrastructure optimization services and IT training services. The company is the only "hybrid multi-cloud" integrator in Romania, consolidating its position as a certified company by the most important IT providers in the world, focusing on cloud and cybersecurity.

In December 2018, Bittnet acquired the IT&C integration activity of Crescendo International SRL, a company with 25 years of experience in Romania and on foreign markets. Crescendo's IT&C division has been integrated into Dendrio and, as a result of the merger, the company benefits from a more stable business structure, extensive staff resources, and an extensive portfolio of customers, products and services.

Elian Solutions

In 2018, the Group acquired a majority stake in the company that provides ERP solutions, Elian Solutions. Elian completed the offer of IT integration services by adding ERP solutions in the group's portfolio.

Elian Solutions is specialized in providing implementation services for Enterprise Resource Planning (ERP) solutions, Microsoft Dynamics NAV. Elian is the only partner who holds a Gold Certificate for this solution from Microsoft in Romania. The solution implemented by Elian allows companies to know the situation of stocks, receivables and debts, to be able to forecast, inter alia cash flow, to track production, cost centers and much more.

Equatorial Gaming

In 2018, the Group acquired a significant stake in the game-based learning company, Equatorial Gaming. Following the acquisition, Equatorial's activities were integrated into the **Education** division.

In August 2020, Bittnet activated the option to convert the loan amounting to RON 1,050,000, granted in 2018 to Equatorial Gaming, the equivalent of 20.1% of the share capital. In November 2020, Bittnet shareholders approved the purchase of a number of registered shares representing 60.3665% of the share capital of Equatorial Gaming SA. Following these operations, Bittnet Systems reached a holding of 98.99% of the share capital of Equatorial Gaming SA.

Equatorial, a *game-based learning* company, specializes in providing transformative training and consulting programs at the individual, team and organizational levels in Romania and abroad. In 2015, the company invented and launched Equatorial Marathon, an Alternate Virtual Reality Game for corporations, which increases involvement and stimulates employee behavior change. In 2018 Equatorial launched a new product: VRrunners, an evolution for Marathon mobile platforms. In 2019, Equatorial released 2 new games: White Hat and Bona Fidae Agency.

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Computer Learning Center & ISEC Associates

In August 2021, the Group informed investors of signing the share sale-purchase agreements for taking over the cybersecurity company - ISEC Associates SRL and the IT training company - Computer Learning Center.

The acquisition price for 100% of Computer Learning Center (CLC) is RON 725,000, amount settled in 2 installments: the first installment, of RON 225,000, was paid by payment order during August 2021, and the second installment - worth RON 500,000, conditional upon eliminating from the CLC patrimony the assets that were not relevant for the company's current activity - was paid in January 2022.

Bittnet Group is therefore consolidating its Education division and expands the portfolio of certifications, especially in the cybersecurity sector. The company collaborates with over 30 certified trainers and has delivered over 2,500 courses to 15,000 participants over the past few years.

Following Bittnet Systems' entry into the shareholding, the parties also signed in September 2021 a loan agreement by which the Issuer made available to Computer Learning Center the amount of RON 560,000 for financing the working capital for a maximum period of 3 years and an interest of 9% per year. The loan was successively increased to the amount of RON 1,935,000 during October 2021 - February 2022.

The acquisition price for purchasing 69.99% of the shares of ISEC Associates is RON 295,000, amount paid in a single installment, via bank transfer, to the founding shareholder, Alexandru Andriescu.

ISEC Associates is a company founded in 2003, specializing in complete security audit, consulting and testing services. ISEC helps companies identify, evaluate, secure and manage information security. By purchasing ISEC, Bittnet is developing its position in the cybersecurity market.

Following Bittnet Systems' entry into the shareholding, the parties also signed a loan agreement by which the Issuer made available to ISEC Associates the amount of RON 370,000 for financing the working capital for a maximum period of 3 years and an interest of 9% per year. The loan was successively increased to the amount of RON 470,000 in February 2022.

Computer Learning Center and ISEC Associates were consolidated in the financial statements starting with September 2021.

IT Prepared

In August 2021, the Group informed the investors and the Market of completion of negotiations and signing the agreement for taking over a majority stake in IT Prepared SRL. The price of the transaction amounts to USD 673,200 for 50.2% of the share capital of the company and will be paid by a mix of cash and BNET shares in 3 installments, as follows:

- The first installment, of USD 265,200, was paid in RON immediately after signing the share sale-purchase contract, by payment order to the two founding shareholders of IT Prepared;
- Installments 2 and 3, worth USD 265,200 and USD 142,800 respectively, will be paid to IT Prepared founders by settlement in BNET shares in a future share capital increase operation. The actual number of shares to be issued shall be determined in accordance with the provisions of art. 210(2) of Law 31/1990 and art. 87-88 of Law 24/2017 on issuers of financial instruments and market operations and art. 174 of FSA Regulation No. 5/2018. BNET shares for each of the installments 2 and 3 will be issued after closing and approving the financial statements of IT Prepared related to 2021 (installment 2) and 2022 (installment 3).

The transaction for taking over the majority stake in IT Prepared SRL was approved by Shareholders in the EGMS of 26 November 2020. Taking into account that the financial and operational situation of IT Prepared SRL changed between the moment of approval granted by the EGMS and the moment of signing the investment approval, the parameters of the transaction were renegotiated to the benefit of Bittnet, the final evaluation being reduced to half (therefore, Bittnet took over the majority stake) and the payment following to be conditional upon confirmation of positive operational results in 2021 and 2022.

IT Prepared was consolidated in the financial statements as of September 2021.

Nenos Software & Nonlinear

In August 2021, the Group informed the capital market of completion of negotiations and signing of contracts for taking over the majority stakes in software developer Nenos Software SRL and in Nonlinear SRL.

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The value of the transaction for the acquisition of 60.97% in Nenos Software is RON 4,850,000, price settled in two installments, as follows:

- 50% of the transaction price (i.e. the amount of RON 2,425,000) was paid via bank transfer in the account of the sole shareholder of Nenos Software;
- 50% of the transaction value will be settled by allocating Bittnet shares to the sole shareholder of Nenos Software, operation to be completed by capital increase. The actual number of BNET shares to be issued shall be determined in accordance with the provisions of art. 210(2) of Law 31/1990 and art. 87-88 of Law 24/2017 on issuers of financial instruments and market operations and art. 174 of FSA Regulation No. 5/2018.

For purchasing 60% in Nonlinear SRL, the price of the transaction is RON 120 and is equal to the face value of the equity interests assigned. Nonlinear in 2020 had a turnover of RON 392,442 and a net profit of RON 115,018, having 4 software developers employed.

Nonlinear in 2021 signed a grant agreement for the development of a digitization product, intended for SMEs and micro-enterprises, which will allow automation of HR, accounting, invoicing processes etc. The product is a no-code platform, in which process automation can be done by employees without programming knowledge. The grant amounts to EUR 1.5mln, with an own contribution of EUR 0.5mln.

By taking over the majority stakes in Nenos Software SRL and Nonlinear SRL, Bittnet is consolidating its position in the software development division, also entering the sector of artificial intelligence.

Nenos Software and Nonlinear were consolidated in the financial statements starting with September 2021.

Global Resolution Experts (GRX) & GRX Advisory (GRX-A)

Global Resolution Experts S.A. (CUI 34836770), owned 60% by Bittnet Systems, is a professional service company in the cybersecurity area, which provides penetration tests, and also design, implementation and maintenance of cybersecurity solutions. It fully owns GRX Advisory SRL (CUI 43813325), with similar services.

The group initially acquired, in December 2021, a 74% stake in the parent company - GRX, and later, at the end of 2021, it attracted a number of individual and legal entity investors, by selling 14% of GRX shares. The price paid for 74% of GRX shares is RON 11,425,600, of which RON 5,150,400 was paid in December 2021 and RON 6,275,200 will be paid with the completion of audit for the financial results of 2021. The selling price for 14% of the shares owned in GRX was RON 3,472,631, amount fully collected in December 2021 - January 2022.

The services offered by GRX are similar to those offered by ISEC: professional services in the cybersecurity area: IT compliance audit, Penetration tests for Web applications and IT infrastructure, for beneficiaries in Romania and the European Union; design, implementation and maintenance of IT management systems and informational security for compliance with ISO27001, ISO9001, ISO20000 standards; design of controls and IT security systems to be implemented (VPN, Antivirus/AntiX, DLP, NAC, IDS/IPS); design of architecture of IT infrastructure technical solutions for the integration of financial information systems in the Public Cloud; design of architecture of IT infrastructure technical solutions for the implementation of complex information systems in the public sector (without participation in the implementation of those solutions by beneficiaries).

GRX and GRX-A were consolidated in the financial statements from 31.12.2021 only at balance sheet level.

The E-Learning Company S.A.

According to the November 2020 mandate of the General Meeting of Shareholders, Group management completed in January 2021 negotiations to acquire 23% of the share capital of The E-Learning Company (ELC).

The E-Learning Company has a portfolio of solutions and various products structured in several directions covering areas such as personal and professional development, communication, sales and negotiation, marketing, human resources, project management, Microsoft Office, finance, English etc.

The total estimated value of the transaction is dimensioned at the amount of RON 1.75 million. Payment to the founders of E-Learning Company will be made in two stages, according to Decision no. 6 of Bittnet EGMS from November 2020, through a mix of cash and BNET shares:

- the first installment of RON 850,000 was fully paid in cash, the amount of RON 450,000 during Q1/2021, and the rest in April 2021. Bittnet management made the decision to fully pay the installment 1 in cash, given that

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in the long period of processing the operation of share offsetting operation to founders of the previous M&A transactions - the acquisition of 25% in Softbinator and 99% in Equatorial Gaming.

- The second installment will be calculated at the beginning of 2022, subtracting the value of the first installment from the transaction price.

The exact price of the transaction and the allocation between cash and compensation by BNET shares will be made depending on the fulfillment of certain profitability indicators that ELC aims to obtain for the financial year 2021. The number of shares for the partial offsetting of the second installment will be determined in accordance with the provisions of art. 210(2) of Law no. 31/1990 and Articles 87-88 of Law no. 24/2017 on issuers of financial instruments and market operations and Article 174 of the FSA Regulation no. 5/2018. As a result of the investment contract, Bittnet has allocated a position in the Board of Directors of E-Learning Company, a position that will be occupied by Ivylon Management SRL through Logofatu Cristian. Bittnet has decided to participate in ELC in order to reach certain minimum profitability limits, which is why, in the coming years, the distribution of dividends will be pursued, so that Bittnet can achieve a return of at least 18% annually provided that ELC to achieve a degree of profitability at least equal to this percentage.

Following Bittnet Systems' entry into the shareholding, the parties also signed a loan agreement by which the Issuer made available to The E-Learning Company the amount of RON 240,000 for financing the working capital for a maximum period of 3 years and an interest of 10 % per year.

The Group's Management

On 29 January 2020, the General Meeting approved the amendment of the company's articles of association in the sense of its administration by a Board of Directors composed of 3 members. The composition of the Board is according to the election results:

- 1) **Ivylon Management SRL** by **Mihai Alexandru Constantin Logofatu**. At the time of drafting this note, Mihai Logofatu holds a number of 57.870.621 shares, representing 12.0454% of the share capital and voting rights. Mihai Logofatu is the co-founder of Bittnet Systems.
- 2) **Cristian Ion Logofatu**, who owns a number of 53.461.971 shares, which represents 11.1278% of the share capital and voting rights. Cristian Logofatu is the co-founder of Bittnet Systems.

Mihai and Cristian Logofatu are brothers, being the co-founders of the Issuer in 2007.

- 3) **Anghel Lucian Claudiu** – independent manager, who holds a number of 1,785,000 shares of the Issuer, i.e. a percentage of 0.82998% of the voting rights.

The operational management of Bittnet Systems is provided by: **Mihai Logofatu** – CEO and cofounder and **Adrian Stanescu** – CFO, together with **Cristian Herghelegiu** – VP for Technologies, who joined the executive team with the acquisition Gecad Net – and **Dan Berteanu**, VP for Education. The 4 persons are identified as key management from the IFRS perspective.

Starting with 2012, after attracting the capital infusion from Razvan Capatina, Bittnet built an **Advisory Board**, composed of people with a special reputation due to their rich entrepreneurial and managerial experience: **Sergiu Negut, Andrei Pitis and Dan Stefan**.

Starting with 2020, the Advisory Board was transformed into the Strategic Development Committee with the same component.

Starting with 2019, Mr. **Herghelegiu** is VP for Technologies and Mr. **Berteanu** is VP for Education.

The Advisory Board meets at least 4 times a year and is presented with internal management reports, and board members assist and guide the Company's management in the strategic decisions.

The experience of the members of the advisory board has been a real support in the development of the Company in the last 4 years and Bittnet continues to rely on their support in the face of new challenges.

NOTA 2. BASIS FOR DRAWING UP THE FINANCIAL STATEMENTS

a) Declaration of Conformity

The Group's financial statements were prepared in accordance with International Financial Reporting Standards adopted by the European Union ("EU IFRS"), and in accordance with OMFP 2844/2016, as amended and supplemented, "for the approval of accounting regulations in accordance with International Financial Reporting Standards".

The consolidated financial statements were prepared on the basis of the historical cost convention and on the basis of the business continuity principle. The consolidated financial statements are presented in RON, which is also the functional currency of the Group.

The financial statements were prepared for information purposes, for the purpose and as a result of admitting the issuer Bittnet Systems SA on the regulated market and do not represent the statutory financial statements of the entity/group.

The main accounting policies adopted in the preparation of the consolidated financial statements are set out at Note 28 "Significant accounting policies".

b) Business continuity

The Coronavirus pandemic posed a serious threat to public health and the Government imposed restrictions on natural and legal persons. The significant development and spread of the coronavirus did not take place until January 2020. The coronavirus was announced as a global health emergency only on 31 January 2020 (when the national governments took action). Considering this, the effects of the coronavirus were considered an event that does not lead to an adjustment of the financial statements (IAS 10) and therefore the associated forecasts and assumptions used in the preparation of the financial statements as at 31 December 2021 did not reflect the changes as a result of the coronavirus outbreak.

Adopted measures

Using the technological solutions in the Dendrio portfolio, starting March 2020, approximately 90% of the Bittnet Group team work from home, without facing with significant disruptions of daily activities. This measure has been taken for an indefinite period. In the event that all 100% of the team members need to work from home, the Group does not foresee any significant administrative impediment in its daily work, and the work schedule will continue almost under the same conditions as the usual schedule.

Impact on businesses

The event that marked the years 2020-2021 is the global pandemic of Covid-19, and the restrictions on movement and activity ("lockdowns") imposed by governments all over the world, affecting badly some industries. This situation could generate a liquidity crisis, as a result of the fears of consumers and companies related to the future recession or economic crisis. Nevertheless, it seems that the monetary measures taken by governments and central banks have given enough confidence to the business environment assuring it that a "credit crunch" is not likely to occur. The group closely monitors liquidity indicators – the conversion of receivables into cash, turnovers with customers and suppliers, etc.

The effects of this general environment are:

- **The escalation of the semiconductor crisis** has significantly affected projects that include hardware components. Although in the first quarter and even the first 6 months of 2021 there were moments of recovery of components (processors/chips) supply flows, since May 2021 this trend has entered a downward spiral (more information: <https://www.bloomberg.com/news/articles/2021-05-18/wait-for-chip-deliveries-increased-in-sign-shortage-persists> and here: <https://www.bloomberg.com/news/articles/2021-08-23/chip-shortage-set-to-worsen-as-covid-rampages-through-malaysia>). When can we consider this situation overcome? Definitely not in the foreseeable future: <https://www.bloomberg.com/graphics/2021-chip-production-why-hard-to-make-semiconductors/>

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- **Human factor pressure** – the global pandemic has introduced a flexibility of who companies contract and interact with employees and collaborators. Increasingly more global projects are delivered with delocalized resources, the geographical location currently having a purely fiscal meaning. Consequently, IT companies in Romania, including the companies in the technology division of the group, are facing an extremely fierce global competition, in a market where qualified workforce is scarce and becomes increasingly mobile.
- The consistent digitization of working processes over the past two years leads to **a significant increase in demand for expertise in the Cybersecurity space**. Given that Dendrio provides a wide range of solutions and services in the cybersecurity area and the fact that as of August 2021 the technology division has started to include other companies with exceptional cyber expertise, such as: IT Prepared, Global Resolution Experts (GRX), or iSec Associates (iSec) – we can consider that at the moment the technology division and the Bittnet group are in an extremely favorable position for the following period.

All considered scenarios imply that the Group will continue its operation, based on the business continuity principle.

c) New standards and interpretations, valid as at 31 December 2021

The European Union has adopted a series of mandatory standards for the year ended 31 December 2021, which have been applied for the preparation of these individual financial statements:

- **IBOR reform and its effects on financial reporting - Phase 2** – In August 2020, the IASB issued amendments to IFRS 9, IAS 39, IFRS 7, IFRS 4 and IFRS 16. These amendments supplement those made in 2019 ("IBOR - Phase 1") and focus on the effects on entities when an existing benchmark interest rate is replaced by a new benchmark rate as a result of the reform.
- **Covid-19-Related Rent Concessions after 30 June 2021 (Amendment to IFRS 16)** - In May 2020, the IASB issued an amendment to IFRS 16 - Covid-19-Related Rent Concessions. This amendment provided a practical opportunity in accounting for the reduction of lease payments on account of COVID-19. The 2020 practical opportunity was available for reductions in lease payments that only affect payments initially due by or before 30 June 2021. On 31 March 2021, the IASB issued the amendment "Covid-19-Related Rent Concessions beyond 30 June 2021", which extended the eligibility period for practical measures from 30 June 2021 to 30 June 2022. This amendment is in force for annual reporting periods beginning on or beyond 1 April 2021. Earlier application is permitted, including in financial statements not authorized for publication on 31 March 2021.

These amendments did not have a significant impact on the financial statements.

New standards and interpretations not applicable on 31 December 2021

There are a number of standards, amendments to standards and interpretations issued by the IASB that are effective in future accounting periods that the Company has decided not to adopt in advance. The most important of these are the following.

The following amendments are valid for the period beginning on 1 January 2022:

- **Annual Improvements to IFRS: 2018-2020 Cycle** - In May 2020, the IASB issued minor amendments to the IFRS 1 First-time Adoption of International Financial Reporting Standards, IFRS 9 Financial Instruments, IAS 41 Agriculture and the Illustrative Examples accompanying IFRS 16 Leasing.
- **Financial Reporting Conceptual Framework (Amendments to IFRS 3)** - In May 2020, the IASB issued amendments to IFRS 3, which update a reference to the Financial Reporting Conceptual Framework without amending the accounting requirements for business combinations. The amendments enter into force for annual reporting periods beginning on or beyond 1 January 2022. Earlier application is allowed.
- **IAS 37 Provisions, Contingent Liabilities and Contingent Assets (Amendment - Onerous Contracts - Cost of Fulfilling a Contract)** - In May 2020, the IASB issued amendments to IAS 37, which specify the costs that a company

includes when assessing whether a contract will produce loss and, therefore, it is recognized as a onerous contract. It is expected that these amendments will result in accounting for more contracts as onerous contracts, as they increase the scope of costs included in the assessment of the onerous contract.

- **IAS 16 Property, Plant and Equipment (amendment - Proceeds before Intended Use)** - In May 2020, the IASB issued amendments to IAS 16, which prohibit a company to deduct from the cost of an item of property, plant and equipment any proceeds from selling items produced while the company is preparing the asset for its intended use. Instead, a company will recognize such proceeds from sales and any related costs in profit or loss.

The following amendments are valid for the period beginning on 1 January 2023:

- **IFRS 17 Insurance Contracts** - IFRS 17 introduces internationally consistent accounting for insurance contracts. Prior to IFRS 17, there was a significant diversity in the accounting and presentation of insurance contracts worldwide, IFRS 4 allowing many previous (non-IFRS) accounting approaches to be followed. IFRS 17 will result in significant changes for many insurers, requiring adjustments to existing systems and processes. In December 2021, the IASB amended IFRS 17 to add a transitional option to address possible accounting discrepancies between financial assets and insurance contractual liabilities in the comparative information presented in the initial application of IFRS 17 and IFRS 9, thereby improving the usefulness of comparative information for users of financial statements.
- **IAS 1 Presentation of Financial Statements (Amendment - Classification of Liabilities as Current or Non-current)** - In January 2020, the IASB issued amendments to IAS 1, which clarify how an entity classifies liabilities as current or non-current. The amendments originally had the effective date of 1 January 2022; however, in July 2020, it was postponed until 1 January 2023 due to the COVID-19 pandemic. These amendments are expected to have a significant impact on many entities, with several liabilities being classified as current, especially those with loan-related conditionalities.
- **Disclosure of accounting policies (Amendment to IAS 1 and IFRS Practice Statement 2)** - In February 2021, the IASB issued amendments to IAS 1, which changed the disclosure requirements for accounting policies from "significant accounting policies" to "information on material accounting policies". The amendments provide guidance on when accounting policy information can be considered material. The amendments to IAS 1 enter into force for annual reporting periods beginning on or beyond 1 January 2023, earlier application being allowed. As the IFRS Practice Statements are non-binding guidelines, no mandatory date for entry into force was specified for amendments to the IFRS 2 Practice Statement.
- **Definition of accounting estimates (amendment to IAS 8)** - In February 2021, the IASB issued amendments to IAS 8, which added to the definition of accounting estimates in IAS 8. The amendments also clarified that the effects of a change in an input or a measurement technique are changes in accounting estimates if they do not result from the correction of prior period errors.
- **Deferred Tax Related to Assets and Liabilities Arising from a Single Transaction (Amendments to IAS 12)** - In May 2021, the IASB issued amendments to IAS 12, which clarifies whether the initial recognition exemption applies to certain transactions that result in both a recognized asset and a liability recognized simultaneously (for example, a lease within the scope of IFRS 16). The amendments introduce an additional criterion for initial recognition exemption in accordance with IAS 12.15, whereby the exemption does not apply to the initial recognition of an asset or liability that, at the time of the transaction, gives rise to equal taxable and deductible temporary differences.

The company is currently assessing the impact of these new accounting standards and amendments.

NOTA 3. ESSENTIAL ESTIMATES AND ACCOUNTING REASONING

The Group makes certain estimates and assumptions about the future. Estimates and reasoning shall be assessed on an ongoing basis on the basis of the historical experience and other factors, including expectations of future events that are considered reasonable in those circumstances. In the future, the real experience may differ from these estimates and assumptions. Estimates and assumptions that present a significant risk of generating a material adjustment to the carrying amounts of assets and liabilities in the next financial year are discussed below.

Essential reasoning

- Income recognition (Note 7) – principal/agent relationship;
- Bittnet brand recognition (Note 16);
- Recognition of the employee/collaborator loyalty program by offering actions - "SOP" (Note 22)
- Investment reclassification Softbinator Technologies from investments accounted for using the equity method to investments at fair value through profit or loss (Note 17)

Estimates and assumptions

- Fair value measurement of financial assets held for sale (Note 17)
- Measurement of the consideration related to the employee/collaborator loyalty program by offering shares – "SOP" (Note 22)
- Measurement of adjustments for impairment of receivables (Note 20)

Except for the measurement of financial assets held for sale, the Group does not hold assets and liabilities included in the financial statements that require the measurement and/or disclosure of fair value.

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NOTA 4. FINANCIAL INSTRUMENTS - RISK MANAGEMENT

The Group is exposed through its operations to the following financial risks:

- Credit risk
- Interest rate risk
- Currency risk
- Other market price risks and
- Liquidity risk.

Along with all other businesses, the Group is exposed to risks arising from the use of its financial instruments. This note describes the objectives, policies and processes of the Risk Management Group and the methods used to assess them. Additional quantitative information on these risks is presented below, in these financial statements.

There haven't been any substantial changes over the reported periods in terms of the Group's exposure to the risks of its financial instruments, objectives, policies and risk management processes or the methods used to assess them in previous periods, unless otherwise specified in this note.

(i) Main financial instruments

The main financial instruments used by the Group, resulting in the risk of the financial instrument, are the following:

- Receivables and loans;
- Cash and cash equivalents;
- Variable rate bank loans;
- Bank loans and fixed-rate bonds;
- Trade payables and other liabilities.

(ii) Financial instruments by category

FINANCIAL LIABILITIES	31 December 2021	31 December 2020
Bond issue loans	24,917,101	29,247,105
Leasing liabilities	1,217,715	4,438,185
Bank loans	10,219,324	12,154,447
Trade payables and other debts	37,345,394	25,008,454
Total	73,699,651	70,848,191
FINANCIAL ASSETS	31 December 2021	31 December 2020
Receivables and loans	33,062,294	29,156,645
Cash and cash equivalents	23,403,197	24,872,655
Total	56,465,491	54,029,300

**(iii)
Financial**

instruments not measured at fair value

Financial instruments that are not measured at fair value include cash and cash equivalents, receivables and loans, trade and other liabilities, bank loans and bonds.

Due to the short-term nature, the book value of cash and cash equivalents, trade and other receivables as well as trade and other liabilities, including loans, is close to their fair value.

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General objectives, policies and processes

The Board of Directors has overall responsibility for determining the Group's risk management objectives and policies and, while keeping the responsibility for them, has delegated the authority for design and operation of processes to ensure the effective implementation of the objectives and policies in the Group's funding function. The Board receives monthly reports from the Group CFO examining the effectiveness of the processes implemented and the adequacy of the objectives and policies it sets.

The general objective of the Board of Directors is to establish policies that aim to reduce risks as far as possible without unduly affecting the Group's competitiveness and flexibility. More details on these policies are given below:

Credit risk

Credit risk represents the risk that the Group's debtors may not meet their obligations at the due date, due to the deterioration of their financial situation. The Group is less exposed to this risk due to the specificity of the products and services sold, which are addressed to companies of certain sizes, with a special financial situation.

The Group analyzes the new customers using specialized tools (sites with specific customer creditworthiness analysis) and has a strict procedure for documenting orders and providing services or delivering goods. As an evidence of this risk management, the Group was not affected in any way by the insolvencies of 2K Telecom or Teamnet International (unlike some of the competitors).

However, the Group has not identified a solution that can completely eliminate credit risk, which is one of the most important risks for a company of our size.

Additional relevant information on trade and other receivables, which are neither due nor impaired, is provided at Note 19.

Cash in bank deposits and short-term deposits

The Group regularly monitors banks' credit ratings and at the reporting date no losses from counterparties' non-performance are expected. For all financial assets for which impairment requirements have not been applied, the book value represents the maximum exposure to the credit loss.

Market risk

Market risk arises from the use by the Group of interest-bearing, tradable and foreign currency financial instruments. There is a risk that the fair value or the future cash flows of a financial instrument may fluctuate due to changes in the interest rates (interest rate risk), foreign exchange rates (currency risk) or other market factors (other price risk).

Interest rate risk

The Group is exposed to the risk that the interest rate might increase, having contracted bank loans and bond issuance, all in RON. Any increase in the interest rate will be reflected by the increase in financial costs. The Group regularly monitors the market situation to forecast the risk associated with the interest rate.

Most of the amounts borrowed currently have fixed annual interest. The weighted cost of the borrowed capital is slightly below 8% per annum. We believe that the next financial period will be a period in which the fact that, for the most part, the price of the borrowed capital has been fixed will constitute a competitive advantage.

	31 December 2021	31 December 2020
Variable interest	10,219,324	12,154,447
Fixed interest	26,134,816	33,685,290
Total	36,344,874	45,839,737

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On 31 December 2021, if the interest rates corresponding to the loans in RON had been by 1% higher/lower, all the other variables being kept constant, the gross profit for that year would have been by 102,193 lower/higher (31 December 2020: 121,544), mainly as a result of higher/lower interest expense on variable rate loans.

Currency risk

An important element of the market risk is the risk of exchange rate fluctuation. The group aims to be neutral against the risk of exchange rate fluctuation. The activities carried out in this respect are:

- The Group avoids as much as possible the submission of "cross currency" sales offers (offers with the sale price expressed in other currency than the purchasing currency);
- If such offers are requested, clauses such as "variation limit" are included;
- All sale prices from the contracts are expressed in a foreign currency and are invoiced in RON at the exchange rate on the delivery date;
- The group does not operate with stocks;

Starting with fiscal year 2018, there was a need to contract financial products to ensure a fixed price for purchasing foreign currency. Several requests for tenders received from customers require tendering in a different currency than the purchasing currency. Thereby, the Group analyzed and tested various financial solutions in this regard.

Once the export activity increases, the Group keeps the collected currency in the initial currency, in order to be able to make the payments directly in the currency of the external partner. This approach allows us to cancel the effect of the exchange rate fluctuation for the open invoices (because the losses recorded by increasing the value of the payment invoices are compensated by the gains produced by the increased value of the owned foreign currency). Especially with Dendrio's acquisition, the estimates collected from Bittnet's customers are more relevant for Dendrio's payments to external suppliers (Dendrio has significant purchases from external suppliers).

On 31 December, the Group's net exposure to foreign exchange risk was as follows (equivalent amounts in RON):

Net financial assets/(liabilities) in foreign currency	31 December 2021	31 December 2020
RON	(15,807,520)	(11,317,916)
EUR	(2,513,343)	(6,242,288)
USD	1,086,702	741,313

Other market risk

The Group holds some strategic equity investments in other companies that complement the Group's operations. The management considers that the exposure to market risk in this activity is acceptable in the circumstances of the Group, but it is much higher than the risk associated with an investment in government securities or stakes in investment funds, mainly due to the volatility and unpredictable evolution of share prices, both on short term and on long term.

The general risks associated with the direct or indirect acquisitions that the Group has carried out or will carry out in the future described under the subsection are fully applicable also with respect to Dendrio's acquisition of the IT&C Integration Activity from Crescendo.

From the perspective of the way the investment was structured, the qualification of an operation between Dendrio and Crescendo as a business transfer, both from a tax point of view and from the perspective of employees' rights (at local and EU level) is essential. However, this qualification depends on a number of aspects that show, among others, the independence and economic identity of the business that has been taken over. The Group's efforts have been and continue to be the identification of the Transferable Elements so that the IT&C integration activity to be taken over from Crescendo maintains these characteristics (independence and economic identity). However, in the event of a dispute which would call into question the qualification of the operation between Dendrio and Crescendo (e.g. with the tax authorities and/or the transferred staff), there is no guarantee that the same assessment will be made by the court concerned.

To the extent that the operation between Dendrio and Crescendo would be removed from the scope of the business transfer, the negative effects may consist of the ineffectiveness of taking over Crescendo's employees, considered, by

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the specificity of the activity taken over, the most important element of the business transfer concerned and/or the incurrance of the obligation to pay VAT by Dendrio to Crescendo (if VAT would not be considered part of the price) in the context of the Business Transfer Agreement, in such case generating a limited liquidity risk for Dendrio.

In addition to the particularities of Crescendo's IT&C Integration Acquisition Structure and relevant documentation, the specifics of the Acquired Activity and the Transferred Items pose challenges for the Group and Dendrio that may decisively influence Crescendo's integration, customer base, expected margins or cash flows, or achieve anticipated acquisition benefits, including expected growth or synergies.

Liquidity risk

Liquidity risk stems from the Group's management of the working capital and financial expenses and main repayments of its debt instruments. There is a risk that the Group will encounter difficulties in meeting its financial obligations as they mature.

It is the Group's policy to ensure that it will always have sufficient cash to enable it to cover its debts at maturity. To achieve this objective, it seeks to maintain cash balances (or agreed facilities) to meet expected requirements for a period of at least 45 days. The Group also seeks to reduce liquidity risk by fixing interest rates (and therefore cash flows) on part of its long-term loans, and this is mentioned in the „interest rate risk” section above.

The following table shows contractual maturities (representing contractual cash flows of financial liabilities):

31 December 2021	Up to 3 months	3 to 12 months	1 to 2 years	2 to 5 years
Bond issue loans	872,768	-	24,044,334	-
Leasing liabilities	157,218	361,453	306,848	314,126
Bank loans	692,574	3,207,749	6,319,001	-
Trade and other liabilities	25,563,783	11,157,475	624,136	-
Total	27,286,783	14,726,677	31,294,318	314,126

31 December 2020	Up to 3 months	3 to 12 months	1 to 2 years	2 to 5 years
Bond issue loans	819,458	70,323	4,451,616	23,905,708
Leasing liabilities	338,976	1,062,489	1,401,465	1,635,254
Bank loans	880,996	6,702,934	2,680,677	1,889,840
Trade and other liabilities	25,008,454	-	-	-
Total	27,047,884	7,835,747	8,533,759	27,430,802

Relevant information on capital

The Group monitors the capital comprising all components of the equity.

The Group's objectives in maintaining capital are:

- protect the entity's ability to continue as a continuing concern so that it can continue to generate profits for shareholders and benefits for other stakeholders; and
- provide an adequate return to shareholders by establishing the prices of the products and services in line with the risk level.

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NOTA 5. EARNINGS PER SHARE

The group presents both the basic earnings per share and the diluted earnings per share:

- the basic earnings per share are calculated by dividing the net profit for the current year attributable to the Group's shareholders by the weighted average number of shares over the period;
- the diluted earnings per share shall be calculated on the basis of the net profit, adjusted by the dilutive effect of the employee's share options.

The earnings per share are adjusted retroactively at the beginning of the first period reported for the increase in the number of shares resulting from capitalization.

The calculation of the earnings per share for the financial years 2020-2021 is presented in the following table:

	2021	2020
Net profit attributable to parent company (A)	13,722,136	895,127
Number of shares - beginning of period	264,431,393	116,203,206
Capitalization of premiums/retained earnings	197,826,961	137,181,546
Shares issued during the period against cash	18,178,550	11,046,641
Number of shares - end of period	480,436,904	264,431,393
Average ordinary shares in the period (B)	474,377,387	458,576,140
Dilutive Effect Shares (SOP)	64,858,982	54,790,185
Total average (C)	539,236,369	495,459,912
Earnings per share		
basic (A/B)	0.0289	0.0020
diluted (A/C)	0.0254	0.0018

NOTA 6. INFORMATION BY BUSINESS SEGMENTS

Reporting by business segments is done in a manner consistent with internal reporting to the main operational decision-maker. The main operational decision-maker, which is responsible for allocating resources and evaluating the performance of business segments, has been identified as the Executive Management that makes strategic decisions.

Bittnet Group operates two key divisions: Education and Technology.

- **Education** - which currently consists of the IT training segment
The trainings provided by **Bittnet** and **Equatorial** allow the access of technology experts by teaching IT skills, from the basic ones (e.g.: Microsoft Office Suite) to the most advanced ones (Cloud, DevOps, Cybersecurity). The business training portfolio includes project management, IT services management, business intelligence, CRM, ERP, Agile etc.
- **Technology** - which is focused on IT integration services, offering integration solutions previously offered by both **Bittnet**, **Dendrio** and **Elia**. This activity has a shared portfolio of products, services and solutions and a larger team that will allow a greater volume of work, both technically and in terms of sales.

Gross margin is the main indicator that Management monitors in evaluating performance in each segment. Also, sales costs are tracked on each segment, while other general and administrative costs have not been allocated.

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OPERATIONAL RESULTS	2021			2020		
	Education	Technology	Total	Education	Technology	Total
Total revenue	14,376,372	101,116,201	115,492,573	12,827,276	96,724,166	109,551,442
Revenues between segments	(193,310)	(2,722,936)	(2,916,246)	(33,173)	(326,509)	(359,682)
Revenues from contracts with clients	14,183,062	98,393,265	112,576,327	12,794,103	96,397,656	109,191,760
Gross margin	7,270,586	17,123,479	24,394,065	7,769,911	13,696,483	21,466,394
Allocated sales costs	(3,922,351)	(5,624,928)	(9,547,280)	(2,305,830)	(5,203,157)	(7,508,988)
Margin, after sales costs	3,348,235	11,498,551	14,846,786	5,464,081	8,493,326	13,957,406
Other revenues	1,256,150	2,830,936	4,087,086			451,828
Unallocated operating expenses			(12,742,934)			(10,053,352)
Financial revenue/expenses			9,869,768			(2,871,638)
Gross profit			16,156,856			1,484,245

ASSETS / LIABILITIES	31 December 2021			31 December 2020		
	Education	Technology	Total	Education	Technology	Total
Investments in non-financial assets	3,095,515	18,995,373	22,090,888	4,345,319	496,554	4,841,873
Assets by segment	21,489,767	83,715,450	105,205,218	19,389,720	57,815,603	77,205,323
Unallocated assets			27,310,857			25,147,338
Total Assets			132,516,075			102,352,661
Debts by segment	16,881,488	50,477,490	67,358,978	5,924,882	56,382,775	62,307,657
Unallocated liabilities			11,251,721			12,398,694
Total debts			78,610,699			74,706,351

NOTA 7. REVENUES FROM CUSTOMER CONTRACTS

Revenues from contracts with customers for the financial years 2020-2021 are detailed in the following table:

	2021	2020
Training services	14,183,062	12,794,103
IT solutions integration services	24,436,315	19,270,712
Revenues from the provision of services	38,619,377	32,064,815
Selling goods integrating IT solutions	32,627,694	35,774,853
Resold licenses	41,329,256	41,352,092
Sale of goods	73,956,950	77,126,944
Total	112,576,327	109,191,760

Training services

Revenues from training services include experts' access to technology through the teaching of IT skills, from basic ones (e.g.: Microsoft Office Suite) to the most advanced ones (Cloud, DevOps, Cybersecurity). The business training portfolio includes project management, IT services management, business intelligence, CRM, ERP, Agile, etc. Bittnet offers a wide range of IT courses. Each course can be held in two flexible ways: intensive (5 days a week, 8 hours a day) or mixed format (2/4/6-hour courses, depending on the client's need). Each student receives access to dedicated equipment, official curriculum, as well as online and offline exams.

Revenues are recognized at a specific time, at the end of the training as a result of fulfilling the execution obligation.

IT solutions integration services

The IT solutions provided by the Group include: general consulting services, IT assessment services, implementation and migration services, maintenance and support services, infrastructure optimization services. The integrator business means the supply of solutions and services, starting with the initial analysis, design, implementation and testing phase that results in turnkey projects for companies with different IT needs.

In general, the revenues are recognized at a specific time, at the end of the implementation as a result of fulfilling the execution obligation.

Revenues from the sale of goods and licenses

Revenue from the sale of goods and licenses is recognized when the customer gains control over the transferred assets.

Revenues from a geographical perspective

Revenues are significantly provided and goods delivered to entities in Romania.

Essential reasoning

The Group has analyzed in the light of the provisions of IFRS 15 whether it acts in its own name („Principal”) in relation to the customers, namely whether it controls the promised goods and services before transferring the good or service to a customer.

Analyzing the merchandise sales contracts (hardware equipment and software licenses), Bittnet Group considers that it has obligations in its own name, and therefore acts as „Principal” and not as an intermediary („Agent”). To reach this conclusion, the Group analyzed the ordering and delivery processes of the equipment and licenses, the moment of transfer of rights by the supplier to the Group and from the Group to the customer, and the occurrence of the risks associated with the control.

Thus, even if the IT equipment or software licenses sold by the Group are produced by other entities, the group's promise to its customers is not to produce those goods, but to deliver them (and often to perform additional activities such as installation, customization, combination, activation, configuration, optimization and maintenance during operation). These are separate services, independently accounted for, but there are obligations that show the Group's control over the products in the delivery flow. Regarding the delivery to the customer, this is performed by the Group – which takes actual possession of the goods (including the software activation keys) and transmits them to the final customer, along with the specific internal activation processes in the intended portals (processes performed by the Group team).

The Group sells the rights over the goods produced by the producers in combination with its own value-added services. These services are „advisory” and “know-how” type ensuring that the solutions sold to the customers meet their requirements and needs. These services are an integral part of the obligations assumed in front of customers, because these services do not offer a separate value to customers, and are not invoiced separately. In conclusion, the Group makes customers a promise to deliver the goods, takes possession and control of them and sets the sale prices, in negotiation processes. The group is free to set prices with customers, even if they have negotiated directly with the producer of the goods certain contracts. Thus, the Group may grant additional discounts, or may request an increase in the price to reflect currency risks, delivery speed, risk of non-collection from the customer, etc. In other words, in the eyes of the customers, the Group is the supplier of the goods, even if they are produced by the producers, the Group being fully responsible for the good delivery of the agreed projects.

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NOTA 8. SALES COST

The sales costs for the financial years 2020-2021 are presented in the following table:

	2021	2020
Selling cost of the goods IT solutions integration	28,295,104	31,397,272
Resold licenses	35,413,419	36,917,416
Other direct materials	237,354	878,855
Cloud services	5,491,123	5,178,219
Staff expenditure	5,005,674	2,779,496
Expenses with collaborators	4,862,242	3,520,004
Services provided by third parties	8,863,767	7,054,104
Total	88,182,261	87,725,366

NOTA 9. OTHER REVENUES

	2021	2020
Autodesk business sale	2,226,195	-
CLC/ISEC debt restructuring	1,384,678	-
Other revenues	461,067	451,828
Total	4,087,086	451,828

Autodesk business sale

A sale-purchase agreement was signed on 30.09.2021 between Dendrio Solutions SRL and GRAPHEIN INTERNATIONAL SRL, on Autodesk business transfer. The price of the agreement is EUR 450,000 and will be collected by Dendrio Solutions in 4 installments, by 2024. The agreement provides for transfer to the buyer (Graphein International) of Dendrio business in relation to the US technology vendor Autodesk, meaning the transfer of ongoing contracts with clients, knowledge transfer and the Gold Partner status. The funds obtained from this transaction will be reinvested in the development of the group's strategic business lines - cloud and cybersecurity - and in potential future M&A transactions in these fields.

Computer Learning Center / ISEC Associates debt restructuring

In September, after registering the new ownership structure of Computer Learning Center and ISEC Associates, the Group contacted the creditors of these companies to restructure their debts, taking into account the new financial position of the two companies recently entered in Bittnet group - concluding one payment agreement for each company.

Under the 2 payment agreements, CLC and ISEC committed to pay immediately 35% of the total amounts owed in exchange for full settlement of the historical debts, thus strengthening their financial position. To this end, Bittnet granted a loan of RON 560,000 to Computer Learning Center and RON 370,000 to ISEC Associates, funds used to make the transfers to CLC and ISEC creditors, according to the agreements.

The one-off revenues achieved by the 2 companies, Computer Learning Center and ISEC Associates, in September 2021, following debt restructuring, were adjusted following the valuation exercise carried out together with an independent valuator in order to determine the fair values on the acquisition date for all assets, liabilities and identifiable contingent liabilities of the acquired companies, values which were initially recognized in the consolidated statement of the Group's financial position.

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NOTA 10. SALES EXPENSES

The sales expenses for the financial years 2020-2021 are presented in the following table:

	2021	2020
Staff expenditure	2,787,996	2,311,008
Expenses with collaborators	4,588,165	3,842,012
Commissions and fees	364,209	216,072
Advertisement	1,806,910	1,139,895
Total	9,547,280	7,508,988

NOTA 11. GENERAL AND ADMINISTRATIVE EXPENSES

The administrative expenses for the financial years 2020-2021 are detailed in the following table:

	2021	2020
Materials	181,709	154,602
Staff expenditure	2,552,953	2,750,240
Expenses with collaborators	3,327,730	3,396,597
Amortization	2,388,267	1,993,939
Headquarters rent	315,136	28,431
Rental of equipment and machines	80,425	128,650
Travel and transportation	81,517	64,635
Insurance	165,673	163,137
Postal and telecommunications	128,730	124,928
Donations	193,845	43,323
Receivables adjustments	46,258	(262,885)
Bank fees	115,231	74,179
Other third party services	2,301,778	957,998
Miscellaneous	766,897	435,579
Total	12,648,079	10,053,352

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NOTA 12. CLASSIFICATION OF EXPENSES BY THEIR NATURE

The classification of total operational expenses, by nature, for the financial years 2020-2021 is detailed in the following table:

	2021	2020
Materials and goods	28,714,167	32,430,729
Resold licenses	35,413,419	36,917,416
Staff expenditure	10,346,623	7,840,744
Expenses with collaborators	12,778,137	10,758,613
Amortization	2,388,267	1,993,939
Cloud services	5,491,123	5,178,219
Rents	395,561	157,081
Commissions and fees	364,209	216,072
Advertisement	1,806,910	1,139,895
Travel and transportation	81,517	64,635
Insurance	165,673	163,137
Postal and telecommunications	128,730	124,928
Donations	193,845	43,323
Receivables adjustments	46,258	(262,885)
Bank fees	115,231	74,179
Services provided by third parties	11,181,053	8,012,101
Miscellaneous	766,897	435,579
Total operating expenses	110,377,620	105,287,705

NOTA 13. FINANCIAL REVENUES AND EXPENSES

Details regarding the revenues and expenses for the financial years 2020-2021 are presented in the following table:

FINANCIAL REVENUES	2021	2020
Interest revenues	103,634	151,350
Investment revenues	2,251,557	-
Revenues from securities valuation	9,736,569	1,168,120
Total	12,091,769	1,319,471
FINANCIAL EXPENSES	2021	2020
Bank interest	520,160	597,233
Factoring costs	19,285	15,869
Interest on issued bonds	2,499,875	2,749,105
Leasing interest	235,850	356,321
Net revenues/expenses exchange rate differences	(279,487)	301,061
Total	2,995,683	4,019,587

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NOTA 14. INCOME TAX

Details regarding the current and deferred income tax for the financial years 2020-2021 are presented in the following table:

	<u>2021</u>	<u>2020</u>	
Current income tax	1,231,616	166,201	
Deferred tax	448,653	260,381	
Total income tax	1,680,269	426,582	
Micro-enterprise tax	50,763	32,629	
Total tax	1,731,032	459,211	
Income tax reconciliation			
	<u>2021</u>	<u>2020</u>	
GROSS RESULT	16,154,893	1,283,082	
Legal reserve	(510,596)	(89,829)	
Non-taxable revenues	(6,540,087)	(839,859)	
Non-deductible expenses	2,976,505	2,552,400	
TAXABLE RESULT	12,080,715	2,905,794	
Income tax (16%)	1,894,619	464,927	
Sponsorship discount	(214,350)	(38,345)	
Total income tax	1,680,269	426,582	Deferred
tax			

Payable and recoverable deferred taxes are valued at the effective 16% tax rate. Payable and recoverable deferred taxes as well as deferred tax expense/(income) recognized in the statement of comprehensive income are attributable to the following items: recognition in the consolidated financial statements of the gain from the valuation of investments accounted for using the equity method, temporary differences in the fiscal recognition of some costs (interest), restatement in connection with the application of IFRS 16 (leasing).

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NOTA 15. GOODWILL

Details on goodwill are presented in the following table:

	31 December 2021	31 December 2020
Positive goodwill - DENDRIO	2,536,315	2,536,315
Positive goodwill ELIAN	348,385	348,385
Positive goodwill - CRESCENDO	14,816,943	14,816,943
Positive goodwill - EQUATORIAL	3,381,334	3,381,334
Positive goodwill - CLC	2,897,125	-
Positive goodwill - ISEC ASSOCIATES	1,159,534	-
Positive goodwill - IT PREPARED	2,532,998	-
Positive goodwill - NENOS & NONLINEAR	4,824,107	-
Positive goodwill - GRX	9,210,936	-
Total	41,705,648	21,082,977

Goodwill calculation:

	Acquisition cost	Net assets at fair value	% ownership	Goodwill
Dendrio Solutions	2,266,254	(270,061)	100%	2,536,315
Elian Solutions	510,000	316,768	51.02%	348,385
Crescendo	16,359,000	1,533,057	100%	14,816,943
Equatorial Gaming	4,646,000	1,066,330	98.99%	3,381,334
Computer Learning Center	866,001	(2,031,124)	100%	2,897,125
ISEC Associates	436,001	(1,030,838)	69.992%	1,157,505
IT Prepared	2,883,421	698,055	50.2%	2,532,998
Nenos Software & Nonlinear	4,985,939	266,344	60.97%	4,824,107
Global Resolution Experts	9,693,544	669,238	60%	9,210,936
TOTAL				41,705,648

Goodwill recognition

For the Gecad acquisition (currently Dendrio), the Management analyzed the "ongoing" contracts at the time of acquisition, meaning that they were signed before September 2017. Taking into account the business typology that both Bittnet and Gecad carry out in the area of activity "IT Integration", the Management appreciated that there are no identified contracts that could have been included in the asset category and generate a significant change in the financial position. In this analysis, we considered the existence of multi-annual contracts, which were about to generate revenues in the financial years 2018 and 2019, but whose gross margin wasn't significant, being rather marketing channels through which the Dendrio team maintains the relationship with customers, or by which it ensures Microsoft partner status. At the same time, the management considered that in both Dendrio and Bittnet cases, the most important part of the business is the ability to generate new projects, to be near the customers when they need them, and the ability to learn new technologies before customers, in order to provide value to the customers by installation, implementation, maintenance.

At the end of 2018, Dendrio took over the IT&C integration activity from Crescendo International, a company with 25 years of experience in Romania and foreign markets. For the business transfer from Crescendo International, Dendrio Solutions paid to Crescendo International the amount of RON 10.9 million and undertook to pay a difference in ratio with the "adjusted average EBITDA achieved by the IT&C integration activity prior to its transfer to the Beneficiary", if the top management team ensures the retention of human resources and commercial relations with the existing

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clients and key suppliers related to the transferred activity, in order to preserve the value of the IT&C integration activity taken over from Crescendo International SRL.

The value of the IT&C integration activity transferred from Crescendo International SRL consists mainly of the related human resources, which also includes a significant component of technical and commercial expertise and experience, and of the commercial relations with the main customers and suppliers, often based even on the relations with the people in the team who served them.

Based on the final financial results of 31.12.2019, the value of the additional remuneration was 1 X EBITDA adjusted average achieved by the IT&C integration activity before its transfer to the Beneficiary, namely RON 5.45 million.

Consequently, the goodwill for this transaction increased from 9.37 million RON to 14.82 million RON.

In August 2020, Bittnet activated the option to convert the loan amounting to RON 1,050,000, granted in 2018 to Equatorial Gaming, the equivalent of 20.1% of the share capital. Also, in August 2020, Equatorial Gaming shareholders approved, under EGMS Resolution of 25.08.2020, the capital increase by in-kind contribution of shareholder Berceanu Daniel, representing the equivalent value of the "Equatorial playground for new habits" brand. Following these operations, Bittnet Systems reached a holding of 38.62% of the share capital of Equatorial Gaming SA.

In November 2020, Bittnet shareholders approved the purchase of a number of registered shares representing 60.3665% of the share capital of Equatorial Gaming SA. The price of the transaction was sized at RON 2,546,000 and, according to EGMS Resolution, it was partially settled in cash and in the form of BNET shares. In the same meeting, the Board of Directors was mandated to establish the percentage between the two settlement modalities. Following these operations, Bittnet Systems reached a 98.99% stake in the share capital of Equatorial Gaming SA.

For the acquisitions completed in August 2021 - Computer Learning Center, ISEC Associates, IT Prepared, Nenos Software & Nonlinear – the Group has carried out a valuation exercise together with an independent valuator in order to determine the fair values on the acquisition date for all assets, liabilities and identifiable contingent liabilities of the acquired companies, values which were initially recognized in the consolidated statement of the Group's financial position.

The goodwill was tested for impairment at the end of the financial year.

NOTA 16. OTHER INTANGIBLE ASSETS

Intangible assets include mainly Bittnet Brand and software licenses.

	Brands	Licenses and other intangible assets	Total other intangible assets
Net value			
On 31 December 2018	5,786,000	639,725	6,425,725
Inputs	666,350	1,978,372	2,628,371
Amortization	-	(233,137)	(233,137)
On 31 December 2019 (corrected)	6,452,350	2,368,610	8,820,959
Inputs	-	1,465,047	1,465,047
Amortization	-	(1,066,639)	(1,066,639)
On 31 December 2020	6,452,350	2,767,018	9,219,368

Essential reasoning - Bittnet Brand (Recognition, Valuation, Registration)

Bittnet brand

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The Bittnet brand was purchased at the end of 2018 from the former owner, at a price equivalent to the value evaluated by an independent evaluator. The assessment was carried out by the discounted cash flow (DCF) method, having as reference a royalty of 5% of the turnover from the training activity, according to the previous licensing contract, the rate that is comparable to the market conditions.

Management has taken into account the fact that the Bittnet Brand is separable, i.e. it may be separated or divided by the entity and sold, transferred, authorized, rented or exchanged, either individually or together with a corresponding contract, asset or liability, and at the same time it has entered the Group's patrimony from contractual or other legal rights, regardless if those rights are transferable or separable from the entity or from other rights and obligations.

The Group controls the Bittnet Brand with the ability to derive future economic benefits from the underlying resource and to restrict others' access to those benefits. The ability to control future economic benefits derives effectively from the legal rights whose application can be upheld in court - according to Copyright Law 8.

Debt remission transaction registration

The debt resulted from the trademark acquisition was remitted to the founders of the company, Mihai and Cristian Logofatu (as sole director and financial director, respectively), subsequently paid by transferring some assets from the founders' personal patrimony to the seller of the trademark.

The management analyzed the debt remittance transaction and concluded that it represents an income and not a capital operation. The transaction was made with the founders of Bittnet Systems as managers, considering the founders' commitment to minority shareholders to bear in their own name the cost for acquiring the brand, thus correcting the error in the past of not being diligent enough to register the brand at State Office for Inventions and Trademarks. The income resulted from debt remittance amounting to 5,786,000 was recognized in the financial year 2018 in the Statement of comprehensive result on the line "Other income".

Equatorial brand

The Equatorial brand was brought as a capital contribution in kind to the capital of Equatorial Gaming by shareholder Berteanu Daniel in August 2020, at a price equivalent to the value assessed by an independent valuator. The assessment was carried out by the discounted cash flow (DCF) method, having as reference a royalty of 5% of the turnover from the training activity, rate comparable to the market conditions.

Management has taken into account the fact that the Equatorial Brand is separable, i.e. it may be separated or divided by the entity and sold, transferred, authorized, rented or exchanged, either individually or together with a corresponding contract, asset or liability, and at the same time it has entered the Group's assets from contractual or other legal rights, regardless if those rights are transferable or separable from the entity or from other rights and obligations.

The Group controls the Equatorial Brand with the ability to derive future economic benefits from the underlying resource and to restrict others' access to those benefits. The ability to control future economic benefits derives effectively from the legal rights whose application can be upheld in court - according to Copyright Law 8.

Essential reasoning - indefinite lifespan

The brands were purchased in a business combination and are the only ones allocated to the business. It has been established that it has an indefinite useful life because there is no intention to abandon the brand name. The group has the ability to maintain the value of the brand for an indefinite period of time. Thus, the mark is not depreciated, but is tested annually for impairment. Because brands do not generate largely independent cash inflows, they are allocated to the group's CGUs to test for goodwill impairment as part of business assets.

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NOTA 17. Tangible assets

Tangible assets mainly include the arrangement of office space and equipment necessary for carrying out operational activities. Movements in property, plant and equipment are shown in the table below

	Spatii inchiriate si amenajari	Instalații tehnice si mașini	Alte echipamente si mobilier	Total active imobilizate
Cost				
La 31.12.2019	5,105,662	3,027,855	744,299	8,877,816
Intrari leasing		64,683	130,691	195,373
Intrări	104,867	1,181,115	7,160	1,293,142
Cedări/Transfer	(42,834)	(178,203)	(680,447)	(901,484)
La 31.12.2020	5.167.695	4.095.450	201.703	9.464.848
Intrari leasing	199.271	771.471	7.280	978.022
Intrări	157.437	264.723	68.035	490.194
Cedări/Transfer	(5.167.695)	(704.762)	-	(5.872.457)
La 31.12.2021	356.708	4.426.882	277.018	5.060.607
Amortizare				
La 31.12.2019	964,330	764,474	406,442	2,135,246
Costul perioadei	922,837	1,421,517	190,815	2,535,169
Cedări/Transfer	(15,782)	(174,771)	(458,431)	(648,984)
La 31.12.2020	1.871.385	2.011.213	138.826	4.021.424
Costul perioadei	381.727	674.759	49.509	1.105.996
Cedări/Transfer	(2.253.112)	(166.214)	-	(2.419.326)
La 31.12.2021	-	2.519.758	188.336	2.708.093
Valoare neta				
La 31.12.2021	356.708	1.907.124	88.682	2.352.514
La 31.12.2020	3,296,310	2.084.238	62.876	5,443,424
La 31.12.2019	4,141,331	2,263,381	337,857	6,742,570

No mortgages or guarantees were made regarding the tangible assets held.

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NOTA 18. SECURITIES

a) Investments accounted for using the equity method

	31 December 2021	31 December 2020
E-Learning Company	1,996,840	-
Softbinator Technologies	-	8,527,500
Total	1,996,840	8,527,500

Equatorial Gaming

The investment in Equatorial Gaming (25%) was accounted for until December 2020 using the equity method from the date it became associated party, respectively in August 2018.

When acquiring the investment, the difference between the investment cost and the entity's share of the value is the net fair value of the company's identifiable assets and liabilities (goodwill) and is included in the carrying amount of the investment. In applying the equivalent/equity method, the financial information was used on August 31, 2018. The share of the profit realized for the remaining period until December 31, 2020 was registered in the statement of comprehensive income.

Equatorial Gaming has been consolidated since December 2020.

Softbinator Technologies

In December 2020, Bittnet Group acquired a 25% stake in Softbinator Technologies, the first investment of the group in a software development company. The investment was accounted for using the equity method from the date it became associated party, respectively in December 2020 and until 30 September 2021. In applying the equivalent/equity method, the financial information was used on December 31, 2020.

The E-Learning Company

In January 2021, the Bittnet Group acquired a 23% stake in E-Learning Company. The investment was accounted for using the equity method from the date it became associated party, respectively in January 2021. In applying the equivalent/equity method, the financial information was used on January 31, 2021.

b) Other financial assets (securities) at fair value

	31 dec 2021	31 dec 2020
Softbinator Technologies	15,270,453	-
Safetech Innovations	632,560	1,459,700
Arctic Stream	1,791,601	-
Chromosome Dynamics	225,270	-
Total	17,919,885	1,459,700

Softbinator Technologies

In December 2020, Bittnet Group acquired a 25% stake in Softbinator Technologies, for the amount of RON 8,127,500, the first investment of the group in a software development company. In December 2020, Bittnet held 22,500 shares, with a nominal value of RON 1/share, out of a total subscribed and paid up capital of RON 90,000, split into 90,000 shares.

Softbinator is a product development company, specialized in the design, development and launch of software products mainly in the fields of Fintech, MedTech/HealthTech and EdTech for customers in Europe, North America and Asia.

Softbinator is involved in the development of software products, web and mobile solutions for digitizing the education process, lifestyle/medical and health, e-payments, e-commerce, online gaming and has ticked in 2020 areas

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unexplored in previous years through digital banking (including crypto), the Internet of Things (IoT), Automotive and it explored a new vertical in e-commerce expertise: marketplaces.

Listing of Softbinator Technologies shares (ticker: CODE)

At the end of August 2021, Softbinator Technologies announced the intention to list on the AeRO market of the Bucharest Stock Exchange (under the CODE ticker) by the end of the year. Prior to listing, Softbinator Technologies also announced its intention to make a private placement to raise capital for the company's international expansion.

In order to carry out the private placement for the sale of shares, as well as in order to be admitted to trading on the AeRO-SMT market of BVB for CODE shares, several pre-placement operations were carried out, as follows:

a) Convening of the General Meeting of Shareholders

The shareholders of Softbinator Technologies decided on 09.09.2021 to reduce the nominal value for Softbinator Technologies shares from RON 1/unit to RON 0.1/unit. As a result of reducing/splitting the nominal value, new shares were issued, to the benefit of the existing shareholders at a 9:1 ratio (nine newly issued shares for each share held on the record date).

Following this operation, Bittnet Systems held 225,000 shares, representing 25% of the 900,000 shares issued by Softbinator Technologies.

b) Share capital increase by RON 10,000

The shareholders of Softbinator Technologies decided on 09.09.2021 to increase the share capital by RON 10,000, amount allocated from the undistributed profit, by issuing 100,000 shares with a nominal value of RON 0.1/unit. The shares were allocated proportionally to the holdings of each shareholder. As a result of the increase, the share capital of Softbinator Technologies reached a subscribed and paid up capital of RON 100,000, split into 1,000,000 shares, and 25,000 new shares were allocated free of charge to shareholder Bittnet Systems, with a nominal value of RON 0.1/share and a total nominal value of RON 2,500.

Following this operation, Bittnet Systems held 250,000 shares, representing 25% of the total shares issued by Softbinator Technologies.

c) Assignment of newly issued shares as treasury shares

The shareholders of Softbinator Technologies unanimously decided on 09.09.2021 that a percentage of 10% of the total number of shares held, i.e. all shares issued and allocated following the capital increase operation described above, should be made available to Softbinator Technologies as treasury shares for the purpose of trading in the private placement. To this end, the shareholder of Bittnet Systems sold to the treasury of Softbinator Technologies a number of 25,000 CODE shares at a nominal value of RON 0.1/unit, for which it received the equivalent value of RON 2,500 - the nominal value.

Following this operation, Bittnet Systems held a number of 225,000 shares, representing 22.5% of the total shares of Softbinator Technologies, and 25% of the voting and profit-sharing rights, taking into account that the treasury shares have no voting rights and cannot receive dividends.

d) Transfer of Softbinator shares

At the end of September 2021, prior to the private placement, Bittnet Systems sold a total of 36,020 Softbinator Technologies shares to various natural and legal persons. The transfer of the shares was made at the maximum placement price (RON 60 per share), outside the capital market mechanisms and represents 3.602% of the share capital and shares of Softbinator Technologies. Following these transactions, Bittnet Systems collected the amount of RON 2.16 million.

Following these operations, Bittnet holds 188,980 shares, representing 18.898% of the total shares of Softbinator Technologies.

e) Private placement process

Within the private placement, a total of 100,000 CODE shares, respectively 10% of the company's share capital (shares assigned by Softbinator Technologies shareholders to the company's treasury as described above), were offered to investors at a price between RON 50 and RON 60 per share. 143 individual and professional investors participated in the placement, and the offering was closed in advance on the first day, amid an oversubscription of almost 8 times,

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the investors placing bids with a total value of over RON 49 million. The final price per share was set at the maximum value in the offering, i.e. RON 60. Following the transaction processing, Softbinator attracted a cash contribution of RON 6 million. Softbinator shares will be available for trading, in the following period, under CODE ticker.

Softbinator Technologies investment reclassification

Following the operations described above, Bittnet Group reanalyzed the classification of the investment in Softbinator Technologies on 30.09.2021.

Therefore, taking into account that at the moment of Bittnet investment in Softbinator one of the essential elements of the operational construction was Bittnet access to the capital market, to support Softbinator's development projects, and this differentiating element disappeared with the direct access of Softbinator to the capital market by conducting the private placement with CODE shares, the Group management made the decision to give up involvement in the management of Softbinator Technologies business and maximize the profit resulting from the remaining shareholding in CODE. Therefore, the 188,980 shares held on 30.09.2021, representing 18.898% of the capital of Softbinator Technologies, will remain in the Group's portfolio for sale in order to maximize the profit in the following period. Also, by the end of the year, the Group will formally give up the position held in the Board of Directors of Softbinator Technologies through Ivylon Management.

Essential reasoning -

From the perspective of IAS 28, the Group analyzed the criteria for exercising significant influence over the entities in which there is a holding, and concluded that it no longer exercises and does not intend to exercise significant influence over Softbinator Technologies:

- a. The Group no longer holds a position on the Board of Directors of Softbinator Technologies;
- b. The Group does not participate in the strategic decision-making process for Softbinator Technologies (including those related to dividend distributions);
- c. There are no significant transactions between the Group and Softbinator Technologies;
- d. The Group and Softbinator Technologies do not have joint management;
- e. There is no essential technical information exchanged between the Group and Softbinator Technologies.

On 30.09.2021, the shareholding in Softbinator Technologies was revalued using as reference price the price of RON 60 per share, equal to the price established following the private placement with CODE shares, an investment oversubscribed almost 8 times. The management of the Group considered that, in a conservative approach, the price established by the private placement represents the fair value of the CODE shares on 30.09.2021.

On 31.12.2021, the investment in Softbinator Technologies shares was revalued using the average trading price on the AeRO market on 30.09.2021.

Safetech Innovations

Measurement at fair value

In October 2020, the Company's management invested in the private placement organized in order to increase the share capital of the cyber security company Safetech Innovations SA. The investment was made within the mandate that the executive management has according to the Articles of Association. During the placement, Bittnet subscribed the maximum possible amount, respectively RON 2,500,000 for all the 625,000 Safetech shares offered (20% of the share capital). Bittnet's intention was to make a significant investment by entering Safetech's shareholding in a percentage relevant to Bittnet and to treat the investment in the same way as the other investment in the Group.

Following the oversubscription of Safetech's offer almost 9 times, Bittnet was informed by the Intermediary (SSIF Tradeville) that a number of 72,895 SAFE shares had been allocated to it, representing 2.3326% of Safetech's share capital, which made the value of the Bittnet investment to amount to RON 291,580.00.

In January 2021, Safetech shares were listed on the AeRO-SMT market under the SAFE trading symbol, at a price approximately 400% higher than that of the private placement. Thus, the value of the Bittnet investment was worth RON 1.5 million right from the first hour of trading.

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In order to revalue the investment in SAFE on December 31, 2020, Bittnet's management calculated and analyzed several market multiples, commonly used to evaluate listed IT companies (EV/Sales, P/Sales, EV/EBITDA, P/E, P/BV), both for Safetech and for the other companies listed in the IT area (apart from BNET), i.e. Life is Hard, Ascendia and 2Performant, as well as other technology companies listed on foreign financial markets.

In all scenarios and from the perspective of market multiples for listed technology companies, both on the Romanian capital market and on other financial markets, from the point of view of valuation multiples, Safetech's share appeared undervalued in relation to the initial subscription price. The company chose the model with the highest degree of prudence, which led to the revaluation of the investment in Safetech Innovations to the value of RON 1,457,900 on 31.12.2020.

On 31.12.2021, the investment in Safetech Innovations shares was revalued using the average trading price on the AeRO market on 31.12.2021.

Arctic Stream

Measurement at fair value

In June 2021, the Company's management invested in the private placement organized before the listing of Arctic Stream (AST) shares on the AeRO-SMT market. Arctic Stream is an IT integrator focused on the technologies of the US manufacturer Cisco Systems, competitor of Dendrio Solutions on this market segment. The investment was made within the mandate that the executive management has according to the Articles of Association and will be submitted for shareholders' ratification in the EGMS of 7 September 2021.

In the private placement, Bittnet subscribed the amount of RON 10 million, the intention being to make a significant investment by entering the Arctic Stream shareholding in a relevant percentage. Following the early closing of the placement on the first day and the massive oversubscription, the offering intermediary informed Bittnet that a total of 74,632 AST shares had been allocated to it, representing 1.78% of the share capital and 1.78% of the voting rights. The investment value in Arctic Stream shares amounts to RON 1,865,800.

On 29.07.2021, AST shares started trading on the AeRO market at a price approximately 40% higher than that of the private placement.

In order to revalue the investment in AST on 30 June 2021, Bittnet's management calculated and analyzed several market multiples, commonly used to evaluate listed IT companies (EV/Sales, P/Sales, EV/EBITDA, P/E, P/BV), both for Safetech and for the other companies listed in the IT area (apart from BNET), i.e. Life is Hard, Ascendia, 2Performant, Safetech Innovations, as well as other technology companies listed on foreign financial markets.

The company chose the model with the highest degree of prudence, which led to the revaluation of the investment in Arctic Stream to the value of RON 2,425,540 on 30.06.2021.

On 31.12.2021, the investment in Arctic Stream shares was revalued using the average trading price on the AeRO market on 31.12.2021.

Chromosome Dynamics

In August 2021, the Group's management decided to invest with Impetum Grup in a company that aims to develop IT and artificial intelligence solutions for customers in the agribusiness industry, according to the partnership announced at the end of 2019. Bittnet's contribution to the share capital of Chromosome Dynamics amounts to RON 150,000 for 1.5% of the shares and 1.5% of the CHRD voting rights, including the share premiums.

Subsequently, Chromosome Dynamics carried out a private placement of shares in order to list on the AeRO-SMT market the Bucharest Stock Exchange, closed in advance. 111,929 CHRD shares were issued within the offering, with a total value of RON 3,357,870, the price being RON 30. The offering reached the success threshold, being supplemented with RON 882,870. The date of the transaction was 04.10.2021, the settlement taking place on 06.10.2021 through the system of the Central Depository. Following the private placement, Bittnet Systems owns 1.22% of CHRD shares and voting rights.

Chromosome Dynamics posted a turnover of almost RON 1 million in 2020 and RON 2.5 million on 30 June 2021; the company develops solutions focused on farmers' needs for process technologization. CHRD is developer of the AGROBAZAR APP, which models the consulting-sale-purchase process in agribusiness, representing a one-stop-shop for farmers in Romania. The app provides farmers with consulting in agribusiness, agricultural machinery and inputs

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- seeds, pesticides, fertilizers, so far having over 10,000 active users. Under the investment agreement, the Bittnet group will have the first option to deliver technology projects with CHRD.

On 31.12.2021, the investment in CHRD shares was revalued by reference to the price per share of the private placement closed in advance. After listing the shares on the AeRO-SMT market, the investment in CHRD will be revalued quarterly as a mark-to-market investment ("held for sale") by reference to the average daily trading price at the end of the reporting period.

NOTA 19. INVENTORIES

Details of inventories are presented in the following table:

	31 December 2021	31 December 2020
Materials	141,505	141,827
Goods	1,043,457	1,015,225
Total	1,184,962	1,157,052

NOTA 20. TRADE AND OTHER RECEIVABLES

Trade and other receivables are presented in the following table:

	31 December 2021	31 December 2020
Customer receivables	27,997,784	27,878,328
Adjustments for customer receivables	(146,675)	(163,918)
Contractual assets	896,235	1,073,832
Related party loans (Note 26)	261,304	54,111
Subsidies	34,456	32,126
Guarantees	111,440	7,483
Other receivables	3,907,661	328,793
Total	33,062,294	29,156,645
Advances to suppliers	159,328	355,134
Accrued charges	963,829	473,450
State budget receivables	500,953	352,966
Total, of which:	34,686,404	30,338,195
Fixed assets	2,041,467	7,483
Current assets	32,644,937	30,330,712

Statement of customers net

receivables per seniority:

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	31 December 2021	31 December 2020
Not due	19,934,444	24,630,115
0-30	1,379,539	1,210,189
31-90	3,046,270	926,676
91-360	3,360,491	879,976
over 360	130,365	67,454
Total	27,851,109	27,714,409
Reconciliation of customer receivables adjustments:		
	2021	2020
1 January	163,918	1,097,569
Adjustments during the period	26,845	-
Cancellation of receivables	-	(670,766)
Adjustments restatement	(41,570)	(262,885)
31 December	143,193	163,918

Significant estimates

Impairment adjustments for trade and other receivables are recognized on the basis of the simplified approach in IFRS 9. In this process, the probability of non-payment of trade receivables is assessed, based on historical experience regarding the non-payment risk. The experience of the previous years has shown that the risk of non-collection is low, with no significant losses in recent years. However, the management estimated and recorded adjustments to the balance of receivables not collected at the end of 2020, as follows: Bittnet Systems – 1% and Dendrio – 0.5%. At the end of 2021, the management estimated and recorded adjustments to the balance of uncollected receivables, as follows: Bittnet – 1%; Dendrio – 0.5%; Elian – 1%; Equatorial Gaming – 0.5%; and IT Prepared – 0.5%.

NOTA 21. CASH SI CASH EQUIVALENTS

Details on cash and cash equivalents are presented in the following table:

	31 December 2021	31 December 2020
Bank in RON	15,044,104	13,091,134
Bank in RON - collateral cash	2,447,440	2,457,955
Bank in foreign currency	5,891,775	9,311,247
Cash in Cash Register	19,878	12,319
Total	23,403,197	24,872,655

Collateral cash deposits

represent restricted cash – guarantee in connection with loans contracted with Procredit Bank.

NOTA 22. CAPITAL AND RESERVES

Details regarding the Group's capital reserves are presented in the following table:

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	31 December 2020	31 December 2020	
Share capital	48,043,690	26,443,139	
Share premium	14,542,953	25,409,965	
Other equity items	(19,082,504)	(19,893,997)	
Legal reserves	773,854	468,943	
Retained earnings	(5,259,605)	(5,932,105)	
Current comprehensive result	13,700,236	895,127	
Total	52,718,624	27,391,072	a) Share capital

The share capital of the parent company Bittnet Systems includes only ordinary shares with a nominal value of RON 0.1/share.

The shareholding structure at each reference date is presented in the table below:

Shareholders and % held	31 December 2021	31 December 2020
Mihai Logofatu	12.05%	13.35%
Cristian Logofatu	11.13%	12.15%
Others	76.82%	74.50%
Total	100%	100%

Increase in share capital by incorporating reserves - July 2021

The share capital was increased by incorporating the reserves and share premiums according to EGMS Resolution no. 2 of April 2021 and the Decision of the Board of Directors of 06.07.2021 and free shares were distributed: 6 new shares for every 10 shares held on the record date - 21 July 2021. The operation was completed in July 2021 with the registration in shareholders' trading accounts of 148,336,965 shares.

Additionally, the share capital of Bittnet Systems was increased by issuing a number of shares free of charge for the benefit of shareholders on the record date (1 free share for every 10 held), according to the EGMS Resolution no. 3 of April 2021 and the BoD Decision of 06.07.2021.

For the shares referred to in point 2, shareholders on the record date - 21 July 2021 - were able to choose online, during 26 July - 3 August, to leave these new shares available for the Company to be used in the incentive programs for key persons, approved in the previous years by the GMS, in this case collecting a cash distribution equal to the nominal value of the newly issued shares.

During the opting period, the Issuer received a number of 325 options, from 325 shareholders representing a total of 167,393,769 voting rights, i.e. 67.70% of the total voting rights of the Issuer. Of the options expressed, 210 shareholders representing 162,611,497 voting rights, i.e. 65.77% of the total voting rights opted for OPTION 1 - i.e. for cash distribution and leaving the newly issued shares at the disposal of the company. The company distributed to these shareholders the amount of RON 1,626,109.60 starting with 4 August, through the Central Depository system, having as payment agent Banca Transilvania.

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The Central Depository allocated, on 10.09.2021, the shares in Section 1 for the shareholders on the record date who opted otherwise than for the cash distribution or did not take any steps during the opting period. At the same time, the Central Depository registered in the Issuer's account a number of 16,261,096 treasury shares.

Regarding the share capital increase operations presented above, the Board of Directors (BoD) issued a Decision on 06.07.2021 to keep the allocation ratio of 7 free shares for 10 held on the record date according to the mandate granted of the General Meeting of Shareholders of 27.04.2021 by EGMS Resolutions no. 2 and 3. This decision was necessary considering that at the date of convening the GMS, the coordinates of the capital increase with the free shares were applied to the entire share capital registered at that time in the records of the Trade Register (ReCom) - RON 28,260,994.30, respectively 282,609,943 shares - values resulting from the processing of capital increase operations decided in August 2020 and December 2020 and registered with ReCom since the end of 2020.

To this end, in order not to disadvantage any of the shareholders on the record date (21 July 2021), or the creditors of the two capital increase operations, so that they received the rights resulting from holding BNET shares on the date of payment of new shares, the Board of Directors decided, according to the mandate granted by the two EGMS Resolutions, to keep the increase ratio established by the EGMS, but applied for the number of shares registered with ASF and the Central Depository (247,228,275 shares). The decision of the Board of Directors of 06.07.2021 was issued according to the mandate granted to the Board of Directors by shareholders in the EGMS of 27.04.2021.

Therefore, in the first phase, a number of 148,336,965 shares were issued (according to the EGMS Resolution no. 2/27.04.2021) which were distributed to all shareholders on the record date, 21 July 2021, in proportion to the shareholdings and in the ratio that was decided by the EGMS (of 6 free shares for 10 held on the record date). The difference of 21,229,001 shares, up to the total of 169,565,966 shares, was distributed to the persons entitled by the Central Depository, considering that ASF issued the registration certificate.

The same principle was applied to the capital increase decided by the Extraordinary General Meeting of 27.04.2021, in point 3, with the mention that those creditors who are shareholders on the record date, 21 July 2021, will be able to choose to leave the newly issued share at the disposal of the Company and to receive in return its nominal value. As such, in the first phase, a number of 24,722,828 shares will be issued, proportionally with the shareholdings of all shareholders on the record date and according to the allocation ratio established by the EGMS: 1 free share for every 10 shares, for which there was a possibility to choose cash distribution of the nominal value or allocation by the Depository. The difference of 3,538,167 shares, to the total of 28,260,995 shares, resulting from the application of the increase ratio for the entire capital registered in the Trade Register records, was allocated to persons entitled by the Central Depository considering that FSA has issued the registration certificate.

FSA registered the operation and the Central Depository processed it, the subscribed and paid-up share capital of the issuer registered with Trade Register, FSA and Central Depository records being RON 48,043,690.40, split into 480,436,904 BNET shares, each with a nominal value of RON 0.1.

Share capital increase, new contributions - February - March 2021

Between January and March 2021, the offer period took place within the capital increase with new cash contributions approved by the EGMS Resolution no. 4 of April 29, 2020. Thus, in Phase 1 – carried out between January 27 and February 25, 2021 - 17,359,142 new shares (95.49% of the total) were subscribed at the price of RON 0.59 per share. The price provided in the offer (composed of the nominal value plus the share premium) was determined according to the EGMS Resolution and the formula approved by it for the share premium: $[(\text{average trading price last 30 days}) / 1.2] - 0.1$.

The shares remaining unsubscribed during the offer period were offered for subscription within a private placement (Phase 2) which was closed in advance due to the high interest and the small number of shares (819,408 shares remaining unsubscribed after Phase 1). According to the law, the price from the private placement was higher than the price from Phase 1, respectively RON 0,60 per share.

During the two phases of the capital increase operation, the 18,178,550 new shares were subscribed, i.e. 100% of the issue, the Company raising a financing amounting to RON 10,733,538.58. Following the subscriptions of the 18,178,550 new shares were allocated in the subscribers' accounts a number of allocation rights (symbol BNETR09) equal to the total number of subscribed shares. The allocation rights entered into Trading within the BVB Regulated

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Market starting with April 10, 2021 after receiving the CIIF and their registration in the FSA records as financial instruments.

Following this operation, the subscribed and paid-in share capital of the Company was increased by the amount of RON 1,817,855 (related to the nominal value of the newly issued shares). The amount of RON 8,915,683.58 (resulting from the decrease of the amount of the increase of the share capital from the entire value of the attracted financing) was registered as issue premiums and will be available, in the future, as reserves. The Company's intention is to also include the issue premiums in the share capital and to issue and allocate free shares in future capitalization operations.

Following the registration of new values of the share capital increased at ReCom, FSA issued the new certificate of registration of financial instruments, and the operation was completed by loading the newly issued shares for trading on 26.03.2021.

Share capital increase by debt conversion - December 2020

Based on the mandate conferred by the EGMS Resolutions no. 4 and no. 5 of 26.11.2020, the Board of Directors signed two share sale-purchase agreements, for the acquisition of shareholdings in Equatorial Gaming and Softbinator Technologies, respectively, and established the settlement share between cash and BNET shares for each of the 2 transactions. Thus, the total amount of investments in the 2 companies is RON 11,073,500, and the Board of Directors decided to pay the amount of RON 4,423,500 in cash and RON 6,650,000 in BNET shares. Following these operations, Bittnet Systems holds a 98.99% stake in Equatorial Gaming and 25% in Softbinator.

In December 2020, the Board of Directors of Bittnet Systems decided to increase the share capital based on the mandate established by the GMS and the provisions of the Articles of Incorporation in the amount of RON 6,650,000 on the receivables held on the Company by the members/shareholders of the two companies, Equatorial Gaming and Softbinator Technologies.

During the capital increase operation, the shareholders of the 2 companies will be allocated shares to the Issuer as follows:

- Daniel Berteanu – co-founder of Equatorial Gaming – 2,717,647 BNET shares
- Diana Rosetka – co-founder of Equatorial Gaming – 736,722 BNET shares
- Daniel Ilinca - founder of Softbinator - 5,784,061 BNET shares
- Andrei Pitis - Softbinator shareholder - 1,446,015 BNET shares

Following the issuance of the 10,684,445 BNET shares, the share capital increased by RON 1,068,444.50, and the equity increased by RON 5,581,555.50 – capital premiums (the difference between the value of the receivable and the value by which the share capital is increased). The value of RON 6.65 million, the receivable held by the sellers on the Issuer, was certified by the extrajudicial accounting expertise report dated 17.12.2020.

The number of newly issued shares was determined in accordance with the provisions of Article 210(2) of Law no. 31/1990 and Articles 87-88 of Law no. 24/2017 on issuers of financial instruments and market operations and Article 174 of the FSA Regulation no. 5/2018. Thus, the number of shares was determined by dividing the receivable at the price of RON 0.6224/share - the weighted average price of BNET shares during the period 13.12.2019 – 16.12.2020. The capital increase is made by raising the right of preference and based on the Decision of the Board of Directors no. 10 of 17.12.2020 and in accordance with the attributions delegated by the EGMS by Decisions no. 3 of 25.04.2018 and no. 1 of 17.12.2018, so that the newly issued shares can be allocated to the holders of the receivable (shareholders of the acquired companies).

The settlement of the 2 transactions through a mix of BNET shares and cash was approved in the EGMS of 26.11.2020, and the reason behind this model was to align the interests of the shareholders of the 2 companies in which Bittnet became a shareholder with Bittnet shareholders. Thus, the shares released as a result of the share capital increase through the conversion of the debt that was uncontested, liquid, and enforceable against the company will be registered by the Central Depository in the global accounts of the 4 beneficiaries – proportionally to the value of the uncontested, liquid, and enforceable debt they hold over the Company.

FSA issued the registration certificate for this operation and the Central Depository processed the allocation of BNET shares to the entitled persons on 21.10.2021.

Share capital increase, new contributions - February - April 2020

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According to the EGMS Resolution no. 2 of April 24, 2019, the increase of the share capital with a number of 11,046,641 common shares offered for subscription to shareholders was approved. The increase operation started in the 1st quarter of 2020, with the trading of BNETR07 preference rights and then with the phase of the public subscription offer based on the preference right.

Thus, in phase I (public offer) – carried out between March 5 and April 3, 2020 - 5,046,928 new shares were subscribed (45.69% of the total) at the price of RON 0.83 per share, of a number of 189 natural and legal person investors.

In Phase II (private placement) the Company offered for sale the 5,999,713 shares remaining unsubscribed at the unit price of RON 0.831. The subscriptions were made by 51 natural and legal person investors.

Share capital increase by incorporating reserves - July 2020

During the two stages of the increase operation, all 11,046,641 shares offered were subscribed, representing 100% of the total issue of new shares, the Company attracting a cash contribution of RON 9,174,711.74.

The share capital was increased by incorporating the reserves and share premiums according to the EGMS Resolution no. 2 of April 2020 and free shares were distributed: 7 new shares for every 10 shares held on the record date. The operation was completed in July 2020.

Additionally, the share capital of Bittnet Systems was increased by issuing a number of 11 million shares free of charge for the benefit of shareholders on the record date (1 free share for every 10 held), according to EGMS Resolution no. 3 of April 2020. Shareholders could choose online to make these new shares available to the Company for use in stock options plans for key persons approved by the GMS, in which case they receive a cash distribution equal to the nominal value of the new share. Following this operation, the Central Depository charged into the company's account a number of 9.2 million shares (registered as treasury shares), and to the accounts of shareholders who did not opt for cash distribution – 2 million shares, according to their option.

b) Share premium

Share premiums were established on the occasion of capital increases and can be used to increase the share capital.

c) Legal reserve

According to Law no. 31/1990, every year, at least 5% of the profit is taken over for the formation of the reserve fund, until it reaches at least one fifth of the share capital. Reserves representing fiscal facilities cannot be distributed with implications on the recalculation of the income tax.

d) Other equity items

Essential reasoning – SOP recognition and measurement

The Group assessed from an IFRS 2 perspective whether payment transactions based on shares with employees (SOP) are settled in cash or by issuing shares.

The Group settles the transactions by issuing to the holders options a number of shares that are equivalent (at market price) to the financial value of the option. The capital increase is made by raising the preference right and based on the Director's Decision.

As a result, although at an intermediate stage the "debt" regarding the settlement of the SOP is assessed, the economic substance of the transaction is that they are settled in shares. Therefore, the Group recognized SOP transactions as settled in shares, and recognized and assessed the services received in the Statement of comprehensive income and the corresponding increase directly in equity.

Transactions with employees and other employees providing similar services were valued at the fair value of the capital instruments provided, as it was usually not possible to reliably estimate the fair value of the services received.

Significant estimates - SOP measurement

The measurement of the fair value at the date of granting (according to IFRS 2) - the date of approval by the EGMS of each plan – is performed using the Black - Scholes model, using as values for the model:

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- spot price on the GMS date, i.e. adjusted average price for splits at t-1
- strike price (at the reference date) according to each plan
- volatility, according to the analysis of the daily price of BNET shares, adjusted for splits
- risk-free interest rate, i.e. ROBOR 12M published at t-1
- the number of shares of the company from the date of granting
- dilution percentage in the Stock Option Plan

The full value of each plan is recognized in costs over the course of each plan.

SOP 2018

By the BoD Decision no. 7/18.08.2020 the Board of Directors of the Company decided to increase the share capital by issuing a number of 24,697,223 ordinary, registered, dematerialized shares, of equal value and with a nominal value of RON 0.1 each, on account of the receivable held on the Company by the stock option holders ("Key Persons") in compliance with the Incentive Plan for Key People - Stock Option Plan approved by EGMS Resolution no. 12 of 25.04.2018 and stock option contracts and subsequent addenda - hereinafter referred to as "SOP 2018" or "SOP".

The share capital thus increased by the amount of RON 2,469,722.30, and the equity increased additionally by the amount of RON 11,758,361.13 – share premiums. According to the incentive plan - SOP2018 - a total number of 47 persons received the right, without having the obligation, to purchase from the Company shares at a price per share equivalent to a capitalization of the Company as of 31.12.2017. During the period 10.05.2020 - 10.06.2020 (maturity of the stock option), the key persons exercised the stock option, the Company having the alternative to purchase again shares on the market or to operate a capital increase by issuing to the holders of stock options a number of shares to equate (at market price) the financial value of the stock option for stock option holders. The value of the option, which is the receivable from the Company, was certified by the extrajudicial accounting expertise report dated 17.08.2020.

The number of newly issued shares was determined in accordance with the provisions of Article 210(2) of Law no. 31/1990 and Articles 87-88 of Law no. 24/2017 on issuers of financial instruments and market operations and Article 174 of the FSA Regulation no. 5/2018. Thus, the number of shares was determined by dividing the receivable at the price of RON 0.5761/share - the weighted average price of BNET shares during the period 14 August 2019 – 14 August 2020.

The capital increase is made by raising the right of preference and based on the Decision of the Board of Directors no. 7 of 18.08.2020 and in accordance with the attributions delegated by the EGMS by Decisions no. 3 of 25.04.2018 and no. 1 of 17.12.2018, so that the newly issued shares can be allocated to the holders of the receivable (as a result of SOP2018).

The operation was completed by the issuance of the registration certificate by the Financial Supervisory Authority and the Central Depository allocated the shares issued in the global accounts of the key persons on 21.10.2021.

SOP 2019

By the EGMS Resolution no. 4 of 24.04.2019 Bittnet shareholders voted a stock option plan for key persons with a duration of 2 years, amounting to a maximum of 5% of the total shares of the Company. The maturity of the options was in May-June 2021, so that the key persons included in SOP2019 had the right (not the obligation) to purchase shares of the Issuer at the price related to the stock market capitalization from 31.12.2018.

29 key persons exercised the option to purchase a total number of 9,072,821 BNET shares at the price of RON 0.224084401 per share. Following this operation, the Company registered a receivable in relation to the key persons in the amount of RON 2,033,080. The number of options exercised (9,072,821) represented 3.6698% of the Company's capital at the date of implementation.

The method of settling the incentive program with options in this way is a first and could be implemented due to the treasury shares registered in the Company's account in December 2020. These shares were acquired by the Issuer following the implementation of the EGMS Resolution no. 3 of April 2020 and the special option procedure carried out last summer. Through this, the shareholders on the record date of 21 July 2020 could choose to receive the nominal value of the newly issued share and thus leave the share at the disposal of the Issuer for the implementation of the incentive programs for the key persons.

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SOP 2020A

By EGMS Resolution no. 3 dated January 29, 2020 the following were voted:

- Including in the key persons' stock options plan, with a number of options equal to 0.5% of the total number of shares, annually, of each member of the Board of Directors, with the exception of the Chairman of the Board of Directors; and
- Including in the key persons' stock options plan, with a number of options equal to 0.75% of the total number of shares, annually, of the Board of Directors, with the exception of the Chairman of the Board of Directors.

SOP 2020B

Additionally, by EGMS Resolution no. 5 dated April 29, 2020, the Company's shareholders voted a stock option plan for key persons with a duration of 2 years, amounting to a maximum of 5% of the Company's total shares.

SOP 2021

By EGMS Resolution no. 5 dated April 27, 2021, the Company's shareholders voted a stock option plan for key persons with a duration of 2 years, amounting to a maximum of 5% of the Company's total shares

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NOTA 23. BONDS

Details of bond issues loans are presented in the following table:

	31 December 2021	31 December 2020
BNET22	-	4,451,616
BNET23	4,661,869	4,647,795
BNET23A	9,540,798	9,491,246
BNET23C	9,841,667	9,766,667
Accrued interest	872,768	889,781
Total, of which:	24,917,101	29,247,105
Long-term part	24,044,334	28,357,324
Short-term part (interest)	872,768	889,781

The Group conducted in 2016, 2017 and 2018 offers of bonds with maturities in 2019, 2022 and 2023, obtaining from the capital market a 'binding' financing of over 30 million RON (all issues are listed on BVV).

BNET22

During August 28-September 8, 2017, Bittnet conducted another offer for the sale of bonds through private placement according to the EGMS Resolution No. 5 of April 26, 2017. 45,000 bonds with a nominal value of RON 100 each were subscribed, which brings the amount attracted within the BNET22 issue to RON 4.5 million. Each bond bears a fixed interest rate of 9% p.a. and the repayment of the principal will be made in September 2022. Subscriptions were made by 19 natural person investors. BNET22 bonds were admitted to trading on the Bucharest Stock Exchange Bonds-ATS market on November 21, 2017.

On April 2, 2021, Bittnet Systems notified the Market of the Decision of the Board of Directors dated 01.04.2021 to exercise the callback option for the early and full redemption of the BNET22 corporate bond issue. According to the Memorandum of Admission to trading on the SMT-Bonds market of BVV, the redemption price of the BNET22 issue was 100% of the nominal value, and the record date for identifying the bond owners whose instruments were redeemed was 06.05.2021. The effective payment date of the sums of money was set at 13.05.2021. Also, according to the BVV Code, the BNET22 bonds were suspended from trading starting with 05.05.2021, and the last BNET22 trading session was 04.05.2021. The redemption value of the BNET22 issue included interest as a coupon fraction calculated for a number of days equal to the time interval from the date of payment of the last full coupon (Coupon 14 of 15.03.2021) to the date of actual payment of the nominal value of the issue redeemed, i.e. until 13.05.2021 inclusive. The management of the Company has made the decision of early redemption of the BNET22 issue in order to reduce the financial interest expenses.

BNET23

On July 4, 2018, Bittnet successfully completed the third private placement of corporate bonds in the history of the Company. Bittnet attracted an investment of 4.7 million RON in the private offer, which took place between June 26 and July 4. Most of the borrowed capital was used to acquire a 51% stake of Elian Solutions and 25% of Equatorial Gaming, and the rest is used as working capital.

BNET23 bonds have a nominal value of RON 100, a maturity of 5 years and an annual interest rate of 9%, payable quarterly. The placement was subscribed by 32 natural persons, 1 legal person and 3 open-end investment funds. Due to the increased interest, the offer was closed 9 days before the end of the subscription period, which was initially set for 13 July.

In accordance with the resolution of the Extraordinary General Meeting of Shareholders of 25 April 2018, BNET23 bonds entered trading in November 2018 on the AeRO ATS-Bonds market operated by the Bucharest Stock Exchange, under the BNET23 symbol.

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BNET23A

On December 27, 2018, Bittnet successfully closed the fourth private placement of corporate bonds and the second in 2018. Following the private placement of BNET23A, the Group obtained the amount of RON 9,703,700 from 20 natural person investors and one legal person investor. Within the process, 21 transactions amounting to a total of 97,037 registered, dematerialized, corporate, non-convertible, unsecured bonds with a nominal value of 100 RON/bond were settled through BVB mechanisms (POFBX market).

BNET23A bonds have a maturity of 5 years, a fixed interest rate of 9% per year, payable semi-annually and the allocation date was 28 December 2018. The Group used the amounts attracted within the BNET23A issue to finance the IT&C business transfer from Crescendo International SRL and its integration into the Bittnet Group structure, as approved by the Extraordinary General Meeting of Shareholders on 17 December 2018 and the investment contract described in the Current Report 22/15.10.2018.

The BNET23A bond issue entered into trading on the ATS-Bond market of the Bucharest Stock Exchange on February 18, 2019.

BNET23C

Between 14 and 18 January 2019, the company carried out a private investment by which it carried out the 5th bond issuance - BNET23C, by which it attracted subscriptions in the total amount of RON 10,000,000, which represents 100,000 bonds, the maximum value of the BNET23C issue, in accordance with the Decision of the Sole Administrator and the Tender Document and according to the Extraordinary General Meeting of Shareholders Decision of 25 April 2018. BNET23C bonds are nominative, dematerialized, corporate, non-convertible and unsecured. BNET23C bonds have a nominal value of RON 100, a maturity of 4 years, and a fixed interest of 9% per year, payable semi-annually. The syndicate of intermediation for sale consisted of S.S.I.F. Tradeville S.A. and S.S.I.F. Goldring S.A. The attracted investment is used to finance the working capital and current activity of the Bittnet Group. BNET23C bonds are tradable on the AeRO market starting with 17 April 2019.

NOTA 24. BANK LOANS

Details regarding bank loans are presented in the following table:

	31 December 2021	31 December 2020
ProCredit LT loans	4,400,494	7,227,824
ProCredit line 4.5 mln	4,449,384	4,500,000
ING overdraft 2mln.	1,080,099	51,151
Raiffeisen (IMM invest)	375,472	375,472
Total, of which:	10,210,058	12,154,447
Long-term part	6,327,926	4,570,517
Short-term part	3,882,132	7,583,930

The group's bank lending structure is mainly made up of revolving overdrafts aimed at short-term financing of specific projects. On the date hereof, the group has loans and overdrafts to finance the current activity worth around RON 11 million at ProCredit Bank, ING Bank and Unicredit Bank and a non-cash limit for the issuance of letters of bank guarantee of RON 2,3 million at Banca Transilvania.

ProCredit Bank

In February 2020, Bittnet Systems transformed the loan product worth 2,790,000 contracted also with ProCredit Bank from revolving overdraft into a loan with monthly principal and

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interest reimbursements. The new maturity of the loan was set for a period of 36 months, and the interest rate remained unchanged, ROBOR3M+2.5%.

In December 2020, the company informed the shareholders about the signing of a bank loan agreement by Dendrio Solutions (a company belonging to the Bittnet group) with ProCredit Bank. The total value of the facility is RON 5,000,000 and the destination of the loan is to finance the working capital and the current activity of Dendrio Solutions. The maturity of the product is 36 months and the interest rate is ROBOR3M+3% per year. The guarantee established for this lending product was: cash collateral deposit 10% of the value.

The addendum for the extension of the credit line - revolving overdraft worth RON 4.5 million - contracted by Dendrio Solutions from ProCredit Bank in July 2019 was signed on 23.07.2021. The extension was made for a period of 24 months and under the same conditions as the initial loan agreement. The interest rate remained ROBOR3M+2.4% p.a., and the destination of the product is financing the working capital and current activity of Dendrio Solutions.

ING Bank

In November 2018, the Group concluded an overdraft revolving financing contract with ING Bank Amsterdam, Bucharest Branch worth 2,000,000 RON, with an interest rate of ROBOR1M+2.9% per year and a maturity of 1 year, with the possibility to extend it. The loan will be used to finance the working capital and current activity of Dendrio Solutions SRL. There were no shootings until December 31, 2018. The facility is available to Dendrio Solutions for financing working capital and current activity.

In October 2019, the Group extended the overdraft granted by ING Bank NV Amsterdam - Bucharest Branch for a period of 12 months and under the same conditions as the initial agreement.

In January 2020, the Group extended the credit facility for an additional period of 7 months.

The addendum for the extension of the credit line - revolving overdraft worth RON 2 million - contracted by Dendrio Solutions from ING Bank in November 2018 was signed on 16.08.2021. The extension was made for a period of 12 months - until August 2022 - under the same conditions as the initial loan agreement. The interest rate remained ROBOR1M+2.9% p.a.

Banca Transilvania (BTRL)

In December 2018, Bittnet contracted a credit cap banking product from Banca Transilvania for Dendrio Solutions SRL. The total value is RON 1,000,000, for a period of 15 months and allows quick access to the following facilities: corporate credit line; issuance ceiling for various types of non-cash LBG (letters of bank guarantee, participation in tenders, performance letters, guarantee of payment to suppliers, refund of advance payment etc.). Interest on this facility is composed of: ROBOR3M+3.8% and is calculated on the amount actually used. The Group intends to use this banking product to no longer immobilize own cash for the issuance of LBGs and to unlock existing such guarantee instruments.

In November 2019, the Group signed a factoring agreement with Banca Transilvania for invoices discounting in the commercial relationship with a customer in the telecom industry. The contract has the following coordinates: Type of banking product: factoring cap without regression for the advance payment of receivables; Maximum financing cap: RON 3,000,000, Percentage coverage: 100% of the invoice value, Interest: 1.5%+ROBOR1M per year, calculated on the value of projects, Validity: 16 months with extension possibility.

The company informed the investors, on 10.11.2021, about the extension of the loan agreement between Dendrio Solutions and Banca Transilvania (contracted in December 2018) for the ceiling for issuing letters of bank guarantee and also the supplementation of the maximum use limit up to RON 2,300,000, in the following conditions:

The product, of corporate credit line type, will have a validity of 24 months with the possibility of extension. The destination of the ceiling is for the issuance of all types of bank guarantees in the national currency (letters of bank guarantee for good performance of contracts, for participation in bidding procedures, payment guarantee for suppliers, refund of advance etc.) and the interest is ROBOR6M + 5.6% per year applied to the balance used.

The guarantees constituted: pledge on the Dendrio Solutions accounts opened with Banca Transilvania and sole partner surety Bittnet Systems SA.

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Dendrio Solutions will use this banking product to avoid immobilizing its own cash in order to issue letters of guarantee and, where appropriate, to unlock cash from guarantee instruments that have required, in the past, the blocking of its own cash.

Unicredit Bank

In February 2021, Elian Solutions extended the revolving-overdraft facility contracted from Unicredit Bank and increased the available ceiling to the value of 800,000 lei. Facilitated maturity: 12 months with the possibility of extension; Interest: ROBOR3M + 3% p.a.; Guarantee structure: movable mortgage on current accounts opened with Unicredit Bank, general assignment of receivables, Corporate guarantee letter issued by Bittnet Systems SA.

Raiffeisen Bank

In August 2020, Equatorial Gaming contracted a credit facility from Raiffeisen Bank through the government program IMM Invest in a total amount of RON 495,000. The loan interest is ROBOR3M+2.5% per year and the maturity is 36 months.

NOTA 25. LEASING LIABILITIES

The Group has concluded long-term operating leases for technical equipment having as final terms 2021-2024.

	31 December 2021	31 December 2020
Short-term part	540,786	1,401,465
Long-term part	676,929	3,036,719
Total	1,217,715	4,438,185

Reconciliation of leasing liabilities and use rights recognized as a result of the application of IFRS 16 is presented in the following tables:

Leasing liabilities	Spaces	Equipment	Cars	Total
On 01 January 2020	3,700,000	1,040,643	427,950	5,168,592
Inputs	-	210,127	191,995	402,121
Interest and exchange rate differences	233,787	169,165	72,635	475,587
Leasing payments	(849,024)	(432,778)	(326,314)	(1,608,115)
On 31 December 2020	3,084,763	987,157	366,234	4,438,185
Inputs	-	257,962	149,377	407,339
Outputs	(2,775,458)	-	-	2,775,458
Interest and exchange rate differences	60,160	46,702	24,726	131,588
Leasing payments	(369,464)	(405,772)	(208,702)	(938,938)
On 31 December 2021	-	886,049	331,665	1,217,715

Rights of use	Spaces	Equipment	Cars	Total
On 1 January 2020	3,459,012	1,003,756	432,040	4,894,808
Inputs	-	210,127	191,995	402,121
Amortization	(754,694)	(345,707)	(243,813)	(1,344,213)

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On 1 January 2020	2,704,319	871,188	427,571	4,003,078
Inputs	-	257,962	149,377	407,339
Outputs	(2,389,863)	-	-	(2,389,863)
Amortization	(314,456)	(432,158)	(160,581)	(907,195)
On 31 December 2021	-	696,991	416,367	1,113,358

NOTA 26. TRADE AND OTHER LIABILITIES

Trade and other liabilities are detailed in the following table:

	31 December 2021	31 December 2020
Suppliers	23,773,616	24,337,554
Employee debts	630,887	363,152
Other liabilities	1,041,662	307,748
Shareholding acquisition debts	11,781,611	-
Provision	127,001	63,500
Total financial liabilities	37,354,776	25,008,454
Advances to customers	1,027,567	371,401
VAT	1,650,290	1,577,553
Other budget liabilities	569,100	192,327
Deferred income	1,359,490	1,595,678
Total, of which:	41,961,224	28,745,411
Long-term debts	624,136	-
Current debts	41,337,088	28,745,411

NOTA 27. INFORMATION REGARDING THE RELATION WITH RELATED PARTIES

Details on balances and related party transactions are set out below.

The remuneration paid to Key Management (identified in Note 1) is as follows:

	2021	2020
Management contracts	715,116	839,317
SOP expenditure	553,977	697,223
Total	1,269,093	1,536,540

As at December 31, 2021, the debts related to the management contracts are in the amount of RON 62,093 (December 31, 2020: RON 52,093)

Receivables and loans	31 December 2021	31 December 2020
E-Learning Company – loan	240,000	-
E-Learning Company - interest	21,304	-
Total	261,304	-

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The loan to The E-Learning Company was granted for the financing of the working capital for a maximum period of 3 years and with an interest rate of 10% per year.

NOTA 28. CONTINGENT LIABILITIES

a) Protection of personal data

In the course of its work, the Group collects, stores and uses data that is protected by personal data protection laws. Although the Group takes precautions to protect customer data, in line with legal privacy requirements, there may be data leaks in the future. In addition, the Group works with suppliers or third parties acting as trading partners who may not fully comply with the relevant contractual terms and all data protection obligations imposed on them.

Unanticipated IT issues, system deficiencies, unauthorized access to the Group's IT networks or other deficiencies may result in the inability to maintain and protect customer data in accordance with applicable regulations and requirements and may affect the quality of the Group's services, as well as compromise the confidentiality of its customer data or cause service disruptions, resulting in the imposition of fines and other penalties.

Also, with the entry into force of the General Data Protection Regulation (EU) 2016/679 (GDPR), on 25 May 2018, the Group is subject to its personal data processing requirements, whose non-compliance may entail several types of sanctions, including fines of up to 4% of the overall turnover or up to 20 million EUR (whichever is higher); in addition, if they have suffered damage, data subjects may obtain compensation covering the amount of such damage and their rights may also be represented by collective bodies.

b) Risk associated with changing legislation and taxation in Romania

Changes in the legal and fiscal regime in Romania may affect the economic activity of the Company. Changes related to the adjustments of the Romanian legislation with the regulations of the European Union may affect the legal environment of the Group's business and its financial results. The lack of stable rules, legislation and cumbersome procedures for obtaining administrative decisions may also restrict the future development of the Company. In order to minimize this risk, the Group regularly reviews changes to these regulations and their interpretations.

Considering that the legislation increasingly leaves to the discretion of the fiscal body the interpretation of the application of the tax rules, in conjunction with the lack of funds to the state budget and the attempt by any means to bring these funds, we consider this risk a major one for the company, because it cannot be addressed in any way in a real and constructive preventive manner. The Group considers that it has paid all its fees, taxes, penalties and penalty interest on time and in full, as far as appropriate. In Romania, the fiscal year remains open for verification for 5 years.

c) Transfer pricing

In accordance with the relevant tax legislation, the tax assessment of a transaction with affiliated parties is based on the market price concept related to that transaction and the arm's length principle. Based on this concept, transfer prices must be adjusted to reflect market prices that would have been established between entities between which there is no affiliation relationship and which act independently, based on „normal market conditions”.

The taxpayers conducting related party transactions are responsible to prepare transfer pricing documentation, which must be submitted at the request of the tax authorities during the tax inspection. Thus, it is likely that the transfer pricing checks will be carried out in the future by the tax authorities, in order to determine whether the respective prices comply with the "normal market conditions" principle and that the Romanian taxpayer's taxable base is not distorted.

d) Disputes

In the context of day-to-day operations, the Group is at risk of litigation, inter alia, as a result of changes and the legislation development. In addition, the Group may be affected by other contractual claims, complaints and disputes, including from counterparties with which has contractual relations, customers, competitors or regulatory

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authorities, as well as by any negative advertising it attracts. The Group management considers that these disputes will not have a significant impact on the Group's operations and financial position.

Dosar 30598/3/2021 - litigation Bucharest Mall Development and Management

During 2021, the Group became aware of the existence of the file 30598/3/2021 on the role of the Bucharest Tribunal, in contradiction with the owner of the former office space - Bucharest Mall Development and Management S.R.L. ("Anchor" or "Owner"). During February 2022, the Group (or "Tenant") took note of the contents of this file and the value of the claims, as follows:

- i) 267,214.96 ron representing rent, tax on services and utilities;
- ii) 100,109.95 ron representing delay penalties related to the main amount; and
- iii) 3,632,709.91 ron representing compensatory damages.

Taking into account the approval given by the GMS of September 2021 regarding the extension of office space and classrooms, in order to accommodate the team to be resulting from the M&A operations already carried out, plus those that have been approved to be carried out in the next 3 years, the Group exercised, art. 4.1 of the Contract, the option to extend the Space with an additional area of 3,500 sq m of office space, unfragmented and on the same floor as the existing Space "inside the Building or in another building owned by the Owner or another company in his group (to benefit from similar commercial and technical conditions - ie to be a Class A office building and to be located within walking distance of a metro station) ", based on the notification sent to the Owner on 10.12.2020.

According to the contractual provisions mentioned above, "The tenant will notify the Landlord of the need / intention to extend the Office Space, if applicable, 4 (four) calendar months prior to May 2021". By the reply communicated by email on 12.01.2021, the Owner informed the Group of the following: i) does not have a free area to rent of the requested size, but a small area, respectively 2,563.14 sqm of which only the area of 1,495.61 sqm has a certain availability, the difference of 1,067.53 sqm having an uncertain situation, respectively its availability is conditioned by the waiver (unlikely, as it results from the communicated answer) of its use by another tenant; ii) the availability of the space differs, there being a gap of 3 months between the space available on the same floor (with an area of 1,495.61 sqm) and the one located on a different floor (1,067.53 sqm); and iii) the proposed area is offered in other commercial and / or technical conditions than those on the basis of which the use of the existing space has been agreed (i.e. another duration, the need to bear some redevelopment costs, etc.).

On 18.01.2021, the Owner sent to the Group the Notification regarding the technical and commercial proposal for the extension of the space, in accordance with the information previously communicated by email from 12.01.2021. Consequently, the conditions for unilateral termination of the contract were met, as notified by the Group on 27.01.2021. In correspondence between the parties prior to the filing of the lawsuit, Anchor challenged the Group's unilateral termination notice, and appreciating the Contract as in force, continued to issue invoices after the termination of the Contract by unilateral termination.

The Group maintained and confirmed its position, refusing to pay the invoices issued after the termination date by termination, in the absence of a contractual relationship. By the Notification dated April 23, 2021, the Group requested Anchor to deduct the remaining amounts of rent payment until the date of termination of the contract as a result of the unilateral termination by Tenants (ie the remaining amounts of rent payment for March - May 2021) with the Guarantee provided by the Renter according to Annex 5 to the Contract, as increased by the Additional Act no. 2 / 14.01.2019 to the Bank Guarantee Letter no. 246 / 12.06.2017. On 4 August 2021 the applicant submitted her own notice of termination of the contract, invoking the tenant's guilt for non-payment of the bills, at the same time claiming compensatory damages under the criminal clause. Also, on 1.09.2021, Anchor executed the Guarantee provided by the Tenants according to Annex 5 to the Contract. On 23.09.2021 the Group notified the Owner that the Notice of Termination sent on 04.08.2021 is devoid of purpose, given that the respective Contract was already terminated as a result of the Unilateral Termination Notice sent by the Group on 27.01.2021 , and Bittnet's unilateral manifestation of will, which is unquestionable and firm in the sense of denunciation, is sufficient to have effect and shall be lawful and irrevocable from the date of its communication.

Therefore, the court will have to clarify the date and manner of termination of the Contract, respectively either on May 27, 2021 based on the unilateral termination by the Renter, or on August 4, 2021 based on the termination invoked by the Owner, following that the material claims are the subject of the present action to be settled in accordance with the decision of the court to that effect. The case is in the process of regularization, the Group being within the deadline for filing / filing a counterclaim and, most likely, a counterclaim. Given that at the present date

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(March 2022) the litigation is at a very early stage (regularization of the application), the complexity of the evidence to be proposed and administered in the case (documents, interrogations, testimonial evidence and expertise), and the relative duration long estimated for its completion (at least 2 or 3 calendar years), the Group's management considers premature any evaluation of the chances or procedures, in the sense of establishing provisions that would affect the results of 2021.

e) Environmental aspects

The implementation of environmental regulations in Romania is in the development phase and the application procedures are reconsidered by the authorities. Bittnet's professional activity has no impact on the environment. Acting in the field of 'services', our activity consists of acquiring knowledge and transferring it to customers, either during training courses or through consultancy, design and implementation services.

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NOTA 29. COMMITMENTS

ONE Cotroceni Park lease signing

The Bittnet group had its place of business in 26 Timisoara Blvd., the Plaza Romania Offices, as of 2017. The space was contracted in 2017, when the need for an office space was assessed, taking into account the situation at the time and the growth prospects. These prospects were accelerated with the investments in Elian Solutions, as well as in the IT&C activity of Crescendo International, both materialized during 2018. On this occasion, the entire space available in the building where the activity took place was occupied.

At the beginning of 2019, the office area was expanded by adding a space for temporary storage of goods, as well as an area dedicated to meetings with customers. At the end of Q1/2019, the Elian Solutions team and the ex-Crescendo team were transferred to the new spaces.

The EGMS of 26.11.2020 requested the approval of the shareholders for the extension of the office space, explaining:

- the current need of the company for expansion in the context of the positive evolution in the period 2019-2020 and of the growth prospects communicated to the shareholders for the period 2021-2024;
- the need to accommodate new teams resulting from planned and announced acquisitions. Some of these M&A transactions were subject to the approval of the EGMS of 26.11.2020 (Equatorial, IT Prepared, The E-Learning Company, Softbinator) and another part is subject to the approval of the EGMS of 07.09.2021 (ISEC Associates, Computer Learning Center, TopTech, Nenos Software, Nonlinear), and to support this growth from "almost simple to double", the space for work, meeting and collaboration of teams, currently mostly virtual, must be completed with a tangible solution, in the field.

At the same time, the hybrid work models, which have appeared recently in all fields, have shown that the element of surprise must be taken into account. Obviously, with the new regulations on the workspace (distance between people), but also with the transactions proposed to the General Meeting, the need for an extended office space will become much greater than at present.

According to the mandate given by the GMS to the Chief Executive Officer during the meeting of 26.11.2020, the Bittnet group negotiated with the suppliers present in the market an optimal solution for the current development plans.

Following the negotiations with the various representatives, a new lease agreement was signed with ONE United Properties for a space in the ONE Cotroceni Park (OCP) building, for a period of 5 years and starting on 1.02.2022. The previous lease, concluded with Bucharest Mall Development and Management SRL, was unilaterally terminated by Bittnet Systems starting with 31.05.2021.

The new office space of Bittnet and the group member companies will be in the OCP building which is located next to the Academia Militara subway station. This project is part of the Central-West office area, the most dynamic business pool in the Capital at present and the second largest in the market, after the North-Central area. With over 280,000 sq m of Class A offices delivered in the last three years and enjoying a special anchor, namely the Polytechnic University, the Central-West area is the new IT hub of Bucharest.

ONE Cotroceni Park is designed for LEED Platinum certification, focusing on sustainable operation and minimal environmental impact. This project will also be WELL certified, with the aim of increasing the health and well-being of its occupants and, therefore, people's productivity, involvement and retention at the workplace.

Both the location and all the defining elements of the OCP project are in line with the organizational culture of our group, respectively they meet the specific requirements for attracting and retaining top human resources, a basic pillar for the specific business of the group and the IT industry in general.

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Phase 1 of the project, which includes the future Bittnet offices, will be delivered in Q1/2022, which is why a temporary lease was signed during the transition period, with a duration of 9 months, the newly-established place of business being located in Bucharest, 8-10 Tudor Arghezi Street, Unimed Building, 1st floor, Space TOF112, District 2.

Explain the non-recognition of the leasing debt

NOTA 30. SIGNIFICANT ACCOUNTING POLICIES

The main accounting policies adopted when drawing up the consolidated financial statements are presented below.

a) Grounds for consolidation

If the Group has control over an investee company, it is classified as a subsidiary. The group controls the investee company if all three of the following elements are present: it has control over the investee company, there is exposure to variable returns from the investee company and the investee company has the ability to use its power to affect those variable returns. Control is reviewed whenever facts and circumstances indicate that there may be a change in any control elements.

The consolidated financial statements present the results of the company and its subsidiaries ("the Group") as if they were a single entity. Transactions between companies and balances between group companies are therefore eliminated in their entirety. The consolidated financial statements include the results of the business combination through the acquisition method. In the statement of financial position, the assets, liabilities and contingent liabilities of the acquirer entity are initially recognized at their fair values at the acquisition date. The results of the purchased transactions shall be included in the consolidated statement of comprehensive income as of the control acquisition date. Subsidiaries shall be deconsolidated from the date on which control ceases.

b) Non-controlling interests

Non-controlling interests are disclosed in the consolidated financial position statement, within equity, separately from the shareholders' equity of the Parent Company. Changes in a parent's shareholding in the equity of a subsidiary that do not result in the loss of control by the parent over the subsidiary are equity transactions (i.e. transactions with shareholders in their capacity as shareholders).

c) Associated entities

If the Group has the power to participate in (but not control) the financial and operational policy decisions of another entity, it is classified as an associate entity.

Associated entities are initially recognized in the statement of consolidated financial position at cost. Subsequently, the associates are accounted for using the equity method, in which the Group's share of post-acquisition profits and losses and other comprehensive income is recognized in the consolidated profit and loss statement and other comprehensive results (except for losses exceeding the Group's investments in the associate entity, unless there is an obligation to offset those losses).

Profits and losses arising from transactions between the Group and its associates are recognized only to the extent of the interests of unrelated investors within the associate. The investor's share in the associate's profits and losses arising from these transactions is eliminated in relation to the carrying amount of the associate.

Any surplus paid to an associate above the fair value of the group's participation in identifiable contingent assets, liabilities and liabilities shall be capitalized and included in the carrying amount of the associated entity. Where there is objective evidence that the investment in an associate is not recoverable, the carrying amount of the investment is tested for impairment in the same way as other non-financial assets.

d) Goodwill

Goodwill represents the excess cost of a business combination over the Group's interest in the fair value of acquired and assets, liabilities and identifiable contingent liabilities.

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The cost comprises the fair value of the assets given, liabilities assumed and capital instruments issued, plus the value of any minority shareholdings in the acquirer.

The contingent consideration shall be included in the cost at fair value at the acquisition date and, in the case of contingent consideration, classified as a financial liability, subsequently revalued at profit or loss.

Goodwill is capitalized as an intangible asset and any impairment of net asset value is recorded in the consolidated statement of comprehensive income.

Where the fair value of identifiable contingent assets, liabilities and liabilities exceeds the fair value of the paid consideration, the excess shall be credited in full to the consolidated statement of comprehensive income at the acquisition date.

e) Revenue recognition

The Group recognizes revenues so that they can reflect the obligations to be performed in relation to the transfer of promised goods or services to customers with an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

Obligations to be fulfilled and revenue recognition methodology

Most of the group's revenues come from the provision of IT services and training and integration, including the sale of goods, with revenues recognized at the time when control over the goods was transferred to the customer.

The performance obligations identified in Group's contracts are generally limited to the goods or services explicitly stipulated in that contract, without any tacit promises as a result of usual business practices, published policies or other specific statements.

Determination of transaction price

Most of the income of the group is obtained from fixed price contracts and therefore the income amount to be obtained from each contract is determined by reference to fixed prices. In the estimation of contractual revenues, the component related to discounts granted to customers is deducted, when they are likely to decrease the value of the revenues.

Allocation of amounts to be executed

For most contracts, there is a fixed unit price for each product or service sold. Therefore, there are no reasoning applied in allocating the contract price for each product or service.

Costs for obtaining contracts

Most contracts are short-term, so any incremental commissions paid to sales personnel for the work performed to obtain the contracts are directly recognized in the comprehensive income statement, without being capitalized.

f) Impairment of non-financial assets (excluding inventories, real estate investments and deferred taxes)

Impairment tests on goodwill and other intangible assets with undetermined useful economic life shall be carried out annually at the end of the financial year. Other non-financial assets are subject to impairment tests whenever events or changes in circumstances indicate that their carrying amount cannot be recovered. If the carrying amount of an asset exceeds its recoverable amount (i.e. higher value of use and fair value less selling costs), the asset is reduced accordingly.

Where it is not possible to estimate the recoverable amount of an individual asset, the impairment test is performed on the smallest group of assets to which it belongs, for which there are separately identifiable cash flows - its cash-generating units. Goodwill is allocated to the initial recognition of each of the Group's cash-generating units that are expected to benefit from a business combination giving rise to goodwill.

Impairment adjustments are included in profit or loss unless they represent reversals of gains previously recognized in other comprehensive income. A recognized impairment loss on goodwill is not reversed.

g) Balances and transactions in foreign currency

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Transactions carried out by Group entities in other currency than the currency of the primary economic environment in which they operate (the "functional currency") are recorded at the rates at the time of the transactions. Monetary assets and liabilities in foreign currency are converted at the rates at the reporting date.

Exchange rate differences arising on the restatement of monetary assets and liabilities shall be recognized immediately in profit or loss.

h) Financial assets

The Group's accounting policy for the classification of financial assets is as follows.

Amortized cost

Loans and receivables are non-derivative financial assets with fixed or determinable payments and not listed on an active market. They are included in current assets, except those with a maturity of more than 12 months after the end of the reporting period. These are classified as non-current assets.

These assets come mainly from the provision of goods and services to customers (e.g. trade receivables), but also include other types of financial assets where the objective is to hold these assets to collect contractual cash flows and contractual cash flows are exclusively principal and interest payments. They are initially recognized at fair value plus transaction costs that are directly attributable to their acquisition or issue and are subsequently accounted for at amortized cost using the effective interest rate method, less adjustments for impairment.

Impairment adjustments for trade and other receivables are recognized on the basis of the simplified approach in IFRS 9, using an adjustment matrix in determining expected losses. The likelihood of non-payment of trade receivables is assessed in this process. This probability is then multiplied by the amount of expected loss resulting from non-payment to determine the expected credit loss for trade receivables. For trade receivables, these adjustments are recorded in a separate adjustment account, the loss being recognized within the general and administrative costs in the comprehensive income consolidated statement. Upon confirmation that the trade receivable cannot be collected, the gross carrying amount of the asset is written off against the associated adjustments.

Claims impairment adjustments with related parties and loans to related parties are recognized on the basis of an anticipated credit loss model. The methodology used to determine the amount of the adjustments is based on the existence of a significant increase in credit risk since the initial recognition of the financial asset.

For those for which the credit risk has not increased significantly since the initial recognition of the financial asset, credit losses expected for twelve months together with gross interest income are recognized. For those for which credit risk has increased significantly, estimated losses on receivables together with gross interest income are recognized. For those that are determined as obvious credit impairments, expected losses on receivables, together with interest income on a net basis, are recognized.

The Group's financial assets measured at amortized cost comprise trade receivables and other receivables and cash and cash equivalents in the consolidated statement of financial position.

Cash and cash equivalents include cash in hand, term deposits with banks, other extremely liquid short-term investments with initial maturities of three months or less, and - for the purpose of cash flow statement - bank overdrafts. Banking disclosures are presented in loans and loans in current liabilities in the consolidated statement of financial position.

Financial assets at fair value

The Group holds financial assets of the nature of shareholdings, which are recognized in the financial statements at fair value, with changes in fair value recognized in the consolidated statement of comprehensive income.

i) Financial liabilities

The Group's accounting policy for the classification of financial liabilities is as follows.

Bank loans and loans from the Group's reimbursable bond issue are initially recognized at fair value, net of any transaction costs directly attributable to the issuance of the instrument. Interest-bearing liabilities are subsequently measured at amortized cost using the effective interest rate method, which ensures that any interest expense in the

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repayment period is at a constant rate on the balance of the liability recorded in the consolidated financial position statement.

Loans are classified as current liabilities unless the Group has an unconditional right to defer payment of the debt for a minimum of 12 months from the end of the reporting period.

For each financial liability, interest expenses shall include the initial transaction costs and any premium payable on redemption, as well as any interest or coupon payable over time.

The Group does not hold derivative liabilities to be accounted for in the consolidated financial statement at fair value, with changes in fair value recognized in the consolidated statement of comprehensive income and has no trading obligations nor has it designated financial liabilities as at fair value through profit or loss.

j) Share-based payments (SOP)

The Group grants options for purchasing shares settled from equity to employees and collaborators.

The fair value of options at the date of granting shall be systematically recorded in the consolidated statement of comprehensive income for the period up to the exercise of the option. Non-market-based conditions of entry shall be taken into account by adjusting the number of equity instruments expected to be recorded at each reporting date so that ultimately the cumulative amount recognized in the vesting period is based on the number of options that may be paid. The conditions of non-qualification and the conditions of entry into rights are included in the fair value of the granted options. Cumulative expenditure shall not be adjusted for failure to fulfil a condition of entitlement or where a condition of non-qualification is not fulfilled.

k) Leasing

As of 1 January 2019, IFRS 16 replaced IAS 17 Leasing and related interpretations. The standard eliminated the accounting model for tenants and instead requires companies to bring most leases on the balance sheet within a single model, eliminating the distinction between operational and financial leasing.

In accordance with IFRS 16, a contract is or contains leasing if it conveys the right to control the use of an identified asset for a period of time in exchange for a mandatory payment. For such contracts, the new model requires a lessee to recognize a right-of-use asset and a lease liability. The right-of-use asset is depreciated and the debt accrues interest. This will result in a model with higher payments at the beginning of the lease period of the expenses for most leases, even when the lessee pays constant annual rents.

The new standard introduces a number of exceptions to the scope for users which include:

- leases with a lease term of 12 months or less and which do not contain purchase options, and
- leases where the underlying asset has a low value ('low value' leasing transactions).

The Group has analyzed all leasing contracts for the rental of equipment and premises where operates.

Transition method and Practical Exceptions used

The Group adopted IFRS 16 using the amended retrospective approach, recognizing transitional adjustments at the date of initial application (1 January 2019) without restating comparative figures. The Group has chosen to apply the practical exception not to reassess whether it is a contract or contains a lease at the date of initial application. Contracts concluded prior to the transition date that were not identified as leases under IAS 17 and IFRIC 4 have not been restated. The definition of a lease in accordance with IFRS 16 only applied to contracts concluded or amended on or after 1 January 2019.

IFRS 16 provides for certain optional practical exceptions, including those related to the initial adoption of the standard. The Group applied the following practical exceptions when applying IFRS 16 to leases previously classified as operating leases in accordance with IAS 17:

- (a) applied a single discount rate to a rental portfolio with reasonably similar characteristics;
- (b) excluded initial direct costs from the valuation of right-of-use assets at the date of initial application, where the right of use of the asset was determined as if IFRS 16 had been applied from the commencement date;

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(c) it was based on previous assessments regarding whether the leases are onerous compared to the preparation of an impairment review in accordance with IAS 36 at the date of the initial application; and

(d) applied the exemption of not recognizing the rights of use of the assets and liabilities for leases with less than 12 months of lease remaining at the date of the initial application.

As a user, the Group has previously classified leasing as operational or financial leasing based on its assessment of whether the leasing contract has transferred substantially all the risks and benefits of ownership. In accordance with IFRS 16, the Group recognizes leasing assets and liabilities by right for most of the leasing. However, the Group has chosen not to recognize leasing assets and liabilities for some low-value asset leases based on the new value of the underlying asset for short-term rental with a lease term of 12 months or less.

When adopting IFRS 16, the Group recognized the rights to use of the leasing assets and liabilities as follows:

Classified according to IAS 17	Rights of use	Leasing liabilities
Operational leasing	Assets from rights of use are measured at an amount equal to the leasing debt, adjusted by the value of any amounts paid in advance or pre-empted.	Measured at the current value of the remaining lease payments, discounted using the Incremental Loan Rate of the Company as of January 1, 2019. The Incremental Loan Rate of the Company is the rate at which a loan could be obtained from an independent donor on comparable terms and conditions. The average rate applied was 5% p.a.
Financial leasing	Measured on the basis of accounting values for leasing assets and liabilities immediately before the date of initial application (carrying amounts, unadjusted).	

Following the application of the provisions of IFRS 16 during the current financial year, the Group actively recognized usage rights on January 1, 2019 amounting to RON 5,956,944, concomitantly with increasing total liabilities by the same amount. The difference up to the amount of RON 6,099,013 presented in Note 24 Leasing liabilities represents the non-depreciated value of the financial leasing assets.

l) External purchased intangible assets

Intangible assets acquired externally are recognized initially at cost and subsequently amortized linearly over the useful economic life: Licenses - 3-5 years, except for brands that are tested annually for impairment.

m) Property, plant and equipment

Tangible assets comprise premises, equipment, machines furnishing and other assets used for the current activity. Tangible assets are initially recognized at acquisition cost.

The acquisition cost includes the directly attributable costs and the estimated present value of any unavoidable and future costs of dismantling and disposing those items. The corresponding obligation is recognized in the provisions.

The depreciation of other tangible assets shall be calculated on the basis of the linear method with a view to allocating their cost less the residual value, over their useful life, as follows: Premises - for the duration of the lease contract, Other fixed assets - 2-5 years.

n) Inventories

Inventories are recognized initially at cost and subsequently at the lowest cost and net realizable value. The cost comprises all acquisition costs, conversion costs and other costs incurred in bringing the inventories to their current location and condition. Specific identification is used to determine the cost of interchangeable items.

o) Provisions

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Provisions are recognized when the Group has a legal or implicit obligation as a result of the previous events, when the settlement of the obligation requires a resource outflow incorporating economic benefits and for which a credible estimate of the value of the obligation can be made. Where there are a number of similar obligations, the likelihood that a resource outflow will be required for settlement is established following the assessment of the liability class as a whole. The provision is recognized even if the likelihood of a resource outflow related to any item included in any class of obligations is low. Where the Company expects repayment of a provision, for example through an insurance contract, repayment is recognized as a separate asset, but only when repayment is theoretically certain.

Provisions are valued at the present value of the expenses estimated to be necessary to settle the obligation, using a pre-tax rate reflecting current market assessments of the time value of the money and the risks specific to the obligation. The increase in the provision due to the time passing is recognized as interest expense.

p) Employee benefits

In the normal course of business, the Group makes payments to the Romanian State on behalf of its employees for health, pension and unemployment funds. All employees of the Company are members of the Romanian state pension plan, which is a fixed contribution plan. These costs are recognized in the profit and loss account with the recognition of salary expenses.

q) Current and deferred profit tax

Tax expense for the period includes current and deferred tax and is recognized in profit or loss, unless it is recognized in other comprehensive income or direct equity because it relates to transactions that are themselves recognized in the same period or in another period, in other comprehensive income or direct equity.

Current income tax expense is calculated based on the tax regulations in force at the end of the reporting period. The management periodically assesses the positions in the tax returns in relation to situations where the applicable tax regulations are interpretable and constitute provisions, where applicable, based on the amounts estimated to be due to the tax authorities.

Deferred income tax is recognized, based on the method of the balance sheet obligation, for temporary differences between the tax bases of assets and liabilities and their accounting values in the financial statements. However, deferred income tax resulting from the initial recognition of an asset or liability in a transaction, other than a business combination, which at the transaction date does not affect the accounting profit or the taxable profit, is not recognized. Deferred corporate tax is determined on the basis of the tax rates (and legal regulations) in force until the end of the reporting period and are to be applied during the period in which the deferred tax to be recovered will be capitalized or the deferred tax will be paid.

Deferred tax to be recovered is recognized only to the extent that a taxable profit is likely to be derived in the future from which temporary differences are deducted.

IFRIC 23 provides guidance on the accounting of current and deferred liabilities and taxes and assets under circumstances where there is uncertainty about corporate tax treatments. The interpretation provides as follows:

- It must be determined whether uncertain tax treatments should be considered separately, or together as a group, depending on the approach that provides better predictions about resolution;
- Determine whether tax authorities are likely to accept uncertain tax treatment; and
- If uncertain tax treatment is unlikely to be accepted, the tax uncertainty will be measured according to the most likely amount or expected value, depending on any method that better predicts the resolution of the uncertainty. The measurement should be based on the assumption that each of the tax authorities will examine the amounts they are entitled to examine and have full knowledge of all the information related to these examinations.

Following the application of the provisions of IFRIC 23, no impact on corporate tax liabilities was identified.

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NOTA 31. EVENTS AFTER THE BALANCE SHEET DATE

I. Russia – Ukraine War

The invasion of Ukraine by the Russian Federation and the subsequent global response to these military actions could have a significant impact on some companies, especially companies with physical operations on the territory of Ukraine, Russia and Belarus, but also entities with indirect interests (eg those that have suppliers and clients, investments and creditors, with operations on the territory of these countries). Also, sanctions imposed on the Russian government, Russian entities and individuals in many jurisdictions could affect companies, such as by losing access to financial resources and trade, but also by the side effects of sanctions on global prices (e.g. oil, natural gas and other petroleum products). The effects of the conflict are widespread and rapidly evolving. Companies that do not have operations in Russia and Ukraine could still be affected by the conflict, the effects of which include, but are not limited to:

- i) Destruction, confiscation or abandonment of tangible and intangible property;
- ii) Sanctions imposed on a company that may impact its ability to operate (eg access to funds, banking systems, etc.);
- iii) Sanctions imposed on the clients of a company, which may impact their ability to sell goods and services and to collect debts;
- iv) Sanctions imposed on a company's suppliers, which may impact its ability to obtain raw materials, goods and services, or which may indirectly increase its costs of obtaining these items from alternative sources;
- v) Sanctions imposed on creditors and / or banks of an entity, which may limit its ability to access funds and loans;
- vi) Changes in the approach of customers and consumers to companies related to Russia, Belarus or other jurisdictions related to the Russian Federation, which could reduce the demand for products of those companies;
- vii) Changes in risk appetite that may lead to creditors and investors withdrawing their financial support for Russia-related companies, resulting in increased liquidity risk and / or doubts about the continuity of the company's activities;
- viii) Volatility in the prices of financial instruments and commodities, including oil, natural gas, other petroleum products and minerals, but also volatility in foreign exchange rates.

Based on the information available so far, the Group's management has not identified any concrete potential risks related to the Russia-Ukraine conflict and thus does not currently expect a significant impact on the conduct of current operations. There is no direct exposure of the Group to third parties affected by the sanctions imposed since the beginning of the conflict (customers, suppliers, banking institutions with which the Group collaborates, which have been directly affected by the sanctions). Indirect exposure (customers, suppliers with whom the Group cooperates, links with third parties affected by sanctions, as well as risks related to the future volatility of commodity prices or exchange rates) is currently unquantifiable, the Group's management not receiving any sign so far. regarding any significant impact on the Group's business.

The financial statements from page [3] to page [59] were approved and signed on 20 March 2022.

Mihai Logofatu

Chief Executive Officer

Adrian Stanescu

Chief Financial Officer

INDEPENDENT AUDITORS' REPORT

To the Shareholders of BITTNET SYSTEMS S.A.

Șoimuș St., no. 23, ap. 24, Bucharest, Romania

Registration: 21181848

Report on the Audit of the Individual Financial Statements

Opinion

1. We have audited the individual financial statements of BITTNET SYSTEMS S.A. (the Company), which comprise the statement of financial position as at December 31, 2021, and the individual statement of comprehensive income, individual statement of changes in equity and individual statement of cash flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies.

The individual financial statements as at and for the year ended 31 December 2021 are identified as follows:

- Net assets/Total equity: 51,503,195 RON
- Net profit for the year: 9,168,718 RON

2. In our opinion, the accompanying individual financial statements give a true and fair view of the individual financial position of the Company as at December 31, 2021, and of its individual financial performance and its cash flows for the year then ended in accordance with the Order of the Minister of Public Finance no. 2844/2016 for the approval of the accounting regulations compliant with International Financial Reporting Standards.

Basis for opinion

3. We conducted our audit in accordance with International Standards on Auditing (ISAs), UE Regulation no. 537/2014 of the European Parliament and of the Council („The Regulation”) and Law no. 162/2017 („The Law”). Our responsibilities under those standards and regulations are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with International Ethics Standards Board of Accountants Code of Ethics for Professional Accountants (“IESBA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Romania, including the Regulation and the Law, and we have fulfilled out other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of matter

4. We draw attention over Note 25 “Contingent liabilities”, where is included a description of the litigation for the former office space, in which the Company conducted its activities until the end of May 2021. Considering the early stage of the dispute, as well as the fact that the level of potential losses related to this litigation cannot be reliable assessed, the Management considers premature any assessment of the chances or procedures, in establishing provisions affecting the results of 2021. Our opinion is not modified in respect of this matter.

Key audit matters

5. Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Revenue recognition	
Key audit matter	How our audit addressed the key audit matter
<p>Please see Note 6 “Revenue from contracts with customers”.</p> <p>In accordance with International Standards on Auditing, there is an implicit risk on revenue recognition due to the pressure on management in obtaining the planned results.</p> <p>The Company’s main activity from which the Company records revenue are represented by sale and implementation of IT&C goods, training services, and sale of licenses.</p> <p>Revenue is recorded after the control is transferred to the final client, which takes place after the formal acceptance for goods sold, or after the service was provided.</p>	<p>Our audit procedures included, among other:</p> <ul style="list-style-type: none"> ▪ Evaluation of processes and controls on the existence and accuracy of the recorded revenues. ▪ Testing a sample of agreements concluded with customers to understand terms and conditions for transfer of control, also for conditions agreed for discounts to be granted. ▪ Verification of sale register to identify unusual transactions and to check the supporting documents to confirm that revenues are properly recorded. ▪ Audit procedures for testing that revenues were recorded in the appropriate period, for a sample of transactions recorded around the year-end. ▪ Testing a sample of receivables by sending direct confirmation letters.

Other information - Administrators’ Report

6. Management is responsible for the preparation and presentation of Other information. The Other information comprise the Board of Directors report, and the Remuneration Report but does not include the financial statements and our auditor’s report thereon. Our opinion on the financial statements does not cover the other information and, except to the extent otherwise explicitly stated in our report, we do not express any form of assurance conclusion thereon.
7. In connection with our audit of the individual financial statements for the period ended at 31 December 2021, our responsibility is to read the Other information and, in doing so, consider whether the Other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

In respect to the Board of Directors report, we read and report whether the Board of Directors report is prepared, in all material respects, in accordance with the Order of Minister of Public Finance no 2844/2016, articles 15-19 of the accounting regulations in accordance with International Financial Reporting Standards.

In respect of Remuneration Report, we read and report if this was prepared, in all material respects, in accordance with Law 24/2017, articles 106-107.

8. Based solely on the work required to be undertaken in the course of the audit of the financial statements, in our opinion:
 - a) The information given in the Board of Directors report for the financial year for which the financial statements are prepared, is consistent, in all material respects, with the individual financial statements;
 - b) The Board of Directors Report, including the non-financial representation has been prepared, in all material respects, in accordance with OMFP no. 2844/2016, points 15-19, respectively 39-42, of the accounting regulations compliant with the International of Financial Reporting Standards.
 - c) The remuneration report has been prepared, in all material respects, in accordance with the provisions of Law 24/2017, articles no. 106-107
9. In addition, based on our knowledge and understanding of the entity and its environment obtained in the course of the audit, we are required to report if we have identified material misstatements in the Board of Directors report. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Financial Statements

10. Management is responsible for the preparation of the individual financial statements that give a true and fair view in accordance with the Order of the Minister of Public Finance no. 2844/2016. and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.
11. In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.
12. Those charged with governance are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

13. Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.
14. As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:
 - Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for

our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

15. We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.
16. We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.
17. From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

18. We were appointed as auditor of BITNET SYSTEMS S.A. by the General Shareholders' Meeting on 26 November 2020. Our total uninterrupted period of engagement is 2 years, covering periods ending 31 December 2020 to 31 December 2021.

19. We confirm that:

- Our audit opinion is consistent with the additional report presented to the Audit Committee of the Company, which is issued with the same date as the current report. We also remain independent of the audited entity in conducting the audit.
- We have not provided to the Company the prohibited non-audit services referred to in article 5 (1) of EU Regulation no 537/2014.

Report on compliance with Commission Delegated Regulation (EU) 2018/815 (European Single Electronic Format Regulatory Technical Standard or ESEF)

We have undertaken a reasonable assurance engagement on the compliance with Commission Delegated Regulation (EU) 2018/815 applicable to the individual financial statements included in the annual financial report of the Company as shown in the digital files containing the unique code LEI 315700VUUQHM9VEDRO36 (Digital Files).

Responsibility of management and those charged with governance for Digital Files prepared in accordance with ESEF

Management is responsible for preparing the Digital Files in accordance with ESEF. This responsibility includes:

- the design, implementation and maintenance of the internal control relevant to the application of ESEF;
- ensuring consistency between the Digital Files and the financial statements that will be published in accordance with Order no. 2844/2016 with subsequent amendments.

Those in charge of governance are responsible for overseeing the preparation of Digital Files in accordance with ESEF.

Auditor's Responsibilities for Audit the Digital Files

Our responsibility is to express a conclusion on whether the financial statements included in the annual financial report complies in all material respects with the requirements of the ESEF, based on the evidence we have obtained. We conducted our reasonable assurance assignment in accordance with International Standard on Assurance Assignments 3000 (revised), Assurance Assignments other than audits or reviews of historical financial information (ISAE 3000) issued by the International Auditing and Assurance Standards Board.

A reasonable assurance engagement in accordance with ISAE 3000 involves performing procedures to obtain evidence about compliance with ESEF. The nature, timing, and extent of the procedures selected depend on the auditor's judgement, including the assessment of the risk of material departures from the requirements set out in ESEF, whether due to fraud or error. A reasonable assurance engagement includes:

- obtaining an understanding of the Company's process for preparation of the Digital Files in accordance with the ESEF, including the relevant internal controls;
- reconciling the Digital Files with the audited financial statements of the Company that will be published in accordance with Order no. 2844/2016 with subsequent amendments.
- evaluating if all financial statements that are included in the annual financial report have been prepared in a valid XHTML format.



We consider that the evidence we have obtained is sufficient and appropriate to provide a basis for our conclusion. In our opinion, the financial statements for the financial year ended December 31, 2021 included in the annual financial report and presented in the Digital Files comply, in all material respects, with the requirements of ESEF.

In this section we do not express an audit opinion, a review conclusion or any other assurance conclusion on financial statements. Our audit opinion on the Company's financial statements for the financial year ended December 31, 2021 is included in the " Report on the Audit of the Individual Financial Statements" section above.

Other matters

20. This report of the Independent Auditor is addressed exclusively to the Company's shareholders, as a body. Our audit was undertaken in order to report to the Company's shareholders all those aspects that we are required to state to them in a financial audit report and for no other purposes whatsoever. To the extent permitted by law, we do not accept or take responsibility to anyone other than the Company and its shareholders, as a body, for our audit work, for the report on the financial statements and the report on the Board of Directors report, or for the opinion we have formed.

For and behalf of BDO Audit SRL

Registered in the Public Electronic Report of financial auditors and audit firms with no. FA18

Partner's name: Cristian Iliescu

Registered in the Public Electronic Report of financial auditors and audit firms with no. AF1530

Bucharest, Romania

Refer to original signed version in Romanian language
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20 March 2022

BITTNET SYSTEMS SA

SITUATII FINANCIARE NECONSOLIDATE

**Întocmite in conformitate cu
Ordinul Ministrului Finanțelor Publice
nr. 2844/2016 cu modificările ulterioare,
pentru exercițiul financiar încheiat la
31 decembrie 2021**

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BITTNET SYSTEMS SA
SITUATII FINANCIARE NECONSOLIDATE pentru exercițiul financiar 2021
(toate sumele sunt exprimate in LEI, daca nu este specificat altfel)

SITUATIA REZULTATULUI GLOBAL

	Nota	2021	2020
Venituri din contracte cu clienții	[6]	13,069,342	16,878,519
Costul vanzarilor	[7]	(6,704,212)	(8,532,366)
Marja bruta		6,365,131	8,346,153
Alte venituri		106,160	327,684
Cheltuieli vanzare	[8,10]	(3,673,493)	(2,326,012)
Cheltuieli generale si administrative	[9,10]	(4,812,795)	(4,366,194)
Câștig / (pierdere) titluri puse in echivalenta		773,014	-
Venituri financiare	[11]	13,729,833	3,756,827
Cheltuieli financiare	[11]	(2,389,300)	(3,194,608)
Profit brut		10,098,550	2,543,849
Impozit pe profit	[12]	(929,832)	(548,971)
Profit net:		9,168,718	1,994,879
Rezultatul pe acțiune	[5]		
de baza		0.0193	0.0044
diluat		0.0170	0.0040

Situațiile financiare de la pagina [3] la pagina [53] au fost aprobate si semnate la data de 20 martie 2022.

Mihai Logofatu

Adrian Stanescu

Director General

Director Financiar

BITTNET SYSTEMS SA
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(toate sumele sunt exprimate in LEI, daca nu este specificat altfel)

SITUATIA POZITIEI FINANCIARE

	Note	31 dec 2021	31 dec 2020
ACTIVE			
Active imobilizate			
Imobilizări necorporale	[13]	7,250,299	6,754,285
Imobilizări corporale	[14]	552,329	2,028,827
Titluri de participare	[15]	33,284,001	20,949,754
Alte imobilizari financiare	[16]	19,961,036	21,386,336
Impozit amânat	[12]	-	-
Total active imobilizate		61,047,664	51,119,201
Active circulante			
Stocuri	[17]	18,496	24,420
Creanțe comerciale si alte creanțe	[16]	6,021,902	6,460,500
Active financiare la valoarea justa	[15]	17,919,885	1,459,700
Numerar si echivalente	[18]	8,753,193	11,610,034
Total active circulante		32,713,476	19,554,654
TOTAL ACTIVE		93,761,140	70,673,855
CAPITALURI SI DATORII			
Capital social		48,043,690	26,443,139
Prime de emisiune		14,542,953	25,409,965
Alte elemente de capitaluri proprii		(19,082,504)	(19,893,997)
Rezerve		947,402	369,599
Rezultat reportat		7,051,654	(1,539,261)
Total capitaluri si rezerve	[19]	51,503,195	30,789,445
Datorii pe termen lung			
Obligațiuni	[20]	24,044,334	28,357,324
Împrumuturi bancare	[21]	165,607	1,154,210
Datorii Leasing	[22]	550,256	2,898,659
Datorii pe termen lung		624,136	
Impozit amanat	[12]	-	154,290
Total datorii pe termen lung		25,384,333	32,564,483
Datorii curente			
Obligațiuni	[20]	872,768	889,781
Împrumuturi bancare	[21]	965,120	943,643
Datorii Leasing	[22]	262,147	1,335,139
Datorii privind impozitul pe profit	[12]	278,513	59,101
Datorii comerciale si alte datorii	[23]	14,495,065	4,092,262
Total datorii curente		16,873,613	7,319,927
Total datorii		42,257,946	39,884,410
TOTAL CAPITALURI SI DATORII		93,761,140	70,673,855

Situațiile financiare de la pagina [3] la pagina [53] au fost aprobate si semnate la data de 20 martie 2022.

Mihai Logofatu

Adrian Stanescu

Director General

Director Financiar

BITTNET SYSTEMS SA
SITUATII FINANCIARE NECONSOLIDATE pentru exercițiul financiar 2021
(toate sumele sunt exprimate in LEI, daca nu este specificat altfel)

SITUATIA CONSOLIDATA A FLUXURILOR DE TREZORERIE

	2021	2020
Rezultat inainte de impozitare	10,098,550	2,543,849
Ajustari pentru:		
Cheltuieli cu amortizarea	640,863	557,590
Cheltuieli privind activele cedate	(5,544)	-
Beneficii acordate angajaților SOP	1,066,911	1,574,721
Ajustari pentru deprecierea creantelor	(26,838)	63,815
Cheltuieli privind dobanzile si alte costuri financiare	2,632,852	3,191,697
Venituri din dobanda si alte venituri financiare	(1,191,423)	(1,819,885)
Câștig plasamente titluri	(11,988,124)	(1,168,120)
Câștig titluri puse in echivalenta	(773,014)	-
Profit din exploatare inainte de variatia capitalului circulant	454,233	4,943,669
Variatia soldurilor conturilor de creante	1,069,224	2,094,972
Variatia soldurilor conturilor de stocuri	5,924	215,825
Variatia soldurilor conturilor de datorii	(754,672)	(2,593,795)
Numerar generat din exploatare	774,709	4,660,672
Impozit pe profit platit	(864,710)	(257,679)
Numerar net din activitati de exploatare	(90,001)	4,402,993
Activitati de investitii:		
Plati pentru achizitionarea de interese de participare	(11,095,123)	(4,423,501)
Imprumuturi acordate entitatilor legate	(1,690,000)	(2,030,000)
Achizitii de imobilizari corporale si necorporale	(471,993)	(92,303)
Alte investitii in active financiare	(2,015,800)	(291,580)
Incasari din alte active financiare	7,829,183	
Dividende incasate	670,082	
Dobanzi incasate	2,976,363	332,319
Numerar net din activitati de investitie	(3,797,287)	(6,505,064)
Activitati de finantare:		
Incasari din emisiunea de actiuni	10,412,024	8,851,720
Achizitii actiuni proprii – pentru decontare SOP	10,696	(949,483)
Trageri din imprumuturi bancare	-	1,815,813
Rambursari de imprumuturi bancare	(967,125)	(2,700,000)
Rambursari din emisiunea de obligatiuni	(4,500,000)	-
Plati datorii leasing	(1,462,291)	(512,108)
Dobanzi platite	(2,462,856)	(3,145,497)
Numerar net din activitati de finantare	1,030,447	3,360,445
Cresterea neta a numerarului si echivalentelor de numerar	(2,856,842)	1,258,373
Numerar si echivalente de numerar la inceputul exercitiului financiar	11,610,034	10,351,661
Numerar si echivalentele de numerar la sfarsitul exercitiului financiar	8,753,193	11,610,034

Situațiile financiare de la pagina [3] la pagina [53] au fost aprobate si semnate la data de 20 martie 2022.

Mihai Logofatu

Adrian Stanescu

Director General

Director Financiar

BITTNET SYSTEMS SA
SITUATII FINANCIARE NECONSOLIDATE pentru exercițiul financiar 2021
(toate sumele sunt exprimate in LEI, daca nu este specificat altfel)

SITUATIA CONSOLIDATA A MODIFICARILOR IN CAPITALURILE PROPRII

	Capital social	Prime de emisiune	Alte elemente de capitaluri proprii	Rezerve legale	Rezultat reportat	Total capitaluri
1 ian 2020	11,620,321	0	1,118,923	296,720	(368,356)	12,667,608
Rezultat net	-	-	-	-	1,994,879	1,994,879
Alte elemente ale rezultatul global	-	-	-	-	-	-
Total Rezultat global	-	-	-	-	1,994,879	1,994,879
<i>Tranzactii cu actionarii</i>	-	-	-	-	-	-
Majorare capital social	14,822,819	25,409,964	(22,587,641)	-	(3,092,905)	14,552,236
Beneficii acordate angajaților SOP	-	-	1,574,721	-	-	1,574,721
Repartizare rezerva legala	-	-	-	72,879	(72,879)	-
31 dec 2020	26,443,139	25,409,965	(19,893,997)	369,599	(1,539,261)	30,789,445
Profit net	-	-	-	-	9,168,718	9,168,718
Alte elemente ale rezultatul global	-	-	-	-	-	-
Total Rezultat global	-	-	-	-	9,168,718	9,168,718
<i>Tranzactii cu actionarii</i>	-	-	-	-	-	-
Majorare capital social	21,600,551	(10,867,012)	(321,515)	-	-	10,412,024
Implementare SOP	-	-	66,096	-	-	66,096
Beneficii acordate angajaților SOP	-	-	1,066,911	-	-	1,066,911
Repartizare rezerva legala	-	-	-	577,803	(577,803)	-
31 dec 2021	48,043,690	14,542,953	(19,082,504)	947,402	7,051,654	51,503,195

Situațiile financiare de la pagina [3] la pagina [53] au fost aprobate si semnate la data de 20 martie 2022.

Mihai Logofatu

Adrian Stanescu

Director General

Director Financiar

BITTNET SYSTEMS SA
SITUATII FINANCIARE NECONSOLIDATE pentru exercițiul financiar 2021
(toate sumele sunt exprimate in LEI, daca nu este specificat altfel)

NOTA 1. INFORMATII GENERALE

Activitatile operationale

Situațiile financiare includ informațiile financiare neconsolidate ale societatii Bittnet Systems („Societatea” sau „Emitentul”), cu sediul social in Str. Soimus nr. 23, bl 2, ap. 24, Sector 4, Bucuresti. Societatea detine urmatoarele filiale inregistrate in Romania:

	31 dec 2021	31 dec 2020
FILIALE - % detinere		
Dendrio Solutions	100%	100%
Elia Solutions	51.02%	51.02%
Equatorial Gaming	98.99%	98.99%
Equatorial Training, prin Equatorial Gaming	100%	100%
Computer Learning Center	100%	-
ISEC Associates	69.992%	-
IT Prepared	50.2%	-
Nenos Software	60.97%	-
Nonlinear	60%	-
Global Resolution Experts	60%	-
GRX Advisory, prin Global Resolution Experts	60%	-
INTERESE MINORITARE		
Softbinator Technologies (*)	18,898%	25%
E-Learning Company	23%	-

**detinere reclasificata in alte active financiare (titluri) la valoare justa incepand cu 30.09.2021*

Bittnet a fost înființată în anul 2007 și s-a concentrat pe furnizarea de training IT și soluții de integrare, bazate pe tehnologiile liderilor de piață precum Cisco, Microsoft, Dell, Oracle, HP, VMware, Google, Amazon Web Services.

În februarie 2009, compania și-a schimbat statutul juridic în societate pe acțiuni (SA), în urma majorării capitalului social, utilizând profiturile generate în 2008. În 2012, compania a primit o primă infuzie de capital “din exterior” (investiție tip equity) de la business angel-ul Răzvan Căpățînă, care este în continuare un acționar important al companiei.

Din martie 2015, Bittnet este listată pe piața AeRO a Bursei de Valori București, sub simbolul BNET. Bittnet a fost prima companie IT care s-a listat pe BVB, după o infuzie de 150.000 de euro în companie, primită de la fondul polonez Carpathia Capital SA în schimbul unei participații de 10%.

În 2016, Grupul a creat un nou domeniu de competență prin introducerea serviciilor de consultanță și migrare în cloud. Ca rezultat, Bittnet a lansat o serie de acțiuni dedicate clienților strict pentru această gamă de servicii, care vizează un nou grup de clienți, cu un profil ușor diferit. Pe parcursul anului 2017, compania a continuat să investească în creșterea și diversificarea competențelor tehnice specifice AWS și Azure pentru a putea răspunde solicitărilor primite.

Din aprilie 2018, a fost adoptata noua structura a Societatei și a fost reorganizata structura afacerilor Bittnet Group pe două divizii cheie: Educație și Tehnologie.

- **Educație** - care în prezent constă în segmentul de training IT unde Bittnet este lider de piață, cu aproape 20 ani de experiență și cea mai mare echipă de traineri din România.

Trainingurile oferite de Bittnet permit accesul experților la tehnologie prin predarea competențelor IT, de la cele de bază (de ex.: Microsoft Office Suite) până la cele mai avansate (Cloud, DevOps, Cybersecurity). Portofoliul de business training conține management de proiect, managementul serviciilor IT, business intelligence, CRM, ERP, Agile etc

- **Tehnologie** - care este axat pe servicii de integrare IT, oferind soluții de integrare oferite anterior atât de **Bittnet**, cât și de **Dendrio** și **Elia**. Această activitate are un portofoliu partajat de produse, servicii și soluții și o echipă

mai mare care va permite un volum mai mare de muncă, atât din punct de vedere tehnic, cât și din punct de vedere al vânzărilor.

Incepand cu iunie 2020, acțiunile Bittnet (simbol BNET) sunt listate pe Piața Reglementată a BVB.

Conducerea Societatii

In data de 29 ianuarie 2020, Adunarea Generala a aprobat modificarea actului constitutiv al societatii in sensul administrarii acesteia de catre un Consiliu de Administratie format din 3 membri. Componenta consiliului este conform rezultatelor alegerilor:

- 1) **Ivylon Management SRL** prin **Mihai Alexandru Constantin Logofatu**. La data redactarii prezentei note, Mihai Logofatu detine un numar de 30,596,923 actiuni ceea ce reprezinta 13.3582% din capitalul social si din drepturile de vot. Mihai Logofatu este co-fondator al Bittnet Systems.
- 2) **Cristian Ion Logofatu**, care detine un numar de 27,841,516 actiuni ceea ce reprezinta 12.1552% din capitalul social si din drepturile de vot. Cristian Logofatu este co-fondator al Bittnet Systems.

Mihai si Cristian Logofatu sunt frati, fiind co-fondatorii Emitentului in anul 2007.

- 3) **Anghel Lucian Claudiu** – administrator independent, care detine un numar de 1,785,000 actiuni ale Emitentului adica un procent de 0.7793% din drepturile de vot.

Managementul operational al Bittnet Systems este asigurat de: **Mihai Logofatu** – CEO si co-fondator si **Adrian Stanescu** – CFO, impreuna cu **Cristian Herghelegiu** – VP Technologie, care s-a alaturat in echipa executiva odata cu achizitia Gecad Net – si **Dan Berteanu**, VP Educatie. Cele 4 persoane sunt identificate ca fiind management cheie din perspectiva IFRS.

Incepand cu 2012, dupa atragerea infuziei de capital de la Razvan Capatina, Bittnet a construit un **Board consultativ**, compus din persoane cu o reputatie deosebita datorata bogatei lor experiente antreprenoriale si manageriale: **Sergiu Negut, Andrei Pitis si Dan Stefan**.

Incepand cu anul 2020, Boardul consultativ s-a transformat in Comitetul de Dezvoltare Strategica avand aceeasi componenta.

Incepand cu 2019 dl **Herghelegiu** este VP pentru Tehnologii iar dl **Berteanu** este VP pentru Educatie.

Boardul consultativ se intalneste de cel putin 4 ori pe an, ii sunt prezentate rapoarte interne de management, iar membrii boardului asista si ghideaza managementul Companiei in deciziile strategice.

Experienta membrilor din boardul consultativ a constituit un sprijin real in dezvoltarea Companiei in ultimii 4 ani si Bittnet se bazeaza in continuare pe suportul lor in fata noilor provocari.

NOTA 2. BAZA INTOCMIRII SITUATIILOR FINANCIARE

a) Declarația de conformitate

Situațiile financiare neconsolidate ale Emitentului au fost întocmite în conformitate cu Standardele Internaționale de Raportare Financiară adoptate de Uniunea Europeană („IFRS UE”), și în conformitate cu OMFP 2844/2016, cu modificări și completări, „pentru aprobarea reglementărilor contabile conforme cu Standardele Internaționale de Raportare Financiară”.

Emitentul a întocmit și publicat în data de 18 martie 2022 situații financiare consolidate întocmite în conformitate cu IFRS UE și OMFP 2844/2016.

Situațiile financiare neconsolidate au fost întocmite în baza convenției costului istoric și în baza principiului continuității activității. Situațiile financiare sunt prezentate în LEI, care este și moneda funcțională a Emitentului.

Situațiile financiare au fost întocmite în urma admiterii emitentului Bittnet Systems SA pe piața reglementată în anul 2020 și reprezintă situațiile financiare statutare ale Emitentului. Principalele politici contabile adoptate la întocmirea situațiilor financiare consolidate sunt expuse în Nota 27 „Politici contabile semnificative”.

b) Continuitatea activității

Pandemia de Coronavirus a reprezentat o amenințare serioasă pentru sănătatea publică, iar Guvernul a instituit restricții asupra persoanelor fizice și juridice. Dezvoltarea și răspândirea semnificativă a Coronavirusului nu a avut loc până în ianuarie 2020. Impactul asupra afacerilor și măsurile adoptate sunt prezentate în cele ce urmează. Având în vedere ieșirea din starea de alertă și ridicarea restricțiilor este de așteptat ca impactul pentru anul financiar 2022 să fie redus.

Măsuri adoptate

Folosind soluțiile tehnologice din portofoliul Dendrio, începând din Martie 2020, aproximativ 90% din echipa Grupului Bittnet lucrează de acasă, fără întreruperi semnificative ale activităților zilnice. Această măsură a fost luată pentru o perioadă nedeterminată. În cazul în care este necesar ca toți cei 100% dintre membrii echipei să lucreze de acasă, Grupul nu prevede niciun impediment administrativ semnificativ în activitatea sa de zi cu zi, iar programul de lucru va continua în condiții cât mai apropiate de programul uzual.

Impactul asupra afacerilor

Evenimentul care a marcat anii 2020-2021 este pandemia mondială de Covid-19, și restricțiile de circulație și activitate („lockdowns”) impuse de guverne în toate partile lumii, afectând semnificativ unele industrii. Aceasta situație putea genera o criză de lichiditate, ca urmare a temerilor consumatorilor și companiilor pe tema unei viitoare recesiuni sau crize economice. Totuși, se pare că măsurile monetare luate de guverne și băncile centrale au transmis suficientă încredere mediului de afaceri încât să nu apară un ‘credit crunch’. Grupul urmărește cu mare atenție indicatorii de lichiditate – conversia creanțelor în cash, rulajele cu clienții și furnizorii, etc.

Efectele rezultate din acest mediu general sunt:

- **Acutizarea crizei semiconductorilor** a afectat semnificativ proiectele care includ componente hardware. Deși în primul trimestru și chiar primele 6 luni ale 2021 au existat momente de revenire a fluxurilor de aprovizionare cu componente (procesoare/chip-uri), începând din mai 2021 acest trend a intrat într-o spirală descendentă (mai multe informații: <https://www.bloomberg.com/news/articles/2021-05-18/wait-for-chip-deliveries-increased-in-sign-shortage-persists> și aici: <https://www.bloomberg.com/news/articles/2021-08-23/chip-shortage-set-to-worsen-as-covid-rampages-through-malaysia>). Când vom putea considera depășită această situație? Cu siguranță nu într-un viitor apropiat: <https://www.bloomberg.com/graphics/2021-chip-production-why-hard-to-make-semiconductors/>
- **Presiunea factorului uman** – pandemia globală a introdus o flexibilizare a modului în care companiile contractează și interacționează cu angajații și colaboratorii. Din ce în ce mai multe proiecte globale sunt

livrate cu resurse delocalizate, locația geografică are în acest moment doar o semnificație pur fiscală. În consecință, companiile de IT din România, printre care și firmele din divizia de tehnologie a grupului, se confruntă cu o concurență globală extrem de agresivă, într-o piață în care forța de muncă calificată este puțină și devine din ce în ce mai mobilă.

- Digitalizarea consistentă a proceselor de lucru din ultimii doi ani duce la **o creștere semnificativă a cererii de expertiză în spațiul Cybersecurity**. Având în vedere că Dendrio oferă un spectru larg de soluții și servicii în zona cybersecurity dar și faptul că începând din August 2021 divizia de tehnologie a început să includă și alte companii cu expertiză cyber excepțională, cum ar fi: IT Prepared, Global Resolution Experts (GRX), sau iSec Associates (iSec) – putem considera că în acest moment divizia de tehnologie și grupul Bittnet se află într-o poziție extrem de favorabilă pentru perioada următoare.

În toate scenariile luate în calcul, Grupul își va continua funcționarea, în baza principiului continuității activității.

c) Noi standarde și interpretări, valabile la 31 decembrie 2021

Uniunea Europeană a adoptat o serie de standarde a caror aplicare este obligatorie, pentru anul încheiat la 31 decembrie 2021, și care au fost aplicate pentru întocmirea acestor situații financiare individuale:

- **Reforma IBOR și efectele acesteia asupra raportării financiare – Faza 2** – În august 2020, IASB a emis amendamente la IFRS 9, IAS 39, IFRS 7, IFRS 4 și IFRS 16. Aceste modificări le completează pe cele făcute în 2019 („IBOR – faza 1”) și se concentrează pe efectele asupra entităților atunci când o rată de referință existentă a dobânzii este înlocuită cu o nouă rată de referință ca urmare a reformei.
- **Concesiuni de chirie legate de Covid-19 după 30 iunie 2021 (Amendamente la IFRS 16)** - În mai 2020, IASB a emis o modificare la IFRS 16 Concesiuni de chirie legate de COVID-19. Acest amendament a oferit o oportunitate practică în contabilizarea reducerii plăților de leasing pe seama COVID-19. Oportunitatea practică din 2020 a fost disponibilă pentru reduceri ale plăților de leasing care afectează numai plățile datorate inițial până la 30 iunie 2021 sau înainte de 30 iunie 2021. La 31 martie 2021, IASB a emis amendamentul „Concesiuni de chirie legate de COVID 19 după 30 iunie 2021”, care a extins eligibilitatea perioadei pentru măsurile practice de la 30 iunie 2021 până la 30 iunie 2022. Această modificare este în vigoare pentru perioadele anuale de raportare care încep la sau după 1 aprilie 2021. Aplicarea anterioară este permisă, inclusiv în situațiile financiare neautorizate pentru publicare la 31 martie 2021.

Aceste modificări nu au avut impact semnificativ asupra situațiilor financiare.

Noi standarde și interpretări, care nu sunt aplicabile la 31 decembrie 2021

Există o serie de standarde, modificări la standarde și interpretări emise de IASB care sunt eficiente în perioadele contabile viitoare pe care Societatea a decis să nu le adopte anticipat. Cele mai importante dintre acestea sunt următoarele.

Următoarele modificări sunt valabile pentru perioada care începe la 1 ianuarie 2022:

- **Îmbunătățiri anuale ale IFRS: Ciclul 2018-2020** - În mai 2020, IASB a emis modificări minore la IFRS 1 Adoptarea pentru prima dată a standardelor internaționale de raportare financiară, IFRS 9 Instrumente financiare, IAS 41 Agricultură și exemplele ilustrative care însoțesc IFRS 16 Leasing.
- **Cadrul conceptual de raportare financiară (Amendamente la IFRS 3)** - În mai 2020, IASB a emis amendamente la IFRS 3, care actualizează o referință la Cadrul conceptual de raportare financiară fără a modifica cerințele contabile pentru combinațiile de întreprinderi. Modificările intră în vigoare pentru perioadele anuale de raportare care încep la sau după 1 ianuarie 2022. Aplicarea anterioară este permisă.
- **IAS 37 Provizioane, datorii contingente și active contingente (Amendament – Contracte oneroase – Costul îndeplinirii unui contract)** - În mai 2020, IASB a emis amendamente la IAS 37, care specifică costurile pe care o companie le include atunci când evaluează dacă un contract va produce pierdere și, prin urmare, este recunoscut ca un contract oneros. Se preconizează că aceste modificări vor avea ca rezultat contabilizarea mai

multor contracte ca contracte oneroase, deoarece măresc sfera costurilor care sunt incluse în evaluarea contractului oneros.

- **IAS 16 Imobilizări corporale (modificare – Încasări înainte de utilizarea intenționată)** - În mai 2020, IASB a emis amendamente la IAS 16, care interzic unei companii să deducă sumele primite din vânzarea articolelor produse în timp ce compania pregătește activul pentru utilizarea prevăzută a acestuia din costul imobilizărilor corporale. În schimb, o companie va recunoaște astfel de venituri din vânzări și orice costuri aferente în profit sau pierdere.

Următoarele modificări sunt valabile pentru perioada care începe la 1 ianuarie 2023:

- **IFRS 17 Contracte de asigurare** - IFRS 17 introduce o abordare coerentă la nivel internațional a contabilizării contractelor de asigurare. Înainte de IFRS 17, la nivel mondial a existat o diversitate semnificativă în ceea ce privește contabilizarea și prezentarea contractelor de asigurare, IFRS 4 permițând să continue să fie urmate multe abordări contabile anterioare (non-IFRS). IFRS 17 va avea ca rezultat schimbări semnificative pentru mulți asigurători, necesitând ajustări la sistemele și procesele existente. În decembrie 2021, IASB a modificat IFRS 17 pentru a adăuga o opțiune de tranziție pentru a aborda posibilele nepotriviri contabile dintre activele financiare și pasivele contractuale de asigurare în informațiile comparative prezentate la aplicarea inițială a IFRS 17 și IFRS 9, îmbunătățind astfel utilitatea informațiilor comparative pentru utilizatorii de situațiile financiare.
- **IAS 1 Prezentarea situațiilor financiare (Amendament – Clasificarea datoriilor ca curente sau pe termen lung)** - În ianuarie 2020, IASB a emis amendamente la IAS 1, care clarifică modul în care o entitate clasifică datoriile ca fiind curente sau pe termen lung. Modificările au avut inițial o dată în vigoare de 1 ianuarie 2022, cu toate acestea, în iulie 2020, aceasta a fost amânată până la 1 ianuarie 2023, ca urmare a pandemiei de COVID-19. Se preconizează că aceste modificări vor avea un impact semnificativ asupra multor entități, mai multe datorii fiind clasificate ca fiind curente, în special cele cu condiționalități legate de împrumuturi.
- **Prezentarea politicilor contabile (Amendament la IAS 1 și IFRS Practice Statement 2)** - În februarie 2021, IASB a emis amendamente la IAS 1, care modifică cerințele de prezentare cu privire la politicile contabile de la „politici contabile semnificative” la „informații privind politicile contabile materiale”. Amendamentele oferă îndrumări cu privire la momentul în care informațiile de politică contabilă pot fi considerate materiale. Modificările la IAS 1 intră în vigoare pentru perioadele anuale de raportare care încep la sau după 1 ianuarie 2023, cu aplicarea anterioară permisă. Deoarece Declarațiile de practică IFRS sunt ghiduri neobligatorii, nu a fost specificată nicio dată obligatorie de intrare în vigoare pentru modificările la Declarația de practică IFRS 2.
- **Definiția estimărilor contabile (modificarea la IAS 8)** - În februarie 2021, IASB a emis amendamente la IAS 8, care au adăugat la definiția estimărilor contabile în IAS 8. Modificările au clarificat, de asemenea, că efectele unei modificări într-un input sau a unei tehnici de evaluare sunt modificări ale estimărilor contabile, cu excepția cazului în care rezultă din corectarea erorilor perioadei anterioare.
- **Impozit amânat aferent activelor și datoriilor care decurg dintr-o singură tranzacție (amendamente la IAS 12)** - În mai 2021, IASB a emis amendamente la IAS 12, care clarifică dacă scutirea de recunoaștere inițială se aplică anumitor tranzacții din care au ca rezultat atât un activ și o datorie recunoscute simultan (de exemplu, un leasing în domeniul de aplicare al IFRS 16). Amendamentele introduc un criteriu suplimentar pentru scutirea de recunoaștere inițială conform IAS 12.15, prin care scutirea nu se aplică recunoașterii inițiale a unui activ sau a unei datorii care, la momentul tranzacției, dă naștere la diferențe temporare egale impozabile și deductibile.

Societatea evaluează în prezent impactul acestor noi standarde și modificări contabile.

NOTA 3. ESTIMARI SI RATIONAMENTE CONTABILE ESENTIALE

Societatea face anumite estimări și ipoteze cu privire la viitor. Estimările și raționamentele sunt evaluate continuu pe baza experienței istorice și a altor factori, inclusiv așteptările cu privire la evenimentele viitoare care se consideră rezonabile în respectivele circumstanțe. În viitor, experiența reală poate diferi de aceste estimări și ipoteze. Estimările și ipotezele care prezintă un risc semnificativ de a genera o ajustare materială a valorilor contabile ale activelor și pasivelor în următorul exercițiu financiar sunt discutate mai jos.

Raționamente esențiale

- Recunoasterea veniturilor (Nota 7) – relația principal/agent;
- Recunoasterea marcii Bittnet (Nota 13);
- Recunoasterea programului de fidelizare a angajaților/colaboratorilor prin oferirea de acțiuni – „SOP” (Nota 19)
- Reclassificare investiție Softbinator Technologies din titluri puse în echivalență în titluri la valoarea justă prin contul de profit și pierdere (Nota 15)

Estimări și ipoteze

- Evaluarea la valoare justă a activelor financiare deținute pentru vânzare (Nota 15)
- Evaluarea contraprestatiei aferente programului de fidelizare a angajaților/colaboratorilor prin oferirea de acțiuni – „SOP” (Nota 10)
- Evaluarea ajustărilor pentru deprecierea creanțelor (Nota 16)

Cu excepția evaluării activelor financiare deținute pentru vânzare, Societatea nu deține active și datorii incluse în situațiile financiare care necesită evaluarea și/sau prezentarea valorii juste.

NOTA 4. INSTRUMENTE FINANCIARE – MANAGEMENTUL RISCULUI

Societatea este expusă prin operațiunile sale la următoarele riscuri financiare:

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- Riscul de credit
- Riscul ratei dobânzii
- Riscul valutar
- Alte riscuri de preț de piață și
- Riscul de lichiditate.

Alături de toate celelalte afaceri, Societatea este expusa riscurilor care apar din utilizarea instrumentelor sale financiare. Această notă descrie obiectivele, politicile și procesele de gestionare a riscurilor și metodele utilizate pentru evaluarea acestora. Informații suplimentare cantitative cu privire la aceste riscuri sunt prezentate pe parcursul acestor situații financiare.

Nu au existat modificări substanțiale pe perioadele raportate în ceea ce privește expunerea Societății la riscurile instrumentelor financiare, obiectivele, politicile și procesele sale de gestionare a riscurilor sau metodele utilizate pentru a le evalua în perioadele anterioare, cu excepția cazului în care se specifică altfel în această notă.

(i) Principalele instrumente financiare

Principalele instrumente financiare utilizate de Societate, din care rezultă riscul instrumentului financiar, sunt următoarele:

- Creanțe și împrumuturi;
- Numerar și echivalente de numerar;
- Împrumuturi bancare cu rată variabilă;
- Împrumuturi bancare și obligațiuni cu rată fixă;
- Datorii comerciale și alte datorii.

(ii) Instrumente financiare pe categorii

DATORII FINANCIARE	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Împrumuturi din emisiuni de obligațiuni	24,917,101	29,247,105
Datorii leasing	812,403	4,233,798
Împrumuturi bancare	1,130,728	2,097,853
Datorii comerciale și alte datorii	14,815,081	3,504,528
Total	<u>41,675,313</u>	<u>39,083,284</u>

ACTIVE FINANCIARE	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Creanțe și împrumuturi	25,596,355	27,629,087
Numerar și echivalente	<u>8,753,193</u>	<u>11,610,034</u>
Total	<u>34,349,548</u>	<u>39,239,121</u>

(iii) Instrumente financiare care nu sunt evaluate la valoarea justă

Instrumentele financiare care nu sunt evaluate la valoarea justă includ numerar și echivalente de numerar, creanțe și împrumuturi, datorii comerciale și alte datorii, împrumuturi bancare și obligațiuni.

Ca urmare a naturii pe termen scurt, valoarea contabilă a numerarului și a echivalentelor de numerar, a creanțelor comerciale și a altor creanțe, precum și a datoriilor comerciale și a altor datorii, inclusiv a împrumuturilor se apropie de valoarea lor justă.

Obiective generale, politici și procese

Consiliul de Administrație are responsabilitatea generală de determinare a obiectivelor și politicilor de gestionare a riscurilor Societății și, păstrând, în același timp, responsabilitatea pentru acestea, a delegat autoritatea pentru

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proiectarea și operarea proceselor care asigură implementarea efectivă a obiectivelor și politicilor în funcția de finanțare a Societatei. Consiliul primește rapoarte lunare de la CFO-ul Societatei prin care examinează eficacitatea proceselor puse în aplicare și adecvarea obiectivelor și politicilor pe care le stabilește.

Obiectivul general al Consiliului de Administrație este de a stabili politici care urmăresc reducerea riscurilor pe cât posibil, fără a afecta în mod nejustificat competitivitatea și flexibilitatea Societatei. Mai multe detalii privind aceste politici sunt prezentate mai jos:

Riscul de credit

Riscul de credit reprezintă riscul ca debitorii Societății să nu își poată onora obligațiile la termenul de scadență, din cauza deteriorării situației financiare a acestora. Societatea este mai puțin expusă acestui risc datorită specificului produselor și serviciilor vândute, care se adresează companiilor de anumite dimensiuni, cu o situație financiară deosebită.

Societatea analizează noii clienți folosind unelte specializate (site-uri cu specific de analiză a bonității clienților) și are o procedură strictă privind documentarea comenzilor și prestării serviciilor sau livrării bunurilor. Ca o dovadă a gestionării acestui risc, Societatea nu a fost afectată în niciun fel de insolvențele 2K Telecom sau Teamnet International (spre deosebire de unii dintre competitori).

Totusi, Societatea nu a identificat o soluție care să poată elimina complet riscul de credit, acesta fiind unul dintre cele mai importante riscuri pentru o societate de dimensiunea noastră.

Informațiile relevante suplimentare privind creanțele comerciale și alte creanțe, care nu sunt nici scadente, nici depreciate, sunt prezentate în Nota 16.

Numerar în depozite bancare și pe termen scurt

Societatea monitorizează în mod regulat ratingurile de credit ale băncilor, iar la data raportării nu se preconizează pierderi din neexecutarea de către contrapărți. Pentru toate activele financiare pentru care nu au fost aplicate cerințele de depreciere, valoarea contabilă reprezintă expunerea maximă la pierderea creditului.

Riscul de piață

Riscul de piață decurge din utilizarea de către Societate de instrumente financiare supuse dobânzii, tranzacționabile și în monedă străină. Există riscul ca valoarea justă sau fluxurile de numerar viitoare ale unui instrument financiar să fluctueze din cauza modificărilor ratelor dobânzii (riscul ratei dobânzii), a ratelor de schimb valutar (risc valutar) sau a altor factori de piață (alt risc de preț).

Riscul ratei dobânzii

Societatea este expusă riscului de creștere a ratei dobânzilor, având contractate împrumuturi bancare și din emisiunea de obligațiuni, toate în LEI. Orice creștere a ratei dobânzii va fi reflectată de creșterea costurilor financiare. Societatea monitorizează în mod regulat situația pieței pentru a previziona riscul asociat cu rata dobânzii.

Cea mai mare parte a sumelor împrumutate în prezent au dobânda anuală FIXA. Costul ponderat al capitalului împrumutat este de puțin sub 8% pe an. Considerăm ca perioada financiară ce urmează va fi o perioadă în care faptul că, în cea mai mare parte, a fost fixat prețul capitalului împrumutat va constitui un avantaj competitiv.

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Dobanda variabila	1,130,728	2,097,853
Dobanda fixa	25,729,504	33,480,903
Total	<u>26,860,232</u>	<u>35,578,756</u>

La 31 decembrie 2021, dacă ratele dobânzilor aferente împrumuturilor în LEI ar fi fost cu 1 punct % mai mari/măi mici, cu toate celelalte variabile menținute constante, profitul brut pentru anul respectiv ar fi fost cu 11,307 mai mic/măi mare (31 decembrie 2020: 20,979), în principal ca urmare a cheltuielilor cu dobânda măi mare/măi mică pentru împrumuturile cu rată variabilă.

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Riscul valutar

Un element important al riscului de piata este riscul de fluctuatie a cursului valutar. Societatea urmareste sa fie neutra fata de riscul de fluctuatie a cursului valutar. Activitatile derulate in acest sens sunt:

- Societatea evita pe cat posibil depunerea de oferte de vanzare "cross currency" (oferte cu pretul de vanzare exprimat in alta valuta decat cel de achizitie);
- In cazul in care se solicita astfel de oferte, sunt incluse clauze de tip "limita de variatie";
- Toate preturile de vanzare din contracte sunt exprimate in valuta, cu facturarea in lei la cursul din data livrării;
- Societatea nu opereaza cu stocuri;

Incepand cu anul fiscal 2018 a aparut necesitatea contractarii unor produse financiare de asigurare a unui pret fix pentru cumpararea de valuta. Mai multe cereri de oferta primite de la clienti solicita ofertarea intr-o valuta diferita decat cea de achizitie. Astfel, Societatea a analizat si testat diverse solutii financiare in acest sens.

Odata cu intensificarea activitatii de export, Societatea pastreaza devizele incasate in moneda initiala, pentru a putea face platile direct in moneda partenerului extern. Aceasta abordare ne permite sa anulam efectul fluctuatiei de curs in cazul facturilor deschise (deoarece pierderile inregistrate prin creterea valorii facturilor de plata sunt compensate de castigurile produse de cresterea valorii detinerilor de valuta). In special odata cu achizitia Dendrio, devizele incasate de la clientii Bittnet sunt mai relevante pentru platile efectuate de Dendrio catre furnizorii externi (Dendrio are achizitii semnificative de la furnizori externi).

La 31 decembrie, expunerea netă a Societatii la riscul valutar a fost următoarea (sume in echivalent LEI):

Active/(datorii) financiare nete in moneda străină	31 dec 2021	31 dec 2020
LEI	(8,166,921)	2,087,940
EUR	2,127,890	(2,284,234)
USD	(1,286,733)	352,131

Alt risc de piață

Societatea deține unele investiții strategice de capitaluri proprii în alte societăți care completează operațiunile Societatii. Conducerea consideră că expunerea la riscul piață din această activitate este acceptabil în circumstanțele Societatii, insa este mult mai mare decat riscul asociat unei investitii in titluri de stat sau participatii in fonduri de investitii, in principal din cauza volatilitatii si evolutiei impredictibile a preturilor actiunilor, atat pe termen scurt, cat si pe termen lung.

Riscul de lichiditate

Riscul de lichiditate provine din gestionarea de către Societate a capitalului circulant și a cheltuielilor financiare și a rambursărilor principale ale instrumentelor sale de creanță. Există riscul ca Societatea să întâmpine dificultăți în îndeplinirea obligațiilor financiare pe măsură ce ajung la scadență.

Politica Societatii este de a se asigura că va avea întotdeauna suficient numerar pentru a-i putea permite să-și acopere datoriile la scadență. Pentru a atinge acest obiectiv, acesta încearcă să mențină soldurile de numerar (sau facilitățile convenite) pentru a îndeplini cerințele preconizate pentru o perioadă de cel puțin 45 de zile. Societatea urmărește, de asemenea, reducerea riscului de lichiditate prin fixarea ratelor dobânzii (și, prin urmare, a fluxurilor de numerar) pe o parte din împrumuturile sale pe termen lung, iar acest lucru este menționat în secțiunea „riscul ratei dobânzii” de mai sus.

Următorul tabel prezintă scadențele contractuale (reprezentând fluxuri de numerar contractuale ale datoriilor financiare):

31 decembrie 2021	Până la 3	Între 3 și 12	Între 1 și 2	Între 2 și 5
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	<u>luni</u>	<u>luni</u>	<u>ani</u>	<u>ani</u>
Împrumuturi din emisiuni de obligațiuni	872,768	-	24,044,334	-
Datorii Leasing	124,955	286,625	216,549	184,274
Împrumuturi bancare	236,969	728,151	165,608	-
Datorii comerciale si alte datorii	3,033,470	11,157,475	624,136	-
Total	4,268,162	12,172,251	25,050,626	184,274
31 decembrie 2020	Până la 3 luni	Între 3 și 12 luni	Între 1 și 2 ani	Între 2 și 5 ani
Împrumuturi din emisiuni de obligațiuni	819,458	70,323	4,451,616	23,905,708
Datorii Leasing	338,976	858,103	1,401,466	1,635,254
Împrumuturi bancare	266,802	676,841	902,454	251,756
Datorii comerciale si alte datorii	3,504,528	-	-	-
Total	4,929,764	1,605,267	6,755,536	25,792,718

Informații relevante referitoare la capital

Societatea monitorizează capitalul care cuprinde toate componentele capitalului propriu.

Obiectivele Societatii la menținerea capitalului sunt:

- să protejeze capacitatea entității de a continua ca o preocupare continuă, astfel încât să poată continua să genereze profituri pentru acționari și beneficii pentru alte părți interesate și
- să ofere un randament adecvat acționarilor prin stabilirea prețurilor produselor și serviciilor în concordanță cu nivelul de risc.

NOTA 5. REZULTATUL PE ACTIUNE

Societatea prezinta atât rezultatul de bază pe acțiune, cât și rezultatul pe acțiune diluat:

- rezultatul de bază pe acțiune se calculează prin împărțirea profitului net pentru anul curent atribuit deținătorilor de acțiuni ale Societatii, la numărul mediu ponderat de acțiuni în cursul perioadei;

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- rezultatul pe acțiune diluat se calculează pe baza profitului net, ajustat de efectul dilutiv al opțiunilor de acțiuni ale angajaților.

Rezultatul pe acțiune este ajustat retroactiv la începutul primei perioade raportate pentru creșterea numărului de acțiuni rezultate din capitalizare.

Calculul rezultatului pe acțiune pentru anii financiari 2020-2021 este prezentat in tabelul următor:

	2021	2020
Profit net atribuibil societatii mama (A)	9,168,718	1,994,879
Numar de actiuni - inceputul perioadei	264,431,393	116,203,206
Capitalizare prime/rezultat raportat	197,826,961	137,181,546
Actiuni emise in perioada contra numerar	18,178,550	11,046,641
Numar de actiuni - sfarsitul perioadei	480,436,904	264,431,393
Media actiunilor ordinare in perioada (B)	474,377,387	458,576,140
Actiuni cu efectiv dilutiv (SOP)	64,858,982	54,790,185
Media totala (C)	539,236,369	495,459,912
Rezultatul pe acțiune		
de baza (A/B)	0,0193	0.0044
diluat (A/C)	0,0170	0.0040

NOTA 6. VENITURI DIN CONTRACTE CU CLIENTII

Veniturile din contractele cu clienții pentru anii financiari 2020-2021 sunt detaliate in tabelul următor:

	2021	2020
Servicii de training	10,945,087	12,789,506
Servicii de integrare solutii IT	487,560	1,648,420
Venituri din prestarea de servicii	11,432,647	14,437,926
Vanzarea de marfuri integrare solutii IT	880,848	1,497,710
Licente revandute	755,847	942,883
Vanzarea de marfuri	1,636,695	2,440,593
Total	13,069,342	16,878,519

Servicii de training

Veniturile din servicii de training includ accesul experților la tehnologie prin predarea competențelor IT, de la cele de bază (de ex.: Microsoft Office Suite) până la cele mai avansate (Cloud, DevOps, Cybersecurity). Portofoliul de business training conține management de proiect, managementul serviciilor IT, business intelligence, CRM, ERP, Agile etc. Bittnet oferă o gamă variată de cursuri IT. Fiecare curs poate fi susținut în două moduri flexibile: intensiv

(5 zile pe săptămână, 8 ore pe zi) sau format mixt (cursuri de 2/4/6 ore, în funcție de nevoia clientului). Fiecare student primește acces la echipament dedicat, curriculum oficială, precum și la examene online și offline.

Veniturile sunt recunoscute la un moment specific, la finalizarea training-ului ca urmare a îndeplinirii obligației de executare.

Servicii de integrare solutii IT

Soluțiile IT furnizate de Societate includ: servicii de consultanță generală, servicii de evaluare IT, servicii de implementare și migrare, servicii de întreținere și suport, servicii de optimizare a infrastructurii. Businessul de integrator presupune oferirea soluțiilor și serviciilor începând cu analiza inițială, faza de design, implementare și testare ce rezultă în proiecte la cheie pentru companii cu nevoi diferite în ceea ce privește IT-ul.

În general, veniturile sunt recunoscute la un moment specific, la finalizarea implementării ca urmare a îndeplinirii obligației de executare.

Veniturile din vanzarea de marfuri si licente

Veniturile din vanzarea de marfuri si licente sunt recunoscute atunci cand clientul obține controlul asupra activelor transferate.

Veniturile din perspectiva geografica

Veniturile sunt semnificativ prestate si marfurile livrate catre entitati din Romania.

Raționamente esențiale

Societatea a analizat prin prisma prevederilor IFRS 15 dacă acționează în nume propriu („Principal”) în relația cu clienții, respectiv dacă controlează bunurile și serviciile promise înainte să transfere bunul sau serviciul unui client.

Analizând contractele de vânzare marfuri (echipamente hardware și licențe software), Societatea Bittnet consideră că are obligațiile în nume propriu, și deci acționează ca „Principal” și nu ca intermediar („Agent”). Pentru a ajunge la această concluzie, Societatea a analizat procesele de comandă și de livrare a echipamentelor și licențelor, momentul transferului drepturilor de către furnizor către Grup și de la Grup către client, și apariția riscurilor asociate controlului.

Astfel, chiar dacă echipamentele IT sau licențele software vândute de Societate sunt produse de alte entități, promisiunea Societății către clienții proprii nu este de a produce acele marfuri, ci de a le livra (iar adesea și a performa activități suplimentare precum instalarea, customizarea, combinarea, activarea, configurarea, optimizarea și mentenanța pe durata de funcționare). Acestea sunt servicii separate, contabilizate independent, dar sunt obligații care arată controlul Societății asupra produselor în fluxul de livrare. Legat de livrarea către client, ea este realizată de Grup – care intră în posesia efectivă a marfurilor (inclusiv a cheilor de activare a software-ului) și le transmite către clientul final, alături de procesele interne specifice de activare în portaluri destinate (proces efectuate de echipa Societății).

Societatea vinde drepturile asupra marfurilor produse de producători în combinație cu serviciile proprii cu valoare adăugată. Aceste servicii sunt de tipul „advisory” și de tip „know-how” asigurându-ne că soluțiile vândute clienților satisfac cerințele și nevoile acestora. Aceste servicii sunt parte integrantă a obligațiilor asumate în fața clienților, pentru că aceste servicii nu oferă o valoare separată clienților, și nu sunt facturate separat. În concluzie, Societatea face clienților o promisiune de a livra marfurile, intră în posesia și controlul lor și stabilește prețurile de vânzare, în cadrul unor procese de negociere. Societatea are libertatea de a stabili prețurile cu clienții, chiar dacă aceștia au negociat direct cu producătorul marfurilor anumite contracte. Astfel, Societatea poate acorda discounturi suplimentare, sau poate solicita creșterea prețului pentru a reflecta riscuri valutare, viteza de livrare, risc de neincasare de la client, etc. Cu alte cuvinte, în ochii clienților, Societatea este furnizorul marfurilor, chiar dacă ele sunt produse de producători, Societatea fiind integral responsabil de buna livrare a proiectelor agreate.

NOTA 7. COSTUL VANZARILOR

Costurile aferente vanzarilor pentru anii financiari 2020-2021 sunt prezentate în tabelul următor:

2021

2020

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Costul vanzarii de marfuri integrare solutii IT	777,072	1,431,890
Licente revandute	599,813	728,222
Alte materiale directe	136,521	865,538
Servicii cloud	239,969	565,223
Cheltuieli de personal	74,439	-
Cheltuieli cu colaboratori	1,096,019	997,235
Servicii prestate de terti	3,780,378	3,944,258
Total	6,704,212	8,532,366

NOTA 8. CHELTUIELI VANZARE

Cheltuielile vanzare pentru anii financiari 2020-2021 sunt prezentate in tabelul următor:

	2021	2020
Cheltuieli de personal	307,461	161,537
Cheltuieli cu colaboratori	2,018,237	1,400,882
Comisioane si onorarii	273,877	169,750
Publicitate	1,073,918	593,843
Total	3,673,493	2,326,012

NOTA 9. CHELTUIELI GENERALE SI ADMINISTRATIVE

Cheltuielile administrative pentru anii financiari 2020-2021 sunt detaliate in tabelul următor:

	2021	2020
Materiale	30,335	29,170
Cheltuieli de personal	1,751,963	2,178,171
Cheltuieli cu colaboratori	765,426	708,199
Amortizare	640,863	557,590
Chirii	12,648	-
Deplasare si transport	5,427	7,476
Asigurari	28,973	64,072
Postale si telecomunicatii	44,439	45,510
Donatii	187,638	43,323
Ajustari creante	(26,838)	63,815
Comisioane bancare	37,514	27,056
Alte servicii terti	1,028,750	406,643
Diverse	305,656	235,170
Total	4,812,795	4,366,194

NOTA 10. CLASIFICAREA CHELTUIELILOR DUPA NATURA

Clasificarea cheltuielilor operationale totale, dupa natura, pentru anii financiari 2020-2021 este detaliate in tabelul următor:

2021	2020
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Materiale si marfuri	943,928	2,326,598
Licente revandute	599,813	728,222
Cheltuieli de personal	2,133,863	2,339,708
Cheltuieli cu colaboratori	3,879,682	3,106,316
Amortizare	640,863	557,590
Servicii cloud	239,969	565,223
Chirii	12,648	-
Comisioane si onorarii	273,877	169,750
Publicitate	1,072,826	593,843
Deplasare si transport	5,427	7,476
Asigurari	28,973	64,072
Postale si telecomunicatii	44,439	45,510
Donatii	187,638	43,323
Ajustari creante	(26,838)	63,815
Comisioane bancare	37,514	27,056
Servicii prestate de terti	4,809,128	4,350,901
Diverse	305,656	235,170
Total cheltuieli operationale	15,190,500	15,224,572

NOTA 11. VENITURI SI CHELTUIELI FINANCIARE

Detalii referitoare la venituri si cheltuieli pentru anii financiari 2020-2021 sunt prezentate in tabelul următor:

Venituri financiare	2021	2020
Venituri din dobanzi	1,532,810	1,990,049
Venituri din investitii	2,460,454	598,657
Venituri din evaluarea titlurilor	9,736,569	1,168,120
Total	13,729,833	3,756,827
Cheltuieli financiare	2021	2020
Dobanzi bancare	113,693	193,056
Costuri factoring	19,285	15,869
Dobanzi obligatiuni emise	2,499,875	2,749,105
Dobanda Leasing	49,720	349,199
Venituri/cheltuieli nete diferite de curs	(293,272)	(112,620)
Total	2,389,300	3,194,608

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NOTA 12. IMPOZIT PE PROFIT

Detalii referitoare la impozitul pe profit curent si amânat pentru anii financiari 2020-2021 sunt prezentate in tabelul următor:

	<u>2021</u>	<u>2020</u>
Impozit pe profit curent	1,084,122	312,954
Impozit amanat	<u>(154,290)</u>	<u>236,017</u>
Total impozit pe profit	929,832	548,971

Reconcilierea impozitului pe profit

	<u>2021</u>	<u>2020</u>
REZULTAT BRUT	10,098,550	2,543,849
Rezerva legala	(504,927)	(72,878)
Venituri neimpozabile	(3,936,744)	(801,522)
Cheltuieli nedeductibile	<u>1,460,276</u>	<u>2,294,943</u>
REZULTAT IMPOZABIL	7,117,154	3,964,391
Impozit pe profit (16%)	1,138,745	634,303
Reducere sponsorizare	<u>(208,913)</u>	<u>(85,332)</u>
Total impozit pe profit	929,832	548,970

Impozit amânat

Impozitul amânat de plată și de recuperat sunt evaluate la rata efectivă de impozitare de 16%. Impozitul amânat de plată și de recuperat, precum și cheltuielile cu /(veniturile din) impozit amânat recunoscute în situația rezultatului global sunt atribuibile următoarelor elemente: recunoasterea în situațiile financiare a diferentelor temporare în ceea ce privește recunoasterea fiscală a unor costuri (dobânzi), retratari în legătura cu aplicarea IFRS 16 (leasing), evaluarea titlurilor la valoarea justă.

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NOTA 13. IMOBILIZARI NECORPORALE

Imobilizările necorporale includ in principal Marca Bittnet si licente software.

	Marca Bittnet	Licente si alte necorporale	Total alte active necorporale
Valoare neta			
La 31.12.2019	5,786,000	429,325	6,215,325
Intrări	14,518	638,782	653,300
Amortizare	-	(114,340)	(114,340)
La 31.12.2020	5,800,518	953,767	6,754,285
Intrări	-	787,569	787,569
Amortizare	-	(291,554)	(291,554)
La 31.12.2021	5,800,518	1,449,782	7,250,299

Raționamente esențiale – marca Bittnet (recunoastere, evaluare, inregistrare)

Marca Bittnet

Marca Bittnet a fost achizitionata la finalul anului 2018 de la fostul proprietar, la un pret echivalent cu valoarea evaluata de un evaluator independent. Evaluarea a fost efectuata prin metoda fluxurilor de numerar (DCF), avand ca referinta o redevența de 5% din cifra de afaceri din activitatea de training, conform precedentului contract de licentiere, rata care este comparabila cu conditiile din piata.

Conducerea a avut in vedere faptul ca Marca Bittnet este separabilă, adică poate fi separată sau divizată de entitate și vândută, transferată, autorizată, închiriată sau schimbată, fie individual, fie împreună cu un contract, un activ sau o datorie corespondenta, iar totodata aceasta a intrat in patrimoniul Societatei din drepturi contractuale sau de altă natură legală, indiferent dacă acele drepturi sunt transferabile sau separabile de entitate sau de alte drepturi și obligații.

Societatea controlează Marca Bittnet avand capacitatea de a obține beneficii economice viitoare de pe urma resursei suport și de a restricționa accesul altora la beneficiile respective. Capacitatea de a controla beneficiile economice viitoare provine din drepturile legale a căror aplicare poate fi susținută în instanță - conform Legii 8 a drepturilor de Autor.

Inregistrarea tranzactiei de remitere a datoriei

Datoria din achizitia marcii a fost remisa catre fondatorii companiei, Mihai si Cristian Logofatu, ulterior achitata prin transferul unor active din patrimoniul personal al fondatorilor catre vanzatorul Marcii.

Conducerea a analizat tranzactia de remitere a datoriei si a concluzionat ca aceasta reprezinta un venit si nu o operatiune de capitaluri. Tranzactia a fost realizata cu fondatorii Bittnet Systems in calitatea lor de manageri, avand in vedere angajamentul fondatorilor fata de actionarii minoritari de a suporta in nume propriu costul achizitiei marcii, corectand astfel eroarea din trecut de a nu fi fost suficienti de diligenti sa inregistreze marca la OSIM. Venitul din remiterea datoriei in suma de 5,786,000 a fost recunoscut in exercitiul financiar 2018 in Situatia rezultatului global pe linia „Alte venituri”.

Raționamente esențiale – durata de viata nedeterminata

Marca a fost achiziționata într-o combinație de afaceri și este singura alocata afacerii. S-a stabilit că are o viață utilă nedeterminată, deoarece nu există intenția de a abandona numele de marcă. Societatea are capacitatea de a menține valoarea mărcii pe o perioadă nedeterminată de timp. Astfel, marca nu este amortizata, ci este testata anual pentru depreciere. Deoarece marcele nu generează intrări de numerar în mare măsură independente, acestea sunt alocate CGU-urilor Societatii pentru testarea deprecierei fondului comercial ca parte a activelor afacerii.

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NOTA 14. IMOBILIZARI CORPORALE

Imobilizările corporale includ in principal amanajarile spatiilor de birouri si echipamente necesare desfasurarii activitatilor operationale. Miscările in cadrul imobilizarilor corporale sunt prezentate in tabelul de mai jos.

	Spatii inchiriate si amenajari	Instalații tehnice si mașini	Alte echipamente si mobilier	Total active imobilizate
Cost				
La 31.12.2019	1,830,103	1,235,331	646,167	3,711,602
Intrari leasing	-	195,460	-	195,460
Intrări	-	-	4,573	4,573
Cedări/Transfer	-	-	(434,521)	(434,521)
La 31.12.2020	1,830,103	1,430,791	216,219	3,477,114
Intrari leasing	-	31,911	-	31,911
Intrări	157,437	-	-	157,437
Cedări/Transfer	1,830,104	601,240	-	2,431,344
La 31.12.2021	157,437	861,462	216,219	1,235,118
Amortizare				
La 31.12.2019	447,621	317,188	606,073	679,816
Costul perioadei	310,944	187,954	13,028	511,925
Cedări/Transfer	-	-	(434,521)	(434,521)
La 31.12.2020	758,565	505,141	184,580	1,448,287
Costul perioadei	139,772	-	13,155	152,927
Cedări/Transfer	898,337	20,087	-	918,424
La 31.12.2021	-	485,054	197,735	682,790
Valoare neta				
La 31.12.2021	157,437	376,408	18,484	552,328
La 31.12.2020	1,071,539	925,650	31,639	2,028,827
La 31.12.2019	1,382,482	918,144	40,094	2,340,720

Nu au fost constituite ipoteci sau garantii cu privire la imobilizarile corporale detinute.

NOTA 15. TITLURI DE PARTICIPARE

a) Filiale

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Dendrio Solutions	7,266,254	7,266,254
Elian Solutions	510,000	510,000
Equatorial Gaming	4,646,000	4,646,000
Computer Learning Center	866,001	
ISEC Associates	436,001	
IT Prepared	2,883,421	
Nenos Software & Nonlinear	4,985,939	
Global Resolution Experts	9,693,544	
Total	<u>31,287,160</u>	<u>12,422,254</u>

Dendrio Solutions

În cursul anului 2017, Societatea a achiziționat GECAD NET de la antreprenorul Radu Georgescu. În prima jumătate a anului 2018, GECAD Net a fost redenumit Dendrio Solutions. Dendrio este singurul integrator de soluții hibrid "multi-cloud" din România, având o poziție consolidată ca și companie certificată de cei mai importanți furnizori de IT din lume, concentrându-se pe cloud și securitate informatică.

Soluțiile IT furnizate de Dendrio includ: servicii de consultanță generală, servicii de evaluare IT, servicii de implementare și migrare, servicii de întreținere și suport, servicii de optimizare a infrastructurii și servicii de training IT. Compania este singurul integrator de tip "hibrid multi-cloud" din România, consolidând poziția sa de companie certificată de către cei mai importanți furnizori IT din lume, concentrându-se pe cloud și cybersecurity.

În decembrie 2018, Bittnet a achiziționat activitatea de integrare IT&C a Crescendo International SRL, o companie cu 25 de ani de experiență în România și pe piețele externe. Divizia IT&C a companiei Crescendo a fost integrată în Dendrio și, ca urmare a fuziunii, compania beneficiază de o structură de afaceri mai stabilă, de resurse extinse de personal, precum și de un portofoliu extins de clienți, produse și servicii.

Elian Solutions

În anul 2018 Societatea a achiziționat un pachet majoritar de acțiuni în compania ce furnizează soluții ERP, Elian Solutions. Elian a completat oferta de servicii de integrare IT prin adăugarea de soluții ERP în portofoliul grupului.

Elian Solutions este specializată în furnizarea de servicii de implementare pentru soluții ERP (Enterprise Resource Planning), Microsoft Dynamics NAV. Elian este singurul partener ce deține un Gold Certificate pentru această soluție de la Microsoft în România. Soluția implementată de Elian le permite companiilor să cunoască situația stocurilor, a creanțelor și a datoriilor, să poată previziona, inter alia cash-flow-ul, să urmărească producția, centrele de cost și multe altele.

Equatorial Gaming

În anul 2018, Societatea a achiziționat un pachet semnificativ în compania de învățare bazată pe jocuri, Equatorial Gaming. În urma achiziției, activitățile Equatorial au fost integrate în divizia **Educație**.

În luna August 2020, Societatea a activat opțiunea de conversie a împrumutului de 1.050.000 lei acordat în 2018 companiei Equatorial Gaming, echivalentul a 20,1% din capitalul social. În Noiembrie 2020, acționarii Bittnet au aprobat cumpararea unui număr de acțiuni nominative reprezentând 60,3665% din capitalul social al Equatorial Gaming SA. În urma acestor operațiuni, Bittnet Systems a ajuns la o deținere de 98,99% din capitalul social al Equatorial Gaming SA.

Equatorial, companie de tip *game-based learning* este specializată în furnizarea programelor de formare și consultanță transformatoare la nivel individual, de echipă și organizațional în România și în străinătate. În 2015, compania a inventat și lansat Equatorial Marathon, un joc de realitate virtuală alternativă (Alternate Reality Game) pentru corporații, care mărește gradul de implicare și stimulează schimbările comportamentale ale angajaților. În

2018 Equatorial a lansat un nou produs: VRunners, o evolutie pentru platforme mobile a aplicatiei Marathon. In 2019, Equatorial a lansat 2 noua jocuri: White Hat si Bona Fidae Agency.

Computer Learning Center & ISEC Associates

In august 2021, Societatea a informat investitorii despre semnarea contractelor de vanzare-cumparare actiuni pentru preluarea companiei de securitate cibernetica – ISEC Associates SRL si a companiei de training IT – Computer Learning Center.

Pretul de achizitie pentru 100% din compania Computer Learning Center (CLC) este de 725.000 lei, suma care a fost decontata in 2 transe: prima transa, in valoare de 225.000 lei, a fost achitata prin ordin de plata pe parcursul lunii august 2021, iar transa 2 – in valoare de 500.000 lei, conditionata de eliminarea din patrimoniul CLC a activelor care nu sunt relevante pentru activitatea curenta a companiei – a fost achitata in Ianuarie 2022.

Bittnet Group isi consolideaza astfel divizia de Educatie si extinde portofoliul de certificari, in special in sectorul securitatii cibernetice. Compania colaboreaza cu peste 30 de formatori certificati si a livrat peste 2.500 de cursuri la 15.000 participanti in ultimii ani.

In urma intrarii Bittnet Systems in actionariat a fost semnat de parti in Septembrie 2021 si un contract de imprumut prin care Emitentul a pus la dispozitia Computer Learning Center suma de 560.000 lei pentru finantarea capitalului de lucru pe o perioada maxima de 3 ani si o dobanda de 9% per an. Imprumutul a fost majorat succesiv pana la suma de 1.935.000 in perioada Octombrie 2021 – Februarie 2022.

Pretul de achizitie pentru cumpararea a 69,99% din actiunile ISEC Associates este de 295.000 lei, suma care fost achitata intr-o singura transa, prin transfer bancar, catre actionarul fondator, Alexandru Andriescu.

ISEC Associates este o companie fondata in 2003, specializata in servicii complete de audit de securitate, consultanta si testare. ISEC ajuta companiile sa identifice, evalueze, securizeze și gestioneze securitatea informațiilor. Prin achiziționarea ISEC, Bittnet isi dezvoltă poziția pe piața securității cibernetice.

In urma intrarii Bittnet Systems in actionariat a fost semnat de parti si un contract de imprumut prin care Emitentul a pus la dispozitia ISEC Associates suma de 370.000 lei pentru finantarea capitalului de lucru pe o perioada maxima de 3 ani si o dobanda de 9% per an. Imprumutul a fost majorat pana la suma de 470.000 in Februarie 2022.

IT Prepared

In august 2021, Societatea a informat investitorii si Piata despre finalizarea negocierilor si semnarea acordului pentru preluarea unui pachet majoritar de actiuni in compania IT Prepared SRL. Pretul tranzactiei se ridica la 673.200 USD pentru 50,2% din capitalul social al firmei si va fi achitat printr-un mix de numerar si actiuni BNET in 3 transe dupa cum urmeaza:

- Prima transa, in valoare de 265.200 USD, a fost platita in RON imediat dupa semnarea contractului de vanzare cumparare actiuni, prin ordin de plata catre cei doi actionari fondatori ai IT Prepared;
- Transele 2 si 3, in valoare de 265.200 USD, respectiv 142.800 USD, vor fi achitate catre fondatorii IT Prepared prin decontarea in actiuni BNET intr-o viitoare operatiune de majorare a capitalului social. Numarul efectiv de actiuni ce va fi emis va fi determinat in conformitate cu prevederile art. 210(2) din Legea 31/1990 si art. 87-88 din Legea 24/2017 privind emitentii de instrumente financiare si operatiuni de piata si art. 174 din Regulamentul ASF nr. 5/2018. Actiunile BNET pentru fiecare dintre transele 2 si 3 vor fi emise dupa inchiderea si aprobarea situatiilor financiare IT Prepared aferente anilor 2021 (transa 2) si 2022 (transa 3).

Tranzactia de preluare a participatiei majoritare in compania IT Prepared SRL a fost aprobata de Actionari in AGEA din 26 Noiembrie 2020. Tinand cont ca situatia financiara si operationala a IT Prepared SRL s-a schimbat intre momentul aprobarii acordate de AGEA si momentul semnarii acordului de investitie, parametrii tranzactiei au fost renegociati in beneficiul Bittnet, evaluarea finala fiind redusa la jumatate (astfel Bittnet a preluat pachetul majoritar), iar plata urmand a fi dependenta de confirmarea unor rezultate operationale pozitive in 2021 si 2022.

Nenos Software & Nonlinear

In august 2021, Societatea a informat piata de capital referitor la finalizarea negocierilor si semnarea contractelor pentru preluarea participatiilor majoritare in dezvoltatorul de software Nenos Software SRL si in Nonlinear SRL.

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Valoarea tranzactiei pentru achizitia a 60,97% din Nenos Software este de 4.850.000 lei, pret decontat in doua transe, astfel:

- 50% din pretul tranzactiei (adica suma de 2.425.000 lei) a fost achitat prin virament bancar in contul asociatului unic al Nenos Software;
- 50% din valoarea tranzactiei va fi decontata prin alocarea de actiuni Bittnet catre asociatul unic al Nenos Software, operatiune ce se va finaliza printr-o majorare de capital. Numarul efectiv de actiuni BNET ce va fi emis se va determina in conformitate cu prevederile art. 210(2) din Legea 31/1990 si art. 87-88 din Legea 24/2017 privind emitentii de instrumente financiare si operatiuni de piata si art. 174 din Regulamentul ASF nr. 5/2018.

Pentru achizitia a 60% din compania Nonlinear SRL, pretul tranzactiei este de 120 de lei si este egal cu valoarea nominala a partilor sociale cedate. Nonlinear a avut în 2020 o cifră de afaceri de 392.442 lei și profit net de 115.018 lei, având 4 programatori angajați.

Nonlinear a semnat in cursul anului 2021 un contract de finantare nerambursabila pentru dezvoltarea unui produs de digitalizare, destinat IMM și microintreprinderilor, care va permite automatizarea unor procese de HR, contabilitate, facturare etc. Produsul este o platformă de tip no-code, în care automatizarea proceselor poate fi făcută de angajați fără cunoștințe de programare. Finantarea nerambursabila este de 1.5 milioane euro, avand o contributie proprie de 0.5 milioane euro.

Prin preluarea participatiilor majoritare in Nenos Software SRL si Nonlinear SRL, Bittnet isi consolideaza pozitia in divizia de dezvoltare software, patrundand totodata si in sectorul inteligentei artificiale.

Global Resolution Experts (GRX) & GRX Advisory (GRX-A)

Global Resolution Experts S.A. (CUI 34836770), detinuta in proportie de 60% de catre Bittnet Systems, este o companie de servicii profesionale in zona de cybersecurity, ce ofera teste de penetrare, dar si proiectare, implementare si mententanta de solutii de cybersecurity. GRX detine integral GRX Advisory SRL (CUI 43813325), cu servicii similare.

Societatea a achizitonat initial, in decembrie 2021, un pachet de 74% din actiunile firmei „mama” – GRX, si ulterior pe finalul anului 2021 a atras un numar de investitori persoane fizice si juridice, prin vanzarea a 14% din actiunile GRX. Pretul platit pentru 74% din actiunile GRX este de 11.425.600 lei, dintre care 5.150.400 au fost achitate in decembrie 2021 si 6.275.200 lei urmeaza a fi achitate odata cu finalizarea auditului pentru rezultatele financiare ale anului 2021. Pretul de vanzare pentru 14% din actiunile detinute in GRX a fost de 3.472.631 lei, suma incasata integral in decembrie 2021 – ianuarie 2022.

Serviciile oferite de GRX sunt similare cu cele oferite de ISEC: servicii profesionale in zona de cybersecurity: Audit de conformitate IT, Servicii de teste de penetrare pentru aplicatii Web si infrastructura IT, pentru beneficiari din Romania si Uniunea Europeana; Servicii de proiectare, implementare si mentenanta sisteme de management IT si securitate informationala pentru conformitatea cu standardele ISO27001, ISO9001, ISO20000; Servicii de proiectare a controalelor si a sistemelor de securitate IT ce urmeaza a fi implementate (VPN, Antivirus/AntiX, DLP, NAC, IDS/IPS); Servicii de proiectare arhitectura solutii tehnice de infrastructura IT privind integrarea sistemelor informatice financiare in Cloud Public; Servicii de proiectare arhitectura solutii tehnice de infrastructura IT pentru implementarea sistemelor informatice complexe in sectorul public (fara participarea la implementarea respectivelor solutii de catre beneficiari).

b) Titluri cu detinere minoritara

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
E-Learning Company	1,996,839	-
Softbinator Technologies	-	8,527,500
Total	<u>1,996,839</u>	<u>8,527,500</u>

BITTNET SYSTEMS SA
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(toate sumele sunt exprimate in LEI, daca nu este specificat altfel)

Softbinator Technologies

In Decembrie 2020, Societatea a achizitionat un pachet de 25% in Softbinator Technologies, prima investitie a grupului intr-o companie de software development. Investitia a fost contabilizată folosind metoda punerii in echivalenta de la data la care a devenit entitate asociata, respectiv in Decembrie 2020 si pana la 30 Septembrie 2021. In aplicarea metodei punerii in echivalenta au fost utilizate informatiile financiare la data de 31 Decembrie 2020.

The E-Learning Company

Conform mandatului oferit de AGA din Noiembrie 2020, conducerea Societatii a finalizat, in ianuarie 2021, negocierile pentru achizitia a 23% din capitalul social al The E-Learning Company (ELC).

The E-Learning Company are un portofoliul de solutii si produse diverse structurat pe mai multe directii care acopera domenii ca dezvoltare personala si profesionala, comunicare, vanzare si negociere, marketing, resurse umane, project management, Microsoft Office, finante, limba engleza, etc.

Valoarea totala estimata a tranzactiei este dimensionata la suma de 1,75 milioane lei. Plata catre fondatorii E-Learning Company se va realiza in doua etape, conform Hotararii nr. 6 AGEA Bittnet din Noiembrie 2020, printr-un mixt de numerar si actiuni BNET:

- prima transa in valoare de 850.000 lei a fost integral achitata in numerar, suma de 450.000 pe parcursul Q1 2021, iar restul in luna aprilie 2021. Conducerea Bittnet a luat hotararea de a plati integral transa 1 in numerar avand in vedere perioada lunga de timp de procesare a operatiunii de compensare cu actiuni catre fondatori a precedentelor tranzactii de M&A – achizitia 25% din Softbinator si 99% din Equatorial Gaming.
- A doua transa va fi calculata la inceputul anului 2022 scazand din pretul tranzactiei valoarea primei transe.

Pretul exact al tranzactiei si alocarea intre numerar si compensarea prin actiuni BNET se va face in functie de indeplinirea anumitor indicatori de profitabilitate pe care ELC tinteste sa ii obtina pentru anul financiar 2021. Numarul de actiuni pentru compensarea partiala a transei 2 va fi determinat in conformitate cu prevederile art. 210(2) din Legea 31/1990 si art. 87-88 din Legea 24/2017 privind emitentii de instrumente financiare si operatiuni de piata si art. 174 din Regulamentul ASF nr. 5/2018. Ca urmare a contractului de investitie, Bittnet are alocat un loc in Consiliul de Administratie al E-Learning Company, pozitie care va fi ocupata de Ivylon Management SRL prin Logofatu Cristian. Bittnet a decis participarea in ELC cu scopul de a atinge anumite limite de profitabilitate minima, fapt pentru care, in anii urmasori se va urmari obtinerea distribuirii de dividende, astfel incat Bittnet sa poata atinge un randament de cel putin 18% anualizat cu conditia ca ELC sa realizeze un grad de profitabilitate cel putin egal cu acest procent.

In urma intrarii Bittnet Systems in actionariat a fost semnat de parti si un contract de imprumut prin care Emitentul a pus la dispozitia The E-Learning Company suma de 240.000 lei pentru finantarea capitalului de lucru pe o perioada maxima de 3 ani si o dobanda de 10% per an.

c) Alte active financiare (titluri) la valoare justa

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Softbinator Technologies	15,270,453	-
Safetech Innovations	632,560	1,459,700
Arctic Stream	1,791,601	-
Chromosome Dynamics	225,270	-
Total	<u>17,919,885</u>	<u>1,459,700</u>

Softbinator Technologies

In Decembrie 2020, Societatea a achizitionat un pachet de 25% in Softbinator Technologies pentru suma de 8.127.500 lei, prima investitie a grupului intr-o companie de software development. La momentul decembrie 2020 Bittnet detinea 22.500 actiuni, cu o valoare nominala de 1 leu per actiune, dintr-un capital subscris si varsat total de 90.000 lei, impartit in 90.000 actiuni.

Softbinator este o companie de product development, specializată în designul, dezvoltarea și lansarea pe piață de produse software cu precădere în domeniile Fintech, MedTech/HealthTech și EdTech pentru clienți din Europa, America de Nord și Asia.

Softbinator este implicată în dezvoltarea de produse de soft, soluții web și mobile pentru digitalizarea procesului de educație, lifestyle/domeniul medical și sănătate, e-payments, comerț electronic, online gaming și a bifat în 2020 arii neexplorate în anii precedenți prin digital banking (inclusiv crypto), Internet of Things (IoT), Automotive și a explorat o nouă verticală în expertiza de e-commerce: marketplace-uri.

Listare actiuni Softbinator Technologies (simbol de tranzactionare: CODE)

La final de August 2021, Softbinator Technologies a anunțat intenția de listare pe piața AeRO a Bursei de Valori București (sub simbolul de tranzacționare CODE) până la sfârșitul anului. Înainte de listare, Softbinator Technologies si-a anuntat de asemenea intentia de a efectua un plasament privat pentru atragerea de capital în vederea expansiunii companiei la nivel internațional.

In vederea derularii plasamentului privat de vanzare de actiuni, precum si in vederea admiterii la tranzactionare pe piata AeRO-SMT a BVB pentru actiunile CODE, au fost derulate mai multe operatiuni, pre plasament, dupa cum urmeaza:

a) Convocarea Adunarii Generale a Actionarilor

Actionarii Softbinator Technologies au hotarat in data de 09.09.2021 reducerea valorii nominale a unei actiuni Softbinator Technologies de la valoarea de 1 leu pe instrument pana la valoarea de 0,1 lei pe instrument. Ca urmare a reducerii / splitarii valorii nominale au fost emise actiuni noi in beneficiul actionarilor existenti intr-un raport de 9:1 (noua actiuni noi emise la fiecare actiune detinute la data de inregistrare).

In urma acestei operatiuni, Bittnet Systems detinea un numar de 225.000 actiuni, reprezentand 25% din cele 900.000 actiuni emise de Softbinator Technologies.

b) Majorarea capitalului social cu suma de 10.000 lei

Actionarii Softbinator Technologies au hotarat in data de 09.09.2021 majorarea capitalului social cu suma de 10.000 lei, suma ce a fost alocata din profitul nedistribuit, prin emiterea unui numar de 100.000 actiuni cu valoarea nominala de 0,1 lei. Actiunile au fost alocate proportional cu detinerile fiecaruia dintre actionari. Ca urmare a majorarii, capitalul social Softbinator Technologies a ajuns la un capital subscris si varsat de 100.000 lei, impartit in 1.000.000 actiuni, iar actionarului Bittnet Systems i-au fost alocate cu titlu gratuit 25.000 actiuni noi, cu o valoare nominala de 0,1 lei per actiune si o valoare nominala totala de 2.500 lei.

In urma acestei operatiuni, Bittnet Systems detinea un numar de 250.000 actiuni, reprezentand 25% din totalul actiunilor Softbinator Technologies.

c) Cedarea actiunilor nou emise ca actiuni de trezorerie

Actionarii Softbinator Technologies au hotarat in unanimitate in data de 09.09.2021 ca un procent de 10% din numarul total de actiuni detinute, adica totalitatea actiunilor emise si alocate in urma operatiunii de majorare a capitalului mai sus descrisa, sa fie puse la dispozitia Softbinator Technologies ca actiuni de trezorerie in scopul tranzactionarii in cadrul plasamentului privat. In acest sens, actionarul Bittnet Systems a cedat catre trezoreria Softbinator Technologies un numar de 25.000 actiuni CODE la valoare nominala de 0,1 lei per actiune, pentru care a primit contravaloarea de 2.500 lei – valoarea nominala.

In urma acestei operatiuni, Bittnet Systems detinea un numar de 225.000 actiuni, reprezentand 22,5% din totalul actiunilor Softbinator Technologies, si 25% din drepturile de vot si de participare la beneficii tinand cont ca actiunile de trezorerie nu au drept de vot si nu pot primi dividende.

d) Transfer actiuni Softbinator

La sfarsitul lunii septembrie 2021, anterior derularii plasamentului privat, Bittnet Systems a vandut un numar total de 36.020 actiuni Softbinator Technologies catre diverse persoane fizice si juridice. Transferul actiunilor s-a facut la pretul maxim din plasament (60 lei per actiune), in afara mecanismelor pietei de capital si reprezinta 3,602% din capitalul social si din actiunile Softbinator Technologies. In urma acestor tranzactii, Bittnet Systems a incasat suma de 2,16 milioane lei.

In urma acestor operatiuni Bittnet detine un numar de 188.980 actiuni, reprezentand 18,898% din totalul actiunilor Softbinator Technologies.

e) Derulare plasament privat

In cadrul plasamentului privat un total de 100.000 actiuni CODE, respectiv 10% din capitalul social al companiei (actiuni cedate de catre actionarii Softbinator Technologies catre trezoreria companiei conform celor descrise mai sus), au fost oferite investitorilor la un pret intre 50 si 60 de lei per actiune. La plasament au participat 143 investitori individuali si profesionali, iar oferta s-a inchis anticipat in prima zi, pe fondul unei suprasubscrieri de aproape 8 ori, investitorii plasand ordine in valoare totala de peste 49 milioane lei. Pretul final pe actiune a fost stabilit la valoarea maxima din oferta, adica 60 de lei. In urma procesarii tranzactiei, Softbinator a atras un aport in numerar in valoare de 6 milioane lei. Actiunile Softbinator vor fi disponibile la tranzactionare, in perioada urmatoare, sub simbolul CODE.

Raționamente esențiale - Reclasificare investitie Softbinator Technologies din titluri puse in echivalenta in titluri la valoarea justa prin contul de profit si pierdere

In urma operatiunilor descrise mai sus, Societatea a reanalizat incadrarea investitiei in Softbinator Technologies la data de 30.09.2021.

Astfel, tinand cont de faptul ca la momentul investitiei Bittnet in Softbinator, unul din elementele esentiale ale constructiei operationale a fost accesul Bittnet la piata de capital, pentru a sprijini proiectele de dezvoltare ale Softbinator, iar acest element diferentiator a disparut odata cu accesul direct al Softbinator la piata de capital prin derularea plasamentului privat cu actiuni CODE, conducerea Societatii a luat decizia de a renunta la implicarea in managementul activitatii Softbinator Technologies. Altfel, cele 188.980 actiuni detinute la 30.09.2021, reprezentand 18,898% din capitalul Softbinator Technologies, vor ramane in portofoliul Societatii spre vanzare. De asemenea, in decembrie 2021 Societatea a renuntat si formal la pozitia detinuta in cadrul Consiliului de Administratie a Softbinator Technologies prin Ivylon Management.

Societatea a analizat prin perspectiva prevederilor IAS 28, art. 6 a)-e), criteriile de exercitare influenta semnificativa asupra entitatilor in care exista o detinere, concluzionand urmatoarele:

- Societatea nu mai detine o pozitie in cadrul Consiliului de Administratie a Softbinator Technologies;
- Societatea nu participa in procesul de luare a deciziilor strategice pentru Softbinator Technologies (inclusiv cele legate de distributii de dividende);
- Nu exista tranzactii semnificative intre Societate si Softbinator Technologies;
- Societatea si Softbinator Technologies nu au management comun;
- Nu exista informatii esentiale de natura tehnica schimbate intre Societate si Softbinator Technologies.

Ca atare, Conducerea Societatii a ajuns la concluzia ca nu mai exercita si nici nu intentioneaza sa exercite o influenta semnificativa asupra Softbinator Technologies incepand cu 30.09.2021. Ca atare, Societatea a decis sa reincadreze detinerea ramasa in Softbinator Technologies la 30.09.2021 din titluri puse in echivalenta in titluri detinute la valoare justa.

La 31.12.2021, investitia in actiunile Softbinator Technologies a fost reevaluata folosind pretul mediu de tranzactionare pe piata AeRO din data de 31.12.2021.

Safetech Innovations

Evaluarea la valoare justa

In octombrie 2020, conducerea Societatii a investit in cadrul plasamentului privat organizat in vederea majorarii capitalului social al companiei de securitate cibernetica Safetech Innovations SA. Investitia a fost realizata in cadrul mandatului pe care conducerea executiva il are conform Actului Constitutiv. In cadrul plasamentului, Bittnet a subscris suma maxima posibila, respectiv 2,500,000 lei pentru toate cele 625,000 actiuni Safetech oferite (20% din capitalul social). Intentia Bittnet a fost sa realizeze o investitie semnificativa prin intrarea in actionariatul Safetech intr-un procent relevant pentru Bittnet si sa trateze investitia la fel ca pe celelalte din Grup.

In urma suprasubscrierii ofertei Safetech de aproape 9 ori, Bittnet a fost informat de catre Intermediar (SSIF Tradeville) ca i-au fost alocate un numar de 72,895 actiuni SAFE, reprezentand 2,3326% din capitalul social al Safetech, ceea ce a facut ca valoarea investitiei Bittnet sa se ridice la 291,580.00 lei.

In ianuarie 2021, actiunile Safetech au intrat la tranzactionare pe piata AeRO-SMT sub simbolul de tranzactionare SAFE, la un pret cu aproximativ 400% mai mare decat cel din plasamentul privat. Astfel, valoarea investitiei Bittnet valora 1,5 milion de lei inca din prima ora de tranzactionare.

Pentru a reevalua investitia in SAFE la 31 decembrie 2020, conducerea Societatii a calculat si analizat cativa multipli de piata, utilizati in mod uzual pentru evaluarea companiilor IT listate (EV/Sales, P/Sales, EV/EBITDA, P/E, P/BV), atat pentru Safetech cat si pentru celelalte companii listate din zona IT (in afara de BNET), i.e. Life is Hard, Ascendia si 2Performant, precum si pentru alte companii de tehnologie listate pe piete financiare externe.

In toate scenariile si din perspectiva multiplilor de piata pentru companiile de tehnologie listate, atat pe piata de capital din Romania cat si pe alte piete financiare, din punct de vedere al multiplilor de evaluare actiunea Safetech a aparut subevaluata in raport cu pretul initial de subscriere. Societatea a ales modelul cu cel mai ridicat grad mai ridicat de prudenta, care a condus la reevaluarea investitiei in Safetech Innovations la valoarea de RON 1.457.900 la 31.12.2020.

La 31.12.2021, investitia in actiunile Safetech Innovations a fost reevaluată folosind pretul mediu de tranzactionare pe piata AeRO din data de 31.12.2021.

Arctic Stream

Evaluarea la valoare justa

In iunie 2021, conducerea Societatii a investit in cadrul plasamentului privat organizat inaintea listarii actiunilor Arctic Stream (AST) pe piata AeRO-SMT. Arctic Stream este un integrator IT cu focus pe tehnologiile producatorului american Cisco Systems, competitor al Dendrio Solutions pe acest segment de piata. Investitia a fost realizata in cadrul mandatului pe care conducerea executiva il are conform Actului Constitutiv si va fi supusa spre ratificare actionarilor in AGEA din 7 Septembrie 2021.

In cadrul plasamentului privat, Bittnet a subscris suma de 10 milioane lei, intentia fiind sa realizeze o investitie semnificativa prin intrarea in actionariatul Arctic Stream intr-un procent relevant. In urma inchiderii anticipate inca din prima zi a plasamentului si a suprasubscrierii masive, intermediarul ofertei a informat Bittnet ca i-au fost alocate un numar de 74.632 actiuni AST, ceea ce reprezinta 1,78% din capitalul social si 1,78% din drepturile de vot. Valoarea investitiei in actiunile Arctic Stream se ridica la 1.865.800 lei.

In 29.07.2021, actiunile AST au intrat la tranzactionare pe piata AeRO la un pret cu aproximativ 40% mai mare decat cel din plasamentul privat.

Pentru a reevalua investitia in AST la 30 iunie 2021, conducerea Societatii a calculat si analizat cativa multipli de piata, utilizati in mod uzual pentru evaluarea companiilor IT listate (EV/Sales, P/Sales, EV/EBITDA, P/E, P/BV), atat pentru Arctic Stream cat si pentru celelalte companii listate din zona IT (in afara de BNET), i.e. Life is Hard, Ascendia, 2Performant, Safetech Innovations, precum si pentru alte companii de tehnologie listate pe piete financiare externe.

Societatea a ales modelul cu cel mai ridicat grad mai ridicat de prudenta, care a condus la reevaluarea investitiei in Arctic Stream la valoarea de RON 2.425.540 la 30.06.2021.

La 31.12.2021, investitia in actiunile Arctic Stream a fost reevaluată folosind pretul mediu de tranzactionare pe piata AeRO din data de 31.12.2021.

Chromosome Dynamics

In luna august 2021, conducerea Societatii a hotarat sa investeasca alaturi de Impetum Grup intr-o companie care urmareste sa dezvolte solutii IT si de inteligenta artificiala pentru clienti din industria de agribusiness, conform parteneriatului anuntat inca de la finalul anului 2019. Aportul Bittnet la capitalul social al Chromosome Dynamics se ridica la 150.000 lei pentru 1,5% din actiuni si 1,5% din drepturile de vot CHRD, inclusiv primele de emisiune.

Ulterior Chromosome Dynamics a derulat un plasament privat de actiuni in vederea listarii pe piata AeRO-SMT a Bursei de Valori Bucuresti incheiat anticipat. In cadrul ofertei au fost emise 111.929 actiuni CHRD, cu o valoare totala de 3.357.870 lei, pretul fiind de 30 de lei. Oferta a atins pragul de succes, fiind suplimentata cu inca 882.870 de lei. Data tranzactiei a fost 04.10.2021, decontarea avand loc in 06.10.2021 prin intermediul sistemului Depozitarului Central. In urma plasamentului privat Bittnet Systems detine 1,22% din actiunile si din drepturile de vot CHRD.

Chromosome Dynamics a realizat o cifra de afaceri de aproape 1 milion de lei in anul 2020 si 2.5 milioane lei la 30 iunie 2021; Compania dezvolta solutii orientate spre nevoile fermierilor in vederea tehnologizarii proceselor. CHRD este dezvoltatorul aplicatiei AGROBAZAR APP, care modeleaza procesul de consultanta-vanzare-cumparare in agribusiness, reprezentand un one stop shop pentru agricultorii din Romania. Aplicatia pune la dispozitia fermierilor consultanta in agribusiness, utilaje agricole si inputuri – seminte, pesticide, ingrasaminte avand pana in prezent peste 10.000 de utilizatori activi. Conform acordului de investitie, grupul Bittnet va avea prima optiune pentru a livra proiecte de tehnologie alaturi de CHRD.

La 31.12.2021, investitia in actiunile CHRD a fost reevaluada prin referinta la pretul per actiune din plasamentul privat incheiat anticipat. Dupa listarea actiunilor pe piata AeRO-SMT, investitia in CHRD va fi reevaluada trimestrial ca investitie mark-to-market („held for sale”) prin raportare la pretul mediu zilnic de tranzactionare de la finalul perioadei de raportare.

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NOTA 16. CREANTE COMERCIALE SI ALTE CREANTE

Creanțele comerciale si alte creanțe sunt prezentate in tabelul următor:

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Creante clienți	2,750,038	4,864,338
Ajustari pentru creante clienți	(21,806)	(48,643)
Active contractuale	70,864	849
Imprumuturi parti legate (Nota 24)	19,705,168	19,458,721
Active aferente subinchiriere	397,029	2,232,366
Subventii	24,695	25,292
Garantii	1,831	900
Alte creante	2,668,536	1,095,264
Total	25,596,355	27,629,087
Avansuri furnizori	27,711	83,686
Cheltuieli in avans	205,862	133,363
Creante buget de stat	153,009	700
Total, din care:	25,982,938	27,846,836
Active imobilizate	19,961,036	21,386,336
Active circulante	6,021,902	6,460,500

Pozitia de 'Alte creante' la 31.12.2021, in valoare de 2,668,536 lei, este formata in principal din: imobilizari in curs aferente tranzactiilor de M&A nefinalizate 617,927 lei; creante dividend Elian Solutions 577,291 lei; creante dividende Equatorial Gaming 448,695 lei; creanta vanzare participatie GRX 359,976 lei.

Situatia pe vechime a creantelor nete clienti:

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Nescadent	2,135,549	4,081,718
0-30	212,395	157,717
31-90	80,951	412,938
91-360	175,537	116,039
peste 360	123,800	47,282
Total	2,728,232	4,815,695

Reconciliere ajustari creante clienti:

	<u>2021</u>	<u>2020</u>
1 ianuarie	48,643	202,865
Ajustari in perioada	-	63,815
Anulare creante	-	(218,037)
Reluari ajustari	(26,838)	
31 decembrie	21,806	48,643

Estimari semnificative

Ajustarile de depreciere pentru creanțele comerciale și alte creante sunt recunoscute pe baza abordării simplificate din cadrul IFRS 9. În acest proces este evaluată probabilitatea neachitării creanțelor comerciale, pe baza experienței istorice in ceea priveste riscul de neincasare. Experienta anilor precedenti a aratat ca riscul de neincasare este scazut,

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nefiind inregistrate pierderi semnificative in ultimii ani. Cu toate acestea, conducerea a estimat si inregistrat ajustari la nivelul soldului creantelor neincasate la finalul anului 2020, astfel: creante Bittnet – 1%. La finalul anului 2021, conducerea a estimat si inregistrat ajustari la nivelul soldului creantelor neincasate, astfel: creante Bittnet – 1%.

NOTA 17. STOCURI

Detalii privind stocurile sunt prezentate in tabelul următor:

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Materiale	-	-
Marfuri	18,496	24,420
Total	<u>18,496</u>	<u>24,420</u>

NOTA 18. NUMERAR SI ECHIVALENTE NUMERAR

Detalii privind numerarul si echivalente numerar sunt prezentate in tabelul următor:

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Banca in LEI	4,427,213	1,756,180
Banca in LEI – cash colateral	933,114	932,182
Banca in valuta	3,391,725	8,920,532
Numerar in casierie	1,141	1,141
Total	<u>8,753,193</u>	<u>11,610,034</u>

Depozitele de cash colateral reprezinta numerar restrictionat – garantie in legatura cu imprumuturile contractate cu Procredit Bank.

NOTA 19. CAPITALURI SI REZERVE

Detalii privind capitalurile rezervele Societatei sunt prezentate in tabelul următor:

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Capital social	48,043,690	26,443,139
Prime de emisiune	14,542,953	25,409,965
Alte elemente de capitaluri proprii	(19,082,504)	(19,893,997)
Rezerve legale	947,402	369,599
Rezultat reportat	(2,117,064)	(3,534,140)
Rezultat global curent	9,168,718	1,994,879
Total	<u>51,503,195</u>	<u>30,789,445</u>

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a) Capitalul social

Capitalul social al societatii mama Bittnet Systems include doar actiuni ordinare in valoare nominala de 0.1 LEI /actiune.

Structura actionariatului la fiecare data de referinta este prezentata in tabelul de mai jos:

Actionari si % detinute	31 dec 2021	31 dec 2020
Mihai Logofatu	12.05%	13.35%
Cristian Logofatu	11.13%	12.15%
Altii	76.82%	74.50%
Total	100%	100%

Majorare capital social prin incorporare rezerve - iulie 2021

Capitalul social a fost majorat prin incorporarea rezervelor si primelor de emisiune conform Hot. AGEA nr. 2 din aprilie 2021 si a Deciziei CA din data de 06.07.2021 si au fost distribuite actiuni gratuite: 6 actiuni noi la fiecare 10 actiuni detinute la data de inregistrare – 21 iulie 2021. Operatiunea s-a finalizat in luna iulie 2021 cu incarcarea in conturile de tranzactionare ale actionarilor a unui numar de 148,336,965 actiuni.

Additional, capitalul social al Bittnet Systems a fost majorat prin emiterea unui numar de actiuni cu titlu gratuit in beneficiul actionarilor de la data de inregistrare (1 actiune gratuita la 10 detinute), conform Hotararii AGEA nr. 3 din Aprilie 2021 si a Deciziei CA din data de 06.07.2021.

Pentru actiunile de la punctul 2, actionarii de la data de inregistrare – 21 iulie 2021 – au putut opta online, in perioada 26 iulie – 3 august, pentru a lasa aceste actiuni noi la dispozitia Societatii pentru a fi utilizate in programele de incentivare pentru persoanele cheie, aprobate anii precedenti de AGA, in acest caz incasand o distributie in numerar egala cu valoarea nominala a actiunilor nou emise.

In perioada de optare Emitentul a primit un numar de 325 optiuni, din partea a 325 actionari reprezentand un total de 167.393.769 drepturi de vot, adica 67,70% din totalul drepturilor de vot ale Emitentului. Dintre optiunile exprimate, 210 actionari reprezentand 162,611,497 drepturi de vot, adica 65,77% din totalul drepturilor de vot au optat pentru OPTIUNEA 1 – adica pentru distributia cash si lasarea actiunilor nou emise la dispozitia companiei. Societatea a distribuit acestor actionari suma de 1,626,109.60 lei incepand cu data de 4 August, prin sistemul Depozitarului Central, avand ca agent de plata Banca Transilvania.

Depozitarul Central a alocat, in 10.09.2021, actiunile in Sectiunea 1 pentru actionarii de la data de inregistrare care au optat altfel decat pentru distributia cash sau nu au intreprins niciun demers in perioada de optare. Tot atunci, Depozitarul Central a incarca in contul Emitentului un numar de 16,261,096 actiuni trezorerie.

Legat de operatiunile de majorare a capitalului social prezentate mai sus, Consiliului de Administratie (CA) a emis o Decizie in data de 06.07.2021 prin care s-a stabilit pastrarea raportului de alocare de 7 actiuni gratuite la 10 detinute la data de inregistrare conform mandatului acordat de Adunarea Generala a Actionarilor din 27.04.2021 prin Hotararile AGEA nr. 2 si 3. Acesta decizie a fost necesara avand in vedere ca la data convocarii AGA, coordonatele majorarii de capital cu actiunile gratuite au fost aplicate intregului capital social inregistrat la vremea respectiva in evidentele Registrului Comertului (ReCom) – 28.260.994,30 lei, respectiv 282.609.943 actiuni – valori rezultate din procesarea operatiunilor de majorare de capital decise in August 2020 si Decembrie 2020 si inregistrate la ReCom inca de la finalul anului 2020.

In acest sens, pentru a nu defavoriza niciunul dintre actionarii de la data de inregistrare (21 iulie 2021), dar nici creditorii din cele doua operatiuni de majorare de capital, pentru ca acestia sa primeasca drepturile rezultate din detinerile de actiuni BNET la data platii actiunilor noi, Consiliul de Administratie a decis, conform mandatului oferit prin cele doua Hotarari AGEA, pastrarea raportului de majorare stabilit de AGEA, insa aplicat pentru numarul de

actiuni inregistrate la ASF si Depozitarul Central (247.228.275 actiuni). Decizia CA din 06.07.2021 a fost emisa conform mandatului oferit Consiliului de Administratie de actionari in AGEA din 27.04.2021.

Asadar, in prima faza au fost emise un numar de 148,336,965 actiuni (conform Hotararii AGEA nr. 2/27.04.2021) care au fost repartizate tuturor actionarilor de la data de inregistrare, 21 iulie 2021, proportional cu detinerile si in raportul ce a fost hotarat de AGEA (de 6 actiuni gratuite la 10 detinute la data de inregistrare). Diferenta de 21,229,001 actiuni, pana la totalul de 169.565.966 actiuni, a fost repartizata persoanelor indreptatite de catre Depozitarul Central avand in vedere ca ASF a emis certificatul de inregistrare.

Acelasi principiu a fost aplicat si majorarii de capital hotarata de Adunarea Generala Extraordinara din 27.04.2021, la punctul 3, cu mentiunea ca acei creditorii care sunt actionari la data de inregistrare, 21 iulie 2021, vor putea opta pentru a lasa actiunea nou emisa la dispozitia Companiei si sa primeasca in schimb valoarea sa nominala. Ca atare, in prima faza se vor emite un numar de 24,722,828 actiuni, proportional cu detinerile tuturor actionarilor de la data de inregistrare si conform raportului de alocare stabilit de AGEA: 1 actiune gratuita pentru fiecare 10 actiuni, pentru care s-a putut opta pentru distributia in numerar a valorii nominale sau pentru alocare in Depozitar. Diferenta de 3,538,167 actiuni, pana la totalul de 28.260.995 actiuni, rezultat din aplicarea raportului de majorare pe intregul capital inregistrat in evidentele Registrului Comertului, a fost alocata persoanelor indreptatite de catre Depozitarul Central avand in vedere ca ASF a emis certificatul de inregistrare.

ASF a inregistrat operatiunea iar Depozitarul Central a procesat-o, capitalul social subscris si varsat al emitentului inregistrat in evidentele Registrului Comertului, ASF si Depozitarului Central fiind de 48.043.690,40 lei, divizat intr-un numar de 480.436.904 actiuni BNET, fiecare cu o valoare nominala de 0,1 lei.

Majorare capital social aporturi noi - februarie - martie 2021

In perioada ianuarie – martie 2021 s-a desfasurat perioada de oferta in cadrul majorarii de capital cu aporturi noi in numerar aprobata prin Hotararea AGEA nr. 4 din 29 aprilie 2020. Astfel, In Etapa 1 – derulata intre 27 ianuarie si 25 februarie 2021 – au fost subscrise 17,359,142 actiuni noi (95,49% din total) la pretul de 0,59 lei per actiune. Pretul din oferta (compus din valoarea nominala plus prima de emisiune) a fost stabilit conform Hotararii AGEA si a formulei aprobata de aceasta pentru prima de emisiune: $[(\text{pret mediu de tranzactionare ultimele 30 zile}) / 1,2] - 0,1$.

Actiunile ramase nesubscrise in perioada de oferta, au fost oferite spre subscriere in cadrul unui plasament ptivat (Etapa 2) care s-a inchis anticipat datorita interesului ridicat si a numarului mic de actiuni (819,408 actiuni ramase nesubscrise dupa Etapa1). Conform legii, pretul din plasamentul privat a fost mai mare decat pretul din Etapa 1, respective 0,60 lei per actiune.

In cadrul celor doua etape ale operatiunii de majorare a capitalului au fost subscrise cele 18,178,550 actiuni noi, adica 100% din emisiune, Compania ridicand o finantare in valoare de 10,733,538.58 lei. In urma subscrierilor celor 18,178,550 actiuni noi au fost alocate in conturile subscriitorilor un numar de drepturi de alocare (simbol BNETR09) egal cu numarul total de actiuni subscrise. Drepturile de alocare au intrat la Tranzactionare in cadrul Pietei Reglementate BVB incepand cu 10 aprilie 2021 dupa primirea CIIF si inregistrarea lor in evidentele ASF ca instrumente financiare.

In urma acestei operatiuni, capitalul social subscris si varsat al Companiei a fost majorat cu suma de 1.817.855 lei (aferenta valorii nominale a actiunilor nou emise). Suma de 8,915,683.58 lei (rezultata prin scaderea sumei majorarii capitalului social din intreaga valoare a finantarii atrase) a fost inregistrata ca prime de emisiune si va fi disponibila, in viitor, ca rezerve. Intentia Societatii este de a include si primele de emisiune in capitalul social si de a emite si alocati actiuni gratuite in viitoare operatiuni de capitalizare.

In urma inregistrarii noi valori a capitalului social majorat la ReCom, ASF a emis noul certificat de inregistrare a instrumentelor financiare, iar operatiunea a fost finalizata prin incarcarea la tranzactionare a actiunilor nou emise in data de 26.03.2021.

Majorare capital social prin conversie creante - decembrie 2020

In baza mandatului conferit prin Hotararile AGEA nr. 4 si nr. 5 din 26.11.2020, Consiliul de Administratie a semnat doua contracte de vanzare - cumparare actiuni, pentru achizitia de participatii in Equatorial Gaming si respectiv Softbinator Technologies, si a stabilit ponderea de decontare intre numerar si actiuni BNET pentru fiecare dintre cele 2 tranzactii. Astfel, suma totala a investitiilor in cele 2 companii este de 11,073,500 lei, iar Consiliul de Administratie

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a decis achitarea sumei de 4,423,500 lei in numerar si 6,650,000 in actiuni BNET. In urma acestor operatiuni, Bittnet Systems detine o pondere de 98.99% in Equatorial Gaming si de 25% in Softbinator.

In decembrie 2020, Consiliul de Administratie al Bittnet Systems a decis majorarea capitalului social in baza mandatului stabilit de AGA si a prevederilor Actului Constitutiv cu suma de 6,650,000 lei in contul creantelor detinute asupra Societatii de catre asociatii/actionarii celor doua companii, Equatorial Gaming si Softbinator Technologies.

In cadrul operatiunii de majorare a capitalului, actionarilor celor 2 companii le vor fi alocate actiuni la Emitent dupa cum urmeaza:

- Daniel Berteanu – cofondator Equatorial Gaming - 2,717,647 actiuni BNET
- Diana Rosetka – cofondator Equatorial Gaming - 736,722 actiuni BNET
- Daniel Ilinca – fondator Softbinator - 5,784,061 actiuni BNET
- Andrei Pitis – actionar Softbinator - 1,446,015 actiuni BNET

In urma emiterii celor 10,684,445 actiuni BNET, capitalul social s-a majorat cu suma de 1.068.444,50 lei, iar capitalurile proprii au crescut cu suma de 5,581,555.50 lei – prime la capital (diferenta dintre valoarea creantei si valoarea cu care se majoreaza capitalul social). Valoarea de 6.65 milioane lei, creanta detinuta de vanzatori asupra Emitentului, a fost certificata prin raportul de expertiza contabila extrajudiciara din data de 17.12.2020.

Numarul de actiuni nou emise a fost determinat in conformitate cu prevederile art. 210(2) din Legea 31/1990 si art. 87-88 din Legea 24/2017 privind emitentii de instrumente financiare si operatiuni de piata si art. 174 din Regulamentul ASF nr. 5/2018. Astfel, numarul de actiuni a fost stabilit prin impartirea creantei la pretul de 0.6224 lei/actiune – pretul mediu ponderat al actiunilor BNET in perioada 13.12.2019 – 16.12.2020. Majorarea de capital se face prin ridicarea dreptului de preferinta si in baza Deciziei Consiliului de Administratie nr. 10 din 17.12.2020 si in conformitate cu atributiile delegate de AGEA prin Hotararile nr. 3 din 25.04.2018 si nr. 1 din 17.12.2018, astfel incat actiunile nou emise sa poata fi alocate catre detinatorii creantei (actionarii companiilor achizitionate).

Decontarea celor 2 tranzactii printr-un mix de actiuni BNET si numerar a fost aprobata in AGEA din 26.11.2020, iar ratiunea care a stat la baza acestui model a fost aceea de aliniere a intereselor actionarilor celor 2 companii in care Bittnet a devenit actionar cu actionarii Bittnet. Astfel, actiunile liberate ca urmare a majorarii de capital social prin conversia creantei certe, lichide si exigibile vor fi inregistrate de catre Depozitarul Central in conturile globale ale celor 4 beneficiari – proportional cu valoarea creantei certe lichide si exigibile pe care acestia o detin asupra Companiei.

ASF a emis certificatul de inregistrare pentru aceasta operatiune iar Depozitarul Central a procesat alocarea de actiuni BNET in dreptul persoanelor indreptatite in data de 21.10.2021.

Majorare capital social aporturi noi - februarie - aprilie 2020

Conform Hotararii AGEA nr. 2 din 24 Aprilie 2019 a fost aprobata majorarea capitalului social cu un numar de 11.046.641 actiuni comune oferite spre subscriere actionarilor. Operatiunea de majorare a debutat in trimestrul 1, 2020, cu tranzactionarea drepturilor de preferinta BNETR07 apoi cu etapa ofertei publice de subscriere in baza dreptului de preferinta.

Astfel, in etapa I (oferta publica) – derulata intre 5 martie si 3 aprilie 2020 – au fost subscrise 5.046.928 actiuni noi (45,69% din total) la pretul de 0,83 lei per actiune, de un numar de 189 investitori persoane fizice si juridice.

In Etapa a II-a (plasamentul privat) Compania a oferit spre vanzare cele 5.999.713 actiuni ramase nesubscrise la pretul unitar de 0,831 lei. Subscrierile au fost realizate de 51 investitori persoane fizice si juridice.

Majorare capital social prin incorporare rezerve – iulie 2020

In cadrul celor doua etape ale operatiunii de majorare au fost subscrise toate cele 11.046.641 actiuni oferite, reprezentand 100% din totalul emisiunii de actiuni noi, Compania atragand un aport in numerar in valoare de 9.174.711,74 lei.

Capitalului social a fost majorat prin incorporarea rezervelor si primelor de emisiune conform Hot AGEA nr.2 din aprilie 2020 si au fost distribuite actiuni gratuite: 7 actiuni noi la fiecare 10 actiuni detinute la data de inregistrare. Operatiunea s-a finalizat in iulie 2020.

Adicional, capitalul social al Bittnet Systems a fost majorat prin emiterea unui numar de 11 milioane actiuni cu titlu gratuit in beneficiul actionarilor de la data de inregistrare (1 actiune gratuita la 10 detinute), conform Hotararii AGEA nr. 3 din Aprilie 2020. Actionarii au putut opta online pentru a lasa aceste actiuni noi la dispozitia Societatii pentru

a fi utilizate in programele de incentivare pentru persoanele cheie, aprobate de AGA, in acest caz incasand o distributie in numerar egala cu valoare nominala a actiunii noi. In urma acestei operatiuni, Depozitarul Central a incarcat in contul societatii un numar de 9,2 milioane actiuni (inregistrate ca actiuni de trezorerie), iar in conturile actionarilor care nu au optat pentru distributia cash – 2 milioane actiuni, conform optiunii lor.

b) Prime de emisiune

Primele de emisiune au fost constituite cu ocazia majorarilor de capital si pot fi utilizate la majorarea capitalului social.

c) Rezerva legala

Conform Legii 31/1990 în fiecare an se preia cel puțin 5% din profit pentru formarea fondului de rezervă, până ce acesta atinge minimum a cincea parte din capitalul social. Rezerve reprezentand facilitati fiscale nu pot fi distribuite avand implicatii asupra recalcularii impozitului pe profit.

d) Alte elemente de capitaluri proprii

Raționamente esențiale – recunoasterea si evaluarea SOP

Societatea a evaluat din perspectiva IFRS 2 daca tranzacțiile de plată bazate pe acțiuni cu angajatii (SOP) sunt decontate in bani sau prin emiterea de actiuni.

Societatea deconteaza tranzacțiile prin emiterea catre detinatorii de optiuni a unui numar de actiuni care sa echivaleze (la pretul pietei) cu valoarea financiara a optiunii. Majorarea de capital se face prin ridicarea dreptului de preferinta si in baza Deciziei Administratorului.

Ca urmare, desi intr-o etapa intermediara este evaluata „datoria” cu privire la decontarea SOP, substanta economica a tranzactiei este ca acestea se deconteaza in actiuni. Ca urmare, Societatea a recunoscut tranzacțiile SOP ca fiind decontate în acțiuni, si a recunoscut si evaluat serviciile primite in Situatia rezultatului global și creșterea corespunzătoare direct in capitalurile proprii.

Tranzacțiile cu angajații și cu alti colaboratori care oferă servicii similare, au fost evaluate la valoarea justă a instrumentelor de capitaluri acordate, deoarece de obicei nu a fost posibil să fie estimata în mod credibil valoarea justă a serviciilor primite.

Estimari semnificative – evaluarea SOP

Evaluarea valorii juste la data acordarii (conform IFRS 2) – data aprobarii de catre AGEA a fiecarui plan – se efectueaza utilizandu-se modelul Black - Scholes, folosind ca valori pentru model :

- pretul spot la data AGA, i.e. pretul mediu ajustat pentru splitari la t-1
- pretul strike (la data de referinta) conform fiecarui plan
- volatilitatea, conform analizei pretului zilnic al actiunilor BNET, ajustat pentru splitari
- rata dobanzii fara risc, i.e. ROBOR 12M publicat la t-1
- numarul de actiuni al companiei de la data acordarii
- procentul de diluare din Stock Option Plan

Valoarea integrala a fiecarui plan este recunoscuta in costuri pe durata fiecarui plan.

SOP 2018

Prin Decizia CA nr. 7/18.08.2020 Consiliul de Administratie al Societatii a hotarat majorare capitalului social prin emiterea unui numar de 24,697,223 actiuni ordinare, nominative, dematerializate, de valoare egala si cu o valoare nominala de 0,1 lei fiecare, in contul creantei detinute asupra Societatii de detinatorii de optiuni (“Persoanele Cheie”) in conformitate cu Planul de incentivare a persoanelor cheie – Stock Option Plan aprobat de Hotararea 12 AGEA din 25.04.2018 si contractelor de optiune si a actelor aditionale ulterioare – denumite in continuare “SOP 2018” sau “SOP”.

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Capitalul social s-a majorat astfel cu suma de 2.469.722,30 lei, iar capitalurile proprii au crescut aditional cu suma de 11.758.361,13 lei – prime de emisiune. Conform planului de incentivare - SOP2018 - un numar total de 47 persoane au primit dreptul, fara a avea si obligatia, de a achizitiona de la Companie actiuni la un pret per actiune echivalent cu o capitalizare a Societatii de la data de 31.12.2017. In perioada 10.05.2020 – 10.06.2020 (scadenta optiunii), persoanele cheie au exercitat optiunea, Societatea avand varianta de a rascumpara actiuni din piata sau sa opereze o majorare de capital prin care sa emita catre detinatorii de optiuni un numar de actiuni care sa echivaleze (la pretul pietei) cu valoarea financiara a optiunii pentru detinatorii de optiuni. Valoarea optiunii, care se constituie in creanta asupra Societatii, a fost certificata prin raportul de expertiza contabila extrajudiciara din data de 17.08.2020.

Numarul de actiuni nou emise a fost determinat in conformitate cu prevederile art. 210(2) din Legea 31/1990 si art. 87-88 din Legea 24/2017 privind emitentii de instrumente financiare si operatiuni de piata si art. 174 din Regulamentul ASF nr. 5/2018. Astfel, numarul de actiuni a fost stabilit prin impartirea creantei la pretul de 0.5761 lei/actiune – pretul mediu ponderat al actiunilor BNET in perioada 14 August 2019 – 14 August 2020.

Majorarea de capital se face prin ridicarea dreptului de preferinta si in baza Deciziei Consiliului de Administratie nr. 7 din 18.08.2020 si in conformitate cu atributiile delegate de AGEA prin Hotararile nr. 3 din 25.04.2018 si nr. 1 din 17.12.2018, astfel incat actiunile nou emise sa poata fi alocate catre detinatorii creantei (ca urmare a SOP2018).

Operatiunea a fost finalizata prin emiterea de catre Autoritatea de Supraveghere Financiara a certificatului de inregistrare iar Depozitarul Central a alocat actiunile emise in conturile globale ale persoanelor cheie in data de 21.10.2021.

SOP 2019

Prin Hotararea AGEA nr. 4 din 24.04.2019 actionarii Societatii au votat un plan de incentivare cu optiuni pentru persoanele cheie cu o durata de 2 ani, in valoare de maximum 5% din totalul actiunilor Societatii. Scadenta optiunilor a fost in lunile mai-iunie 2021, astfel incat persoanele cheie incluse in SOP2019 au avut dreptul (nu si obligatia) sa achizitioneze actiuni ale Emitentului la pretul aferent capitalizarii bursiere de la data de 31.12.2018.

29 de persoane cheie au exercitat optiunea de cumparare a unui numar total de 9.072.821 actiuni BNET la pretul de 0,224084401 lei per actiune. In urma acestei operatiuni, Societatea a inregistrat o creanta in raport cu persoanele cheie in suma de 2.033.080 lei. Numarul de optiuni exercitate (9.072.821) a reprezentat 3,6698% din capitalul Societatii la data implementarii.

Modalitatea de decontare a programului de incentivare cu optiuni in acest fel este o premiera si a putut fi implementata astfel datorita actiunilor de trezorerie incarcate in contul Companiei in decembrie 2020. Aceste actiuni au fost dobandite de Emitent in urma implementarii Hotararii AGEA nr. 3 din Aprilie 2020 si a procedurii speciale de optare derulate in vara anului trecut. Prin aceasta, actionarii de la data de inregistrare 21 iulie 2020 au putut opta sa primeasca valoarea nominala a actiunii noi emise si sa lase astfel actiunea la dispozitia Emitentului pentru implementarea programelor de incentivare a persoanelor cheie.

SOP 2020A

Prin Hotararea nr. 3 a AGOA din 29 Ianuarie 2020 au fost votate:

- includerea in planul de incentivare cu optiuni a persoanelor cheie, cu un numar de optiuni egal cu 0,5% din numarul total de actiuni, anual, a fiecarui membru al Consiliului de Administratie cu exceptia presedintelui Consiliului de Administratie; si
- includerea in planul de incentivare cu optiuni a persoanelor cheie, cu un numar de optiuni egal cu 0,75% din numarul total de actiuni, anual, a presedintelui Consiliului de Administratie.

SOP 2020B

Additional, prin Hotararea nr. 5 a AGEA din 29 Aprilie 2020, actionarii Societatii au votat un plan de incentivare cu optiuni pentru persoanele cheie cu o durata de 2 ani, in valoare de maxim 5% din totalul actiunilor Societatii.

SOP 2021

Prin Hotararea nr. 5 a AGEA din 27 Aprilie 2021, actionarii Societatii au votat un plan de incentivare cu optiuni pentru persoanele cheie cu o durata de 2 ani, in valoare de maxim 5% din totalul actiunilor Societatii.

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NOTA 20. OBLIGATIUNI

Detalii privind împrumuturile din emisiuni de obligațiuni sunt prezentate în tabelul următor:

	31 dec 2021	31 dec 2020
BNET22	-	4,451,616
BNET23	4,661,869	4,647,795
BNET23A	9,540,798	9,491,246
BNET23C	9,841,667	9,766,667
Dobanda acumulata	872,768	889,781
Total, din care:	24,917,101	29,247,105
Partea pe termen lung	24,044,334	28,357,324
Partea pe termen scurt (dobanda)	872,768	889,781

Societatea a derulat în anii 2016, 2017 și 2018 oferte de obligațiuni cu scadența în 2019, 2022 și 2023 prin intermediul carora a obținut din piața de capital o finanțare ‘angajată’ de peste 30 milioane lei (toate emisiunile sunt listate la BVB).

BNET22

În perioada 28 august - 8 septembrie 2017, Bittnet a derulat o altă ofertă de vânzare de obligațiuni prin plasament privat conform hotărârii AGEA nr. 5 din 26 aprilie 2017. Au fost subscrise 45.000 obligațiuni cu o valoare nominală 100 lei fiecare, ceea ce ridică suma atrasă în cadrul emisiunii BNET22 la 4,5 milioane lei. Fiecare obligațiune este purtătoare de dobândă fixă, 9% p.a. iar rambursarea principalului se va face în septembrie 2022. Subscrierile au fost realizate de 19 investitori persoane fizice. Obligațiunile BNET22 au fost admise la tranzacționare pe piața Bonds-ATS a Bursei de Valori București în 21 noiembrie 2017.

În data de 02 Aprilie 2021, Bittnet Systems a notificat Piața despre Decizia Consiliului de Administrație din data de 01.04.2021 de exercitare a opțiunii call (callback) pentru rascumpararea anticipată și în integralitate a emisiunii de obligațiuni corporative BNET22. Conform Memorandumului de admitere la tranzacționare pe piața SMT-Bonds a BVB, prețul de rascumparare al emisiunii BNET22 a fost 100% din valoarea nominală, iar data de înregistrare pentru identificarea obligatarilor carora le-au fost rascumparate instrumentele a fost 06.05.2021. Data plății efective a sumelor de bani a fost stabilită la 13.05.2021. De asemenea, conform Codului BVB, obligațiunile BNET22 au fost suspendate de la tranzacționare începând cu data de 05.05.2021, iar ultima sedință de tranzacționare BNET22 a fost 04.05.2021. Valoarea de rascumparare a emisiunii BNET22 a inclus dobândă ca fracție de cupon calculat pentru un număr de zile egal cu intervalul de timp de la data plății ultimului cupon întreg (Cuponul 14 din 15.03.2021) și până la data plății efective a valorii nominale a emisiunii rascumparate, adică până în data de 13.05.2021 inclusiv. Conducerea Companiei a luat decizia de rascumparare anticipată a emisiunii BNET22 în vederea diminuării cheltuielilor financiare cu dobânzile.

BNET23

Pe 4 iulie 2018, Bittnet a încheiat cu succes cel de-al treilea plasament privat de obligațiuni corporative din istoria Companiei. În cadrul ofertei private, care s-a desfășurat în perioada 26 iunie - 4 iulie, Bittnet a atras o investiție de 4,7 milioane de lei. Majoritatea capitalului împrumutat a fost utilizat la achiziționarea unei participații de 51% în Elian Solutions și 25% în Equatorial Gaming, iar restul este utilizat ca și capital de lucru.

Obligațiunile BNET23 au o valoare nominală de 100 de lei, o scadență de 5 ani și o dobândă anuală de 9%, plătită trimestrial. Plasamentul a fost subscris de 32 de persoane fizice, 1 persoană juridică și 3 fonduri deschise de investiții. Datorită interesului sporit, oferta a fost închisă cu 9 zile înainte de sfârșitul perioadei de subscriere, care a fost inițial stabilită pentru data de 13 iulie.

În conformitate cu hotărârea Adunării Generale Extraordinare a Acționarilor din 25 aprilie 2018, obligațiunile BNET23 au intrat la tranzacționare în noiembrie 2018 pe piața AeRO ATS-Bonds operată de Bursa de Valori București, sub simbolul BNET23.

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BNET23A

În 27 decembrie 2018, Bittnet a închis cu succes al patrulea plasament privat de obligațiuni corporative și al doilea din 2018. În urma plasamentului privat BNET23A, Grupul a obținut suma de 9.703.700 lei de la 20 investitori persoane fizice și o persoană juridică. În cadrul procesului au fost decontate prin mecanismele BVB (piața POFBX) 21 tranzacții însumând un număr total de 97.037 obligațiuni nominative, dematerializate, corporative, neconvertibile, negarantate, cu valoarea nominală de 100 lei/obligațiune.

Obligațiunile BNET23A au scadența la 5 ani, o dobândă fixă de 9% per an, plătită semestrial iar data alocării a fost 28.12.2018. Grupul a folosit sumele atrase în cadrul emisiunii BNET23A pentru a finanța transferul de afacere IT&C de la Crescendo International SRL și integrarea acestuia în structura Grupului Bittnet, conform aprobării AGEA din 17 decembrie 2018 și a contractului de investiție descris în Raportul Curent 22/15.10.2018.

Emisiunea de obligațiuni BNET23A a intrat la tranzacționare pe piața ATS-Bonds a Bursei de Valori București pe 18 februarie 2019.

BNET23C

În perioada 14 – 18 ianuarie 2019 societatea a derulat un plasament privat prin care a realizat a 5-a emisiune de obligațiuni – BNET23C, prin care a atras subscrieri în valoare totală de 10.000.000 lei, ceea ce reprezintă 100.000 obligațiuni, valoarea maximă a emisiunii BNET23C, în concordanță cu Deciziei Administratorului unic și a Documentului de Oferta și conform hotărârii AGEA din 25 aprilie 2018. Obligațiunile BNET23C sunt nominative, dematerializate, corporative, neconvertibile și negarantate. Obligațiunile BNET23C au o valoare nominală de 100 lei, o scadență de 4 ani, și o dobândă fixă de 9% per an, platibilă semestrial. Sindicatul de intermediere în vederea vânzării a fost format din S.S.I.F. Tradeville S.A. și S.S.I.F. Goldring S.A. Investiția atrasă este folosită pentru finanțarea capitalului de lucru și a activității curente a Grupului Bittnet. Obligațiunile BNET23C sunt tranzactionabile pe piața AeRO începând cu 17.04.2019.

NOTA 21. IMPRUMUTURI BANCARE

Detalii privind împrumuturile bancare sunt prezentate în tabelul următor:

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
ProCredit credite TL	<u>1,130,728</u>	<u>2,097,853</u>
Total, din care:	<u>1,130,728</u>	<u>2,097,853</u>
Partea pe termen lung	165,607	1,154,210
Partea pe termen scurt	<u>965,120</u>	<u>943,643</u>

ProCredit Bank

În luna februarie 2020, Bittnet Systems a transformat produsul de creditare în valoare de 2.790.000 lei contractat tot la ProCredit Bank din revolving overdraft în împrumut cu rambursări lunare de principal și dobândă. Maturitatea nouă a creditului a fost setată pe o perioadă de 36 de luni, iar dobândă a rămas nechimbată, ROBOR 3M + 2,5%.

De asemenea, în decembrie 2020, Grupul a informat acționarii despre semnarea unui contract de creditare bancară de către Dendrio Solutions cu ProCredit Bank. Valoarea totală a facilității este de 5.000.000 lei, iar destinația creditului este de finanțarea a capitalului de lucru și a activității curente Dendrio Solutions. Maturitatea produsului este de 36 de luni, iar rata dobânzii este ROBOR 3M + 3% pr an. Garanția constituită pentru acest produs de creditare a fost: depozit cash collateral pentru 10% din valoarea facilității.

Bittnet Systems este garantor pentru această facilitate contractată de Dendrio Solutions.

Banca Transilvania (BTRL)

Compania a informat investitorii, în 10.11.2021, despre prelungirea acordului de creditare dintre Dendrio Solutions și Banca Transilvania, (contractat în decembrie 2018) pentru plafonul de emitere scrisori de garanție bancară și totodată suplimentarea limitei maxime de utilizare până la 2.300.000 lei, în următoarele condiții: produsul, de tipul

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linie de credit corporate, va avea o valabilitate de 24 luni cu posibilitate de prelungire; destinatia plafonului este pentru emiterea tuturor tipurilor de garantii bancare in moneda nationala (scrisori de garantie bancara pentru buna executie a contractelor, pentru participare la proceduri de licitare, garantare plata furnizori, restituire avans etc.) iar dobanda este ROBOR6M+5,6% per an aplicata la soldul utilizat.

Bittnet Systems este garantor pentru aceasta facilitate contractata de Dendrio Solutions.

NOTA 22. DATORII LEASING

Societatea are incheiate contractele de leasing operational pe termen lung pentru echipamente tehnice cu termene finale in anii 2022-2024.

	31 dec 2021	31 dec 2020		
Partea pe termen scurt	262,147	1,335,139		
Partea pe termen lung	550,256	2,898,659		
Total	812,403	4,233,798		
Reconcilierea datoriilor leasing si a drepturilor de utilizare recunoscute ca urmare a aplicarii IFRS 16 este prezentata in tabelele urmatoare:				
Datorii leasing	Spatii	Echipamente	Masini	Total
La 1 ianuarie 2020	3,700,000	1,040,643	97,650	4,838,292
Intrari	-	210,127	109,545	319,672
Dobanda si diferente de curs	233,787	169,165	32,656	435,609
Plati leasing	(849,024)	(432,778)	(77,974)	(1,359,775)
La 31 decembrie 2020	3,084,763	987,157	161,877	4,233,797
Intrari	-	82,256	101,519	183,775
Iesiri	(2,775,458)	(123,725)		(2,899,184)
Dobanda si diferente de curs	60,160	40,472	11,848	112,480
Plati leasing	(369,464)	(375,346)	(73,655)	(818,465)
La 31 decembrie 2021	-	610,814	201,589	812,403
Drepturi de utilizare	Spatii	Echipamente	Masini	Total
La 1 ianuarie 2020	1,092,593	855,246	93,014	2,040,853
Intrari	-	55,798	108,998	164,796
Amortizare	(220,616)	(141,349)	(46,605)	(408,570)
La 31 decembrie 2020	871,977	769,695	155,407	1,797,079
Intrari	-	28,735	101,519	130,253
Iesiri	(754,882)	(479,545)		(1,234,427)
Amortizare	(117,094)	(124,961)	(74,441)	(316,497)
La 31 decembrie 2021	-	193,923	182,484	376,408

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NOTA 23. DATORII COMERCIALE SI ALTE DATORII

Datoriile comerciale si alte datorii sunt detaliate in tabelul următor:

	<u>31 dec 2021</u>	<u>31 dec 2020</u>
Furnizori	2,844,799	3,467,884
Datorii angajati	60,357	36,644
Datorii achizitii participatii	11,781,611	
Alte datorii	128,314	-
Total datorii financiare	14,815,081	3,504,528
Avansuri clienti	43,229	27,131
TVA	-	149,415
Alte datorii buget	(2,954)	11,097
Venituri in avans	263,845	400,092
Total, din care:	15,119,201	4,092,262
Datorii pe termen lung	624,136	-
Datorii curente	14,495,065	4,092,262

NOTA 24. INFORMATII PRIVIND RELATIILE CU PARTILE LEGATE

Detalii privind soldurile si tranzactiile cu părțile legate sunt prezentate in cele ce urmeaza.

Remuneratiile platite catre Conducerea cheie (identificata in Nota 1) sunt urmatoarele:

	<u>2021</u>	<u>2020</u>
Contracte management	715,116	839,317
Cheltuieli SOP	553,977	658,101
Total	1,269,093	1,497,418

La 31 decembrie 2021 datoriile aferente contractelor de management sunt in suma de 62,093 LEI (31 decembrie 2020: 52,093 lei).

Detalii privind soldurile si tranzactiile cu părțile legate din activitati comerciale:

Tranzactii / Solduri – 2021/31 dec	<u>Vanzari</u>	<u>Creante</u>	<u>Achizitii</u>	<u>Datorii</u>
	2021	31 dec 2021	2021	31 dec 2021
Dendrio Solutions	76,199	231,388	56,949	50,828
Computer Learning Center	54,958	65,400	14,845	-
Elian Solutions	-	252,893	18,532	8,963
Equatorial Gaming	-	23,282	93,288	53,356
IT Prepared	-	765		
Total	131,157	573,728	183,613	113,147

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Tranzactii / Solduri - 2020/31 dec	Vanzari	Creante	Achizitii	Datorii
	2020	31 dec 2020	2020	31 dec 2020
Dendrio Solutions	57,313	933,582	224,765	245,181
Elia Solutions	-	-	26,655	183,583
Equatorial Gaming	104,048	8,937	20,227	-
Total	161,361	942,519	271,647	428,764

Alte active financiare	31 dec 2021	31 dec 2020
Dendrio/Elia – active subinchiriere	397,029	4,213,191
Dendrio Solutions - imprumut	17,912,585	19,458,721
Equatorial Gaming - imprumut	54,111	54,111
ISEC Associates - imprumut	378,667	-
Computer Learning Center - imprumut	1,098,501	-
E-Learning Company - imprumut	261,304	-
Total	20,102,197	23,726,023

Imprumuturile catre Dendrio au fost acordate pentru finantarea capitalului de lucru si pentru finantarea achizitiei afacerii IT&C din Crescendo. Dobanda imprumutului este aliniata la costul de finantare prin emisiunile de obligatiuni (9% p.a.). In decembrie 2020, suma de 5,000,000 LEI a fost convertita in capital social.

Imprumutul catre Equatorial Gaming a fost acordat pentru o perioada de 3 ani, cu o dobanda de 9% pe an, Societatea avand optiunea de a converti acest imprumut in actiuni – in echivalent a 20.1% din capitalul social al Equatorial Gaming. Bittnet a activat aceasta optiune pe parcursul lunii august 2020, convertind imprumutul in actiuni. In urma acestei operatiuni Bittnet si-a majorat detinerea in Equatorial pana la 44,99% din capitalul social.

Imprumutul catre The E-Learning Company a fost acordat pentru finantarea capitalului de lucru pe o perioada maxima de 3 ani si cu o dobanda de 10% per an.

Veniturile din dobanzi au fost in suma de 1,465,022 LEI in exercitiul financiar 2021 (2020: 1,657,730 LEI).

NOTA 25. DATORII CONTINGENTE

a) Protecția datelor cu caracter personal

În cadrul activității sale, Societatea colectează, stochează și utilizează date care sunt protejate de legi privind protecția datelor cu caracter personal. Cu toate că Societatea ia măsuri de precauție în vederea protejării datelor clienților, în conformitate cu cerințele legale privind protecția vieții private, este posibil să existe scurgeri de date în viitor. În plus, Societatea lucrează cu furnizori sau terți care au calitatea de parteneri comerciali, care pot să nu respecte pe deplin termenii contractuali relevanți și toate obligațiile referitoare la protecția datelor impuse acestora.

Probleme informatice neanticipate, deficiențe ale sistemului, accesul neautorizat la rețelele informatice ale Societatei sau alte deficiențe pot duce la incapacitatea de a menține și proteja datele clienților în conformitate cu regulamentele și cerințele aplicabile și pot afecta calitatea serviciilor Societății, precum și compromite confidențialitatea datelor clienților săi sau cauza întreruperi ale serviciilor, putând avea ca rezultat impunerea unor amenzi și a altor penalități.

De asemenea, odată cu intrarea în vigoare a Regulamentului general privind protecția datelor (UE) 2016/679 (GDPR), la data de 25 mai 2018, Societatea este supus cerințelor acestuia privind prelucrarea datelor cu caracter personal, nerespectarea cărora poate atrage mai multe tipuri de sancțiuni, inclusiv amenzi de până la 4% din cifra de afaceri globală sau până la 20 de milioane EUR (oricare dintre acestea este mai mare); în plus, dacă au suferit un prejudiciu, persoanele vizate pot obține despăgubiri care să acopere valoarea acestor prejudicii, iar drepturile lor pot fi reprezentate inclusiv de organisme colective.

b) Riscul asociat cu schimbarea legislației și fiscalității în România

Modificările în regimul legal și fiscal din România pot afecta activitatea economică a Companiei. Modificările legate de ajustările legislației românești cu reglementările Uniunii Europene pot afecta mediul legal al activității de afaceri a Societatei și rezultatele sale financiare. Lipsa unor reguli stabile, legislația și procedurile greoaie de obținere a deciziilor administrative pot, de asemenea, restricționa dezvoltarea viitoare a Companiei. Pentru a minimiza acest risc, Societatea analizează în mod regulat modificările acestor reglementări și a interpretărilor lor.

Având în vedere că legislația lasă tot mai mult la aprecierea organului fiscal interpretarea modului de aplicare a normelor fiscale, coroborat și cu lipsa fondurilor la bugetul de stat și încercarea prin orice mijloace de aducere a acestor fonduri, considerăm acest risc unul major pentru companie, deoarece nu poate fi adresat în niciun fel în mod preventiv în mod real și constructiv. Societatea consideră că și-a achitat la timp și în totalitate toate taxele, impozitele, penalitățile și dobânzile penalizatoare, în măsura în care este cazul. În România, exercițiul fiscal rămâne deschis pentru verificări o perioadă de 5 ani.

c) Prețul de transfer

În conformitate cu legislația fiscală relevantă, evaluarea fiscală a unei tranzacții realizate cu părțile afiliate are la bază conceptul de preț de piață aferent respectivei tranzacții și principiul deplinei concurențe. În baza acestui concept, prețurile de transfer trebuie să fie ajustate astfel încât să reflecte prețurile de piață care ar fi fost stabilite între entități între care nu există o relație de afiliere și care acționează independent, pe baza „condițiilor normale de piață”.

Sarcina contribuabililor care desfășoară tranzacții cu părți afiliate este de a pregăti documentarea prețurilor de transfer, care trebuie să fie prezentată la cererea autorităților fiscale pe parcursul inspecției fiscale. Astfel, este probabil că verificări ale prețurilor de transfer să fie realizate în viitor de către autoritățile fiscale, pentru a determina dacă respectivele prețuri respectă principiul „condițiilor normale de piață” și ca baza impozabilă a contribuabilului român nu este distorsionată.

d) Litigii

În contextul operațiunilor de zi cu zi, Societatea este supus unui risc de litigii, printre altele, ca urmare a modificărilor și dezvoltării legislației. În plus, este posibil ca Societatea să fie afectată de alte pretenții contractuale, plângeri și litigii, inclusiv de la contrapărți cu care are relații contractuale, clienți, concurenți sau autorități de reglementare, precum și de orice publicitate negativă pe care o atrage. Conducerea Societatei consideră că aceste litigii nu vor avea un impact semnificativ asupra operațiunilor și poziției financiare a Societății.

Dosar 30598/3/2021 – litigiu Bucuresti Manll Development and Management

In cursul anului 2021, Grupul a luat la cunostinta de existenta dosarului 30598/3/2021 de pe rolul Tribunalului Bucuresti, in contradictoriu cu proprietarul fostului spatiu de birouri - București Mall Development and Management S.R.L. („Anchor” sau „Proprietarul”).

In cursul lunii februarie 2022, Grupul (sau „Chiriasul”) a luat la cunostinta continutul acestui dosar si valoarea pretentiilor, dupa cum urmeaza:

- i) 267.214,96 Lei reprezentând chirie, taxă pe servicii și utilități;
- ii) 100.109,95 Lei reprezentând penalități de întârziere aferente sumei principale; și
- iii) 3.632.709,91 Lei reprezentând daune compensatorii (clauză penală).

Tinand cont de aprobarea data de AGA din septembrie 2021 privind extinderea spatiului de birouri si sali de curs, in vederea acomodarii echipei ce urmeaza a rezulta din operatiunile de M&A derulate deja, plus cele ce au fost aprobate a fi derulate in urmatoorii 3 ani, Grupul și-a exercitat, în temeiul art. 4.1 din Contract, opțiunea de extindere a Spațiului cu o suprafață suplimentară de 3.500 mp spațiu de birouri, nefragmentată și pe același etaj cu Spațiul existent “în interiorul Clădirii sau într-o altă clădire deținută de către Proprietar sau o altă companie din grupul acestuia (care să beneficieze de condiții similare comerciale și tehnice – adică să fie o clădire de birouri clasa A și să fie situată la o distanță de mers pe jos de o stație de metrou)”, în baza notificării transmise Proprietarului la data de 10.12.2020.

Potrivit prevederilor contractuale mai sus amintite “Chiriașul va notifica Proprietarului nevoia/intenția de extindere a Spațiului de birouri, dacă va fi cazul, cu 4 (patru) luni calendaristice anterior lunii mai din anul 2021”. Prin răspunsul comunicat prin email la data de 12.01.2021, Proprietarul a informat Grupul cu privire la următoarele:

- i) nu dispune de o suprafață liberă de închiriat de dimensiunea solicitată, ci de o suprafață redusă, respectiv 2.563,14 mp din care doar suprafața de 1.495,61 mp are o disponibilitate certă, diferența de 1.067,53 mp având o situație incertă, respectiv disponibilitatea sa este condiționată de renunțarea (puțin probabilă, după cum rezultă din răspunsul comunicat) la folosința acestuia de către un alt chirias;
- ii) disponibilitatea spațiului diferă, existând un decalaj de 3 luni între spațiul disponibil la același etaj (în suprafață de 1.495,61 mp) și cel situat la un etaj diferit (1.067,53 mp); iar
- iii) suprafața propusă este oferită în alte condiții comerciale și/sau tehnice decât cele în baza cărora a fost agreată folosința spațiului existent (i.e. altă durată, necesitatea suportării unor costuri de reamenajare etc).

La data de 18.01.2021, Proprietarul a transmis catre Grup Notificarea privind propunerea tehnica si comerciala pentru extinderea spatiului, in concordanta cu informatiile anterior comunicate prin email-ul din data de 12.01.2021. În consecinta, au fost indeplinite conditiile denuntarii unilaterale a contractului, astfel cum a fost notificata de catre Grup la data de 27.01.2021.

In corespondența dintre părți anterioară formulării cererii de chemare în judecată, Anchor a contestat notificarea de denunțare unilaterală a Grupului, si apreciind Contractul ca fiind în vigoare, a continuat să emită facturi ulterior încetării Contractului prin denunțare unilaterală. Grupul și-a menținut și confirmat poziția, refuzând plata facturilor emise după data încetării prin denunțare, în absența unui raport contractual.

Prin Notificarea din data de 23 aprilie 2021, Grupul a solicitat Anchor deducerea sumelor ramase de plata cu titlu de chirie pana la data incetarii contractului ca urmare a denuntarii unilaterale de catre Chirias (i.e. sumele ramase de plata cu titlu de chirie pentru lunile martie – mai 2021) cu Garantia furnizata de Chirias conform Anexei 5 la Contract, astfel cum a fost majorata prin Actul aditional nr. 2/14.01.2019 la Scrisoarea de Garantie Bancara nr. 246/12.06.2017.

La data de 4 august 2021, reclamanta a transmis propria notificare de reziliere a Contractului invocând culpa Chiriașului pentru neplata facturilor, solicitând, în același timp, daune compensatorii conform clauzei penale. De asemenea, in data de 1.09.2021, Anchor a executat Garantia furnizata de Chirias conform Anexei 5 la Contract.

In data 23.09.2021 Grupul a notificat Proprietarul cu privire la faptul ca Notificarea de Reziliere transmisa in 04.08.2021 este lipsită de obiect, avand in vedere ca respectivul Contract era deja incetat ca urmare a Notificării de Denunțare Unilaterală transmisa de Grup in 27.01.2021, iar manifestarea unilaterală de voință a Bittnet, neîndoielnică și fermă în sensul denunțării, este suficientă pentru a produce efecte și operează de drept și irevocabil de la data comunicării sale.

Așadar, instanța va trebui să lămurească data și modalitatea de încetare a Contractului, respectiv fie la data de 27 mai 2021 în baza denunțării unilaterale de către Chiriaș, fie la data de 04 august 2021 în baza rezilierii invocate de Proprietar, urmând ca pretențiile materiale ce fac obiectul prezentei acțiuni să fie soluționate în funcție de dezlegarea instanței în acest sens.

Cauza este în procedură de regularizare, Grupul fiind în termenul de formulare / depunere întâmpinare și, cel mai probabil, a unei cereri reconvenționale. Având în vedere ca la data prezentei (martie 2022) litigiul se afla într-un stadiu foarte incipient (regularizarea cererii), complexitatea probatoriului ce va fi propus și administrat în cauza (inscrisuri, interogatorii, proba testimonială și expertize), precum și durata relativ lungă estimată pentru finalizarea acestuia (cel puțin 2 sau 3 ani calendaristici), Conducerea Grupului considera prematură orice evaluare a șanselor sau a procedurilor, în sensul constituirii de provizioane care să afecteze rezultatele anului 2021.

e) Aspecte legate de mediu

Punerea în aplicare a reglementărilor de mediu în România este în faza de dezvoltare iar procedurile de aplicare sunt reconsiderate de către autorități. Activitatea profesională a Bittnet nu are un impact asupra mediului înconjurător. Activând în domeniul “servicii”, activitatea noastră constă în dobândirea de cunoștințe și transferul acestora către clienți, fie în cadrul cursurilor de pregătire, fie prin serviciile de consultanță, design și implementare.

NOTA 26. ANGAJAMENTE

Semnare contract chirie ONE Cotroceni Park

Grupul Bittnet a avut punctul de lucru în Bd. Timisoara nr. 26, Clădirea de birouri Plaza Romania Offices începând cu anul 2017. Spațiul a fost contractat în anul 2017 când a fost evaluată nevoia unui spațiu de birouri ținând cont de situația la momentul acela, dar și de perspectivele de creștere. Aceste perspective au fost accelerate odată cu investițiile în compania Elian Solutions, cât și în activitatea IT&C a Crescendo International, ambele materializate în cursul anului 2018. Cu această ocazie a fost ocupat întreg spațiul disponibil în clădirea în care se desfășura activitatea.

La început de 2019 a fost extinsă zona de birouri prin adăugarea unui spațiu pentru depozitarea temporară a marfurilor, cât și a unei zone dedicate întâlnirilor cu clienții. La finalul trimestrului 1 din 2019 s-a realizat transferul echipei Elian Solutions, cât și al echipei ex-Crescendo în noile spații.

În AGEA din 26.11.2020 a fost solicitată aprobarea acționarilor pentru extinderea spațiului de birouri explicând:

- nevoia actuală a companiei de extindere în contextul evoluției pozitive din perioada 2019-2020 și a perspectivelor de creștere comunicate acționarilor pentru perioada 2021-2024;
- nevoia acomodării unor noi echipe rezultate în urma achizițiilor planificate și anunțate. O parte din aceste tranzacții de tip M&A au fost supuse aprobării AGEA din 26.11.2020 (Equatorial, IT Prepared, The E-Learning Company, Softbinator) iar o altă parte este supusă aprobării AGEA din 07.09.2021 (ISEC Associates, Computer Learning Center, TopTech, Nenos Software, Nonlinear), iar pentru a susține această creștere de la “aproape simplu la dublu”, spațiul de lucru, de întâlnire și colaborare a echipelor, actualmente majoritar virtual, trebuie completat cu o soluție tangibilă, în teren.

Totodată modelele hibrid de muncă, care au apărut în ultima perioadă în toate domeniile, au arătat că elementul surpriza trebuie luat în calcul. În mod evident, odată cu noile reglementări privind spațiul de lucru (distanțarea între persoane), dar și cu tranzacțiile propuse Adunării Generale, nevoia unui spațiu de birouri extins va deveni mult mai mare decât în prezent.

Conform mandatului oferit de AGA către Directorul General în cadrul ședinței din 26.11.2020, grupul Bittnet a negociat cu furnizorii prezenți din piață o soluție optimă pentru planurile actuale de dezvoltare.

În urma negocierilor purtate cu diverșii reprezentanți, a fost semnat un nou contract de chirie cu societatea ONE United Properties pentru un spațiu în clădirea ONE Cotroceni Park (OCP), pentru o durată de 5 ani și având ca dată de începere 1.02.2022. Contractul de chirie anterior, încheiat cu București Mall Development and Management SRL, a fost denunțat unilateral de către Bittnet Systems începând cu data de 31.05.2021.

Noul spatiu de birouri al Bittnet si ale societatilor membre in grup va fi in cladirea OCP care este situata langa statia de metrou Academia Militara. Acest proiect face parte din zona de birouri de Centru-Vest, cel mai dinamic pool de afaceri al Capitalei în prezent și al doilea ca mărime la nivelul pieței, după zona de Centru-Nord. Cu peste 280.000 mp de birouri din clasa A livrate în ultimii trei ani și bucurandu-se de o deosebita ancora, si anume Universitatea Politehnica, zona de Centru-Vest este noul hub IT al Bucureștiului.

ONE Cotroceni Park este proiectat vizand certificarea LEED Platinum, concentrându-se pe o funcționare durabilă și un impact minim asupra mediului. Acest proiect va avea, de asemenea, certificare WELL, cu scopul de a spori sănătatea și bunăstarea ocupanților săi și, prin urmare, productivitatea oamenilor, implicarea și retenția lor la locul de munca.

Atat amplasarea cat si toate elementele definitorii ale proiectului OCP sunt in linie cu cultura de organizatie a grupului nostru, respectiv raspund cerintelor specifice pentru atragerea si retenția resurselor umane de top, un pilon de baza pentru specificul de business al grupului si in general al industriei de IT.

Faza 1 a proiectului din care fac parte si viitoarele birouri Bittnet va fi livrata in trimestrul 2 din 2022, motiv pentru care in perioada de tranzitie a fost semnat un contract de chirie temporara, cu o durata de 10 luni, punctul de lucru non-infiintat fiind situat in București, Str. Tudor Arghezi, nr. 8-10, Clădirea Unimed, Etaj 1, Spatiul TOF112, Sector 2.

La 31.12.2021, Societatea nu a obtinut controlul asupra activului aferent noului spatiu de birouri si, ca atare, nu a recunoscut in situatiile financiare drepturile de utilizare si nici obligatiile aferente.

NOTA 27. POLITICI CONTABILE SEMNIFICATIVE

Principalele politici contabile adoptate la întocmirea situațiilor financiare consolidate sunt prezentate in continuare.

a) Recunoasterea veniturilor

Societatea recunoaște veniturile astfel incat sa fie reflectate obligatiile de executat referitoare la transferul de bunuri sau servicii promise către clienți la o valoare care reflectă contraprestația la care entitatea se așteaptă să aibă dreptul în schimbul acelor bunuri sau servicii.

Obligații de executat și metodologia recunoașterii veniturilor

Majoritatea veniturilor Societatei provin din prestarea de servicii si training si de integrare IT, inclusiv vânzarea mărfurilor, cu venituri recunoscute la momentul în care controlul asupra mărfurilor a fost transferat către client.

Obligațiile de executare identificate în contractele Grupului sunt in general limitate la bunurile sau serviciile stipulate explicit în acel contract, fara exista promisiuni tacite ca urmare a practicilor obișnuite de afaceri, politicilor publicate sau altor declarații specifice.

Determinarea prețului tranzacției

Cea mai mare parte a veniturilor Societății este obținută din contracte cu prețuri fixe și, prin urmare, valoarea veniturilor care vor fi obținute din fiecare contract este determinată prin raportare la prețuri fixe. În estimarea veniturilor contractuale se deduce componenta referitoare la reduceri acordate clienților, atunci cand este probabil ca acestea sa diminueze valoarea veniturilor.

Alocarea sumelor către obligații de executat

Pentru majoritatea contractelor, există un preț unitar fix pentru fiecare produs sau serviciu vândut. Prin urmare, nu există raționamente aplicate în alocarea prețului contractului pentru fiecare produs sau serviciu.

Costurile obținerii contractelor

Majoritatea contractelor sunt pe termen scurt, astfel eventuale comisioanele incrementale plătite personalului de vânzări pentru munca depusă pentru obținerea contractelor sunt recunoscute direct in situatia rezultatului global, fara a fi capitalizate.

b) Deprecierea activelor nefinanciare (excluzând stocurile, investiții imobiliare și impozitele amânate)

Testele de depreciere a fondului comercial și a altor active necorporale cu viață economică utilă nedeterminată sunt efectuate anual la sfârșitul exercițiului financiar. Alte active nefinanciare sunt supuse testelor de depreciere ori de câte ori evenimentele sau modificările de circumstanțe indică faptul că valoarea contabilă a acestora nu poate fi recuperată. În cazul în care valoarea contabilă a unui activ depășește valoarea recuperabilă a acestuia (adică valoarea mai mare a valorii de utilizare și valoarea justă, mai puțin costurile de vânzare), activul este scăzut în consecință.

În cazul în care nu este posibil să fie estimată valoarea recuperabilă a unui activ individual, testul de depreciere este efectuat pe cel mai mic grup de active din care face parte, pentru care există fluxuri de numerar identificabile separat - unitățile sale generatoare de numerar. Fondul comercial este alocat la recunoașterea inițială a fiecăruia dintre unitățile generatoare de numerar ale Societății care se așteaptă să beneficieze de o combinație de afaceri care dă naștere fondului comercial.

Ajustările de depreciere sunt incluse în profit sau pierdere, cu excepția cazului în care acestea reprezintă reluări ale câștigurilor recunoscute anterior în alte venituri globale. O pierdere de depreciere recunoscută pentru fondul comercial nu este reluată.

c) Solduri și tranzacții în valută

Tranzacțiile efectuate de către Societate într-o altă monedă decât moneda mediului economic primar în care își desfășoară activitatea („moneda funcțională”) sunt înregistrate la ratele de la momentul efectuării tranzacțiilor. Activele și datoriile monetare în valută sunt convertite la ratele de la data raportării.

Diferențele de curs care apar la retratarea activelor și datoriilor monetare sunt recunoscute imediat în profit sau pierdere.

d) Active financiare

Politica contabilă a Societății pentru clasificarea activelor financiare este următoarea.

Titlurile de participare

Titlurile de participare sunt înregistrate la cost de achiziție și sunt testate anual pentru depreciere.

Cost amortizat

Împrumuturile și creanțele sunt active financiare nederivate cu plăți fixe sau determinabile și care nu sunt cotate pe o piață activă. Ele sunt incluse în activele circulante, cu excepția celor care au o perioadă de maturitate mai mare de 12 luni de la sfârșitul perioadei de raportare. Acestea sunt clasificate ca active imobilizate.

Aceste active provin în principal din furnizarea de bunuri și servicii către clienți (de exemplu, creanțe comerciale), dar includ și alte tipuri de active financiare în care obiectivul este deținerea acestor active pentru a colecta fluxuri de numerar contractuale, iar fluxurile de numerar contractuale sunt exclusiv plăți de credit principal și de dobândă. Sunt recunoscute inițial la valoarea justă plus costurile de tranzacție care sunt direct atribuibile achiziției sau emiterii lor și sunt ulterior contabilizate la costul amortizat folosind metoda ratei dobânzii efective, mai puțin ajustările pentru depreciere.

Ajustările de depreciere pentru creanțele comerciale și alte creanțe sunt recunoscute pe baza abordării simplificate din cadrul IFRS 9, utilizând o matrice de ajustări în determinarea pierderilor estimate. În acest proces este evaluată probabilitatea neachitării creanțelor comerciale. Această probabilitate este apoi înmulțită cu valoarea pierderii preconizate care rezultă din neplată pentru a determina pierderea de credit preconizată pentru creanțele comerciale. Pentru creanțele comerciale, aceste ajustări sunt înregistrate într-un cont de ajustări separat, pierderea fiind recunoscută în cadrul costurilor generale și administrative în situația consolidată a rezultatului global. La confirmarea faptului că respectiva creanță comercială nu va putea fi colectată, valoarea contabilă brută a activului este anulată în raport cu ajustările asociate.

Ajustările de depreciere a creanțelor cu părțile legate și împrumuturile către părțile legate sunt recunoscute pe baza unui model de pierdere a creditului anticipat. Metodologia utilizată pentru a determina valoarea ajustărilor se bazează pe existența unei creșteri semnificative a riscului de credit de la recunoașterea inițială a activului financiar.

Pentru cele pentru care riscul de credit nu a crescut semnificativ de la recunoașterea inițială a activului financiar, sunt recunoscute pierderi de credit așteptate pentru doisprezece luni împreună cu venitul brut din dobânzi. Pentru cele pentru care riscul de credit a crescut semnificativ, sunt recunoscute pierderile din creanțe estimate împreună

cu veniturile brute din dobânzi. Pentru cele care sunt determinate ca fiind evidente deprecierea de credit, sunt recunoscute pierderile din creante așteptate, împreună cu veniturile din dobânzi pe o bază netă.

Activele financiare ale Societatei sunt evaluate la costul amortizat cuprind creanțele comerciale și alte creanțe și numerar și echivalente de numerar în situația consolidată a poziției financiare.

Numerarul și echivalente de numerar includ numerar în casierie, depozite la termen în cadrul băncilor, alte investiții extrem de lichide pe termen scurt, cu scadențe inițiale de trei luni sau mai puțin, și - în scopul situației fluxurilor de numerar - descoperiri bancare. Descoperirile bancare sunt prezentate în credite și împrumuturi în datoriile curente din situația consolidată a poziției financiare.

Active financiare la valoarea justă

Societatea deține activele financiare de natura titlurilor de participare, care sunt recunoscute în situațiile financiare la valoarea justă, cu modificări ale valorii juste recunoscute în situația consolidată a rezultatului global.

e) Datorii financiare

Politica contabilă a Societății pentru clasificarea datoriilor financiare este următoarea.

Împrumuturile bancare și împrumuturile din emisiunea de obligațiuni rambursabile ale Societății sunt recunoscute inițial la valoarea justă, netă de orice costuri de tranzacție atribuite direct emiterii instrumentului. Datoriile purtătoare de dobândă sunt ulterior măsurate la costul amortizat folosind metoda ratei dobânzii efective, care asigură că orice cheltuielă a dobânzii din perioada de rambursare este la o rată constantă la soldul datoriei înregistrată în situația poziției financiare consolidate.

Împrumuturile sunt clasificate ca datorii curente, cu excepția situației în care Societatea are un drept necondiționat de a amâna achitarea datoriei pentru minimum 12 luni de la sfârșitul perioadei de raportare.

Pentru fiecare datorie financiară, cheltuielile cu dobânzile includ costurile inițiale de tranzacție și orice primă plătită la răscumpărare, precum și orice dobândă sau cupon care trebuie plătite în timp.

Societatea nu deține datorii de natura instrumentelor derivate care să fie contabilizate în situația financiară consolidată la valoarea justă, cu modificări ale valorii juste recunoscute în situația consolidată a rezultatului global și nu are obligații de tranzacționare și nici nu a desemnat obligațiile financiare ca fiind la valoarea justă prin profit sau pierdere.

f) Plăți bazate pe acțiuni (SOP)

Societatea acordă opțiuni de achiziție acțiuni decontate din capitaluri proprii angajaților și colaboratorilor.

Valoarea justă a opțiunilor la data acordării se înregistrează sistematic în situația consolidată a rezultatului global pe perioada până la exercitarea opțiunii. Condițiile de intrare în drepturi care nu se bazează pe piață sunt luate în considerare prin ajustarea numărului de instrumente de capitaluri preconizate a fi înregistrate la fiecare dată de raportare, astfel încât, în cele din urmă, suma cumulată recunoscută în perioada de intrare în drepturi să se bazeze pe numărul de opțiuni care eventual se platesc. Condițiile de neîncadrare și condițiile de intrare în drepturi sunt incluse în valoarea justă a opțiunilor acordate. Cheltuielile cumulate nu sunt ajustate pentru nerealizarea unei condiții de intrare în drepturi sau în cazul în care o condiție de neîncadrare nu este îndeplinită.

g) Leasing

Începând cu 1 ianuarie 2019, IFRS 16 a înlocuit IAS 17 Leasing și interpretările aferente. Standardul a eliminat modelul de contabilizare pentru locatari și în schimb cere companiilor să aducă cele mai multe contracte de leasing în bilanț în cadrul unui singur model, eliminând distincția dintre leasing-ul operațional și cel financiar.

În conformitate cu IFRS 16, un contract este sau conține leasing dacă transmite dreptul de a controla utilizarea unui activ identificat pentru o perioadă de timp, în schimbul unei plăți obligatorii. În cazul acestui tip de contracte, noul model impune ca un locatar să recunoască un activ cu drept de utilizare și o datorie de leasing. Activul cu drept de utilizare este depreciat, iar datoria acumulează dobândă. Acest lucru va avea ca rezultat un model cu plăți mai ridicate la începutul perioadei de leasing al cheltuielilor pentru cele mai multe leasing-uri, chiar și atunci când locatarul plătește chirii anuale constante.

BITTNET SYSTEMS SA
SITUATII FINANCIARE NECONSOLIDATE pentru exercițiul financiar 2021
(toate sumele sunt exprimate în LEI, dacă nu este specificat altfel)

Noul standard introduce o serie de excepții de la domeniul de aplicare pentru utilizatori care includ:

- contracte de leasing cu o durată de închiriere de 12 luni sau mai puțin și care nu conțin opțiuni de achiziție, și
- contracte de leasing unde activul suport are o valoare mică (tranzacții de leasing "cu valori reduse").

Societatea a analizat toate contractele de închiriere pentru închirierea de echipamente și spațiile în care își desfășoară activitatea.

Metoda de tranziție și Excepțiile Practice utilizate

Societatea a adoptat IFRS 16 folosind abordarea retrospectivă modificată, cu recunoașterea ajustărilor tranzitorii la data aplicării inițiale (1 ianuarie 2019), fără retratarea cifrelor comparative. Societatea a ales să aplice excepția practica pentru a nu reevalua dacă este un contract sau conține un contract de închiriere la data aplicării inițiale. Contractele încheiate înainte de data de tranziție care nu au fost identificate drept închirieri conform IAS 17 și IFRIC 4 nu au fost retratate. Definiția unui contract de închiriere în conformitate cu IFRS 16 s-a aplicat numai contractelor încheiate sau modificate la 1 ianuarie 2019 sau ulterior.

IFRS 16 prevede anumite excepții opționale practice, inclusiv cele legate de adoptarea inițială a standardului. Societatea a aplicat următoarele excepții practice când a aplicat IFRS 16 la închirieri clasificate anterior ca leasing operațional în conformitate cu IAS 17:

- (a) a aplicat o rată unică de actualizare la un portofoliu de închirieri cu caracteristici rezonabil similare;
- (b) a exclus costurile directe inițiale de la evaluarea activelor din drept de utilizare la data aplicării inițiale, atunci când dreptul de utilizare a activului a fost determinat ca și cum IFRS 16 ar fi fost aplicat de la data începerii;
- (c) s-a bazat pe evaluările anterioare cu privire la dacă contractele de închiriere sunt oneroase, în comparație cu pregătirea unei revizuri a deprecierii în conformitate cu IAS 36 la data cererii inițiale; și
- (d) a aplicat scutirea de a nu recunoaște drepturile de utilizare a activelor și datoriilor pentru contractele de leasing cu mai puțin de 12 luni de închiriere rămase la data aplicării inițiale.

Ca utilizator, Societatea a clasificat anterior leasingul ca leasing operațional sau financiar pe baza evaluării sale dacă contractul de leasing a transferat în mod substanțial toate riscurile și beneficiile dreptului de proprietate. În conformitate cu IFRS 16, Societatea recunoaște activele și datoriile de închiriere de drept pentru majoritatea leasingului. Cu toate acestea, Societatea a ales să nu recunoască activele și datoriile de leasing pentru unele leasing-uri de active cu valoare scăzută bazate pe valoarea de nou a activului de bază pentru închirieri pe termen scurt, cu un termen de închiriere de 12 luni sau mai puțin.

La adoptarea IFRS 16, Societatea a recunoscut drepturile de utilizare a activelor și datoriilor de închiriere după cum urmează:

Clasificate conform IAS 17	Drepturi de utilizare	Datorii leasing
Leasing operațional	Activele din drepturi de utilizare sunt măsurate la o sumă egală cu datoria aferentă leasing-ului, ajustat cu valoarea oricărui sume plătite în avans sau preliminate.	Măsurată la valoarea actuală a plăților ramase de leasing, actualizată folosind rata de împrumut incrementală a Companiei la 1 ianuarie 2019. Rata de împrumut incrementală a companiei este rata la care un împrumut ar putea fi obținută de la un finanțator independent, în termeni și condiții comparabili. Rata medie aplicată a fost de 5% p.a.
Leasing financiar	Măsurată pe baza valorilor contabile pentru activele și datoriile aferente leasing imediat înainte de data aplicării inițiale (valorile contabile reportate, neajustate).	

h) Imobilizări necorporale achiziționate extern

Imobilizările necorporale achiziționate extern sunt recunoscute inițial la cost și ulterior amortizate liniar pe durata vieții economice utile: Licențe – 3-5 ani, cu excepția marcii care este testată anual pentru depreciere.

i) Imobilizări corporale

Imobilizările corporale cuprind amenajări de spații, echipamente, mașini și alte active folosite pentru activitatea curentă. Elementele de imobilizări corporale sunt recunoscute inițial la cost de achiziție.

Costul de achiziție include costurile direct atribuibile și valoarea actuală estimată a eventualelor costuri inevitabile și viitoare de demontare și eliminare a acelor articole. Obligația corespunzătoare este recunoscută în cadrul provizioanelor.

Amortizarea altor elemente de imobilizări corporale este calculată pe baza metodei liniare în vederea alocării costului lor mai puțin valoarea reziduală, pe parcursul duratei lor de viață utilă, după cum urmează: Amenajări de spații - pe durata contractului de chirie, Alte mijloace fixe - 2-5 ani.

j) Stocuri

Stocurile sunt recunoscute inițial la cost și, ulterior, la cel mai mic cost și valoare netă realizabilă. Costul cuprinde toate costurile de achiziție, costurile de conversie și alte costuri suportate pentru aducerea stocurilor la locația și în starea lor actuală. Identificarea specifică este utilizată pentru a determina costul articolelor interschimbabile.

k) Provizioane

Provizioanele sunt recunoscute în momentul în care Societatea are o obligație legală sau implicită ca urmare a unor evenimente din trecut, când pentru decontarea obligației este necesară o ieșire de resurse care încorporează beneficii economice și pentru care poate fi făcută o estimare credibilă în ceea ce privește valoarea obligației. Acolo unde există o serie de obligații similare, probabilitatea ca o ieșire de resurse să fie necesară pentru decontare este stabilită în urma evaluării clasei de obligații ca întreg. Provizionul este recunoscut chiar dacă probabilitatea unei ieșiri de resurse legate de orice element inclus în orice clasă de obligații este redusă. Acolo unde Societatea așteaptă rambursarea unui provizion, de exemplu printr-un contract de asigurări, rambursarea este recunoscută ca activ separat, dar numai atunci când rambursarea este teoretic sigură.

Provizioanele sunt evaluate la valoarea actualizată a cheltuielilor estimate ca fiind necesare pentru decontarea obligației, utilizând o rată pre-impozitare care să reflecte evaluările de piață curente ale valorii temporale a banilor și a riscurilor specifice obligației. Majorarea provizionului datorată trecerii timpului este recunoscută ca și cheltuială cu dobânda.

l) Beneficiile angajaților

În cursul normal al activității, Societatea face plăți către Statul român în numele angajaților săi, pentru fondurile de sănătate, pensii și șomaj. Toți angajații Societății sunt membri ai planului de pensii al statului român, care este un plan fix de contribuții. Aceste costuri sunt recunoscute în contul de profit și pierdere odată cu recunoașterea cheltuielilor salariale.

m) Impozit pe profit curent și amânat

Cheltuiala cu impozitul aferentă perioadei include impozitul curent și impozitul amânat și este recunoscută în profit sau pierdere, cu excepția cazului în care este recunoscut în alte elemente ale rezultatului global sau direct în capitalurile proprii pentru că se referă la tranzacții care sunt, la rândul lor, recunoscute în aceeași perioadă sau în altă perioadă, în alte elemente ale rezultatului global sau direct în capitalurile proprii.

Cheltuiala cu impozitul pe profit curent se calculează pe baza reglementărilor fiscale în vigoare la sfârșitul perioadei de raportare. Conducerea evaluează periodic pozițiile din declarațiile fiscale în ceea ce privește situațiile în care reglementările fiscale aplicabile sunt interpretabile și constituie provizioane, acolo unde este cazul, pe baza sumelor estimate ca datorate autorităților fiscale.

Impozitul pe profit amânat este recunoscut, pe baza metodei obligației bilanțiere, pentru diferențele temporare intervenite între bazele fiscale ale activelor și datoriei și valorile contabile ale acestora din situațiile financiare. Totuși, impozitul pe profit amânat care rezultă în urma recunoașterii inițiale a unui activ sau pasiv dintr-o tranzacție alta decât o combinație de întreprinderi, și care la momentul tranzacției nu afectează profitul contabil și nici cel impozabil nu este recunoscut. Impozitul pe profit amânat este determinat pe baza ratelor de impozitare (și

reglementărilor legale) intrate în vigoare până la sfârșitul perioadei de raportare și care urmează să fie aplicate în perioada în care impozitul amânat de recuperat va fi valorificat sau impozitul amânat de plată va fi achitat.

Impozitul amânat de recuperat este recunoscut numai în măsura în care este probabil să se obțină în viitor un profit impozabil din care să fie deduse diferențele temporare.

IFRIC 23 oferă îndrumări privind contabilitatea datoriilor și a impozitelor curente și amânate și a activelor în circumstanțele în care există o incertitudine cu privire la tratamentele fiscale referitoare la impozitul pe profit. Interpretarea prevede următoarele:

- Trebuie de terminat dacă tratamente fiscale incerte ar trebui să fie luate în considerare separat, sau împreună ca un grup, în funcție de abordarea care oferă previziuni mai bune despre rezoluție;
- Să se stabilească dacă este probabil ca autoritățile fiscale să accepte tratamentul fiscal incert; și
- Dacă nu este probabil ca tratamentul fiscal incert să fie acceptat, să fie măsurată incertitudinea fiscală în funcție de suma cea mai probabilă sau valoarea preconizată, în funcție de orice metodă prezice mai bine soluționarea incertitudinii. Măsurarea trebuie să se bazeze pe presupunerea că fiecare dintre autoritățile fiscale va examina sumele pe care au dreptul să le examineze și au cunoștințe complete cu privire la toate informațiile conexe la efectuarea acestor examene.

În urma aplicării prevederilor IFRIC 23 nu a fost identificat un impact asupra datoriilor privind impozitul pe profit.

NOTA 28. EVENIMENTE ULTERIOARE DATEI BILANTULUI

I. Conflictul Rusia - Ucraina

Invazia Ucrainei de catre Federatia Rusa si raspunsul global ulterior la aceste actiuni militare ar putea avea un impact semnificativ asupra unor societati, in special societati cu operatiuni fizice pe teritoriul Ucrainei, Rusiei si Belarusului, dar si entitati cu interese indirecte (de ex. cele care au furnizori si clienti, investitii si creditorii, cu operatiuni pe teritoriul acestor tari). De asemenea, sanctiunile impuse guvernului rus, entitatilor ruse si persoanelor ruse in multe jurisdictii ar putea sa afecteze societatile, cum ar fi prin pierderea accesului la resurse financiare si comert, dar si prin efectele colaterale ale sanctiunilor asupra preturilor la nivel mondial (de ex. petrol, gaze naturale si alte produse derivate din petrol). Efectele conflictului sunt pe scara larga si evolueaza rapid. Societatile care nu au operatiuni in Rusia si Ucraina ar putea in continuare sa fie afectate de conflict, efectele incluzand, dar nefiind limitate la:

- Distrugerea, confiscarea sau abandonul proprietatii tangibile, dar si intangibile;
- Sanctiuni impuse asupra unei societati care pot impacta abilitatea ei de a opera (de ex. accesul la fonduri, sisteme bancare, etc.);
- Sanctiuni impuse asupra clientilor unei societati, care ii pot impacta abilitatea de a vinde bunuri si servicii si de a colecta datori;
- Sanctiuni impuse asupra furnizorilor unei societati, care ii pot impacta abilitatea de a obtine materii prime, bunuri si servicii, sau care ii pot creste indirect costurile de obtinere a acestor elemente din surse alternative;
- Sanctiuni impuse asupra creditorilor si/sau bancilor unei entitati, care ii pot limita capacitatea de a accesa fonduri si credite;
- Schimbari in abordarea clientilor si consumatorilor cu privire la societati cu legaturi cu Rusia, Belarus sau alte jurisdictii legate de Federatia Rusa, care ar putea reduce cererea cu privire la produsele societatilor respective;
- Schimbari in apetitul la risc care pot conduce la situatia in care creditorii si investitorii isi retrag suportul financiar pentru societati cu legaturi cu Rusia, rezultand intr-un risc de lichiditate crescut si/sau indoilei cu privire la continuitatea activitatii respectivelor societati;
- Volatilitatea in preturile instrumentelor financiare si marfurilor, incluzand petrolul, gazele naturale, alte produse derivate din petrol si minerale, dar si volatilitatea in ratele de schimb valutar.

Pe baza informatiilor disponibile pana la acest moment, Conducerea Societatii nu a identificat riscuri potientiale concrete legate de conflictul Rusia – Ucraina si astfel, la acest moment nu se asteapta la un impact semnificativ in ceea ce priveste derularea operatiunilor curente. Expunerea directa a Societatii catre terte parti afectate de sanctiunile impuse de la initierea conflictului (clienti, furnizori, institutii bancare cu care Societatea colaboreaza, care sa fi fost afectate in mod direct de sanctiuni) nu exista. Expunerea indirecta (clienti, furnizori cu care Societatea colaboreaza, cu legaturi cu terte parti afectate de sanctiuni, precum si riscuri legate de volatilitatea viitoare a preturilor marfurilor sau a ratelor de schimb valutar) este momentan necuantificabila, Conducerea Societatii neprimind pana la acest moment niciun semn cu privire la vreun impact semnificativ asupra activitatii Societatii.

Situațiile financiare de la pagina [3] la pagina [53] au fost aprobate si semnate la data de 20 martie 2021.

Mihai Logofatu

Adrian Stanescu

Director General

Director Financiar

Formular **S1040_A1.0.1**
 Conform OMFP nr. 2.844/2016
 si OMF 85/26.01.2022
 Formular valabil din: 27.01.2022

Raportare contabilă anuală *

Suma de control 50.230.999	Tip formular IR
Data raportării 31.12.2021	Anul 2021

Date de identificare ►

* Campuri obligatorii

* Entitatea
BITTNET SYSTEMS SA

Raportare contabilă anuală

Formularul S1040



Situație financiară anuală

Formularul S1041



Situațiile financiare anuale au fost aprobate potrivit legii

Bifați dacă este cazul



Mari contribuabili care depun bilanțul la București



Sucursala



Activ net mai mic de jumătate din valoarea capitalului subscris

FORMULAR VALIDAT

Listare

Deblocare

* Numar inregistrare in Registrul Comertului

J40 3752 2007

* Cod Unic de Inregistrare

21181848

* Activitatea preponderenta: Cod CAEN--Denumire activitate

6202--Activ.de consultanta in tehnol.informatiei

Selecteaza

* Activitatea preponderenta efectiv desfasurata: Cod CAEN--Denumire activitate

6202--Activ.de consultanta in tehnol.informatiei

Selecteaza

* Forma de proprietate

34--Societati pe actiuni

Selecteaza

Strada

Soimus

Numar

23

Bloc

2

Scara

B

Apartament

24

Telefon

0215271600

e-mail

* Județ

Municipiul Bucuresti

Sector

Sector 4

* Localitatea

Bucuresti

Semnături ►

* Campuri obligatorii

Semnatura electronica poate fi aplicata doar in urma finalizarii cu succes a actiunii de validare a formularului

Administrator

* Nume si prenume

IVYLON MANAGEMENT SRL PRIN LOGOFATU MIHAI ALEXANDRU

Semnatura

Semnatura electronica

Intocmit

* Nume si prenume

SYSCONT PROFESIONAL SRL

* Calitatea

22--Persoana juridica autorizata**

Nr.de inregistrare in organismul profesional

11354

Cod de identificare fiscala

36061572

Semnatura

* Alta persoana, imputernicita, conform legii

** Persoana fizica sau juridica autorizata, membru CECCAR

*) Raportări contabile anuale la 31 decembrie 2021 întocmite de către entitățile cărora le sunt incidente Reglementările contabile conforme cu IFRS, aprobate prin Ordinul ministrului finanțelor publice nr. 2.844/2016, cu modificările și completările ulterioare, prevăzute la pct. 1.1 din Anexa 3 la Ordinul ministrului finanțelor nr. 85/2022 privind principalele aspecte legate de întocmirea și depunerea situațiilor financiare anuale și a raportărilor contabile anuale ale operatorilor economici la unitățile teritoriale ale Ministerului Finanțelor precum si pentru reglementarea unor aspecte contabile.

Indicatori

Campuri cu valori calculate

Capitaluri - total

51.503.195

Profit/ pierdere

9.168.718

Capital subscris

48.043.690

COD 10. SITUAȚIA ACTIVELOR, DATORILOR ȘI CAPITALURILOR PROPRII la data de 31.12.2021 (lei)
[Sterge datele din acest tabel \(Cod 10\)](#)

*se vor avea în vedere rândurile și corelațiile din coloana **Nr. rând** și nu cele cuprinse în coloana **CodRd***

codRd	Denumirea elementului	Nr. rand	Sold an curent la:	
			01.01.2021	31.12.2021
	A		B	1
	A. ACTIVE IMOBILIZATE			
	I. IMOBILIZARI NECORPORALE			
01	1. Cheltuieli de dezvoltare (ct. 203 - 2803 - 2903)	01		
02	2. Concesiuni, brevete, licențe, mărci comerciale, drepturi și active similare și alte imobilizări necorporale (ct. 205 + 208 - 2805 - 2808 - 2905 - 2908)	02	6.671.586	7.216.111
03	3. Fond comercial (ct. 2071 - 2907)	03		
04	4. Avansuri (ct. 4094 - 4904)	04	82.699	34.188
05	5. Active necorporale de explorare și evaluare a resurselor minerale (ct. 206 - 2806 - 2906)	05		
06	TOTAL (rd. 01 la 05)	06	6.754.285	7.250.299
	II. IMOBILIZĂRI CORPORALE			
07	1. Terenuri și construcții (ct. 211 + 212 - 2811 - 2812 - 2911 - 2912)	07	199.561	0
08	2. Instalații tehnice și mașini (ct. 213 + 223 - 2813 - 2913)	08	21.082	15.058
09	3. Alte instalații, utilaje și mobilier (ct. 214 + 224 - 2814 - 2914)	09	10.557	3.426
10	4. Investiții imobiliare (ct. 215 + 251* - 2815 - 285* - 2915 - 295*)	10		
11	5. Imobilizări corporale în curs de execuție (ct. 231 - 2931)	11		157.437
12	6. Investiții imobiliare în curs de execuție (ct. 235 - 2935)	12		
13	7. Active corporale de explorare și evaluare a resurselor minerale (ct. 216 - 2816 - 2916)	13		
14	8. Plante productive (ct. 218 - 2818 - 2918)	14		
15	9. Avansuri (ct. 4093 - 4903)	15		
16	TOTAL (rd. 07 la 15)	16	231.200	175.921
17	III. ACTIVE BIOLOGICE PRODUCTIVE (ct. 241 + 227 - 284 - 294)	17		
303	IV. DREPTURI DE UTILIZARE A ACTIVELOR LUATE ÎN LEASING (ct. 251* - 285* - 295*) ¹	18	1.797.626	376.408
	V. IMOBILIZĂRI FINANCIARE			
18	1. Acțiuni deținute la filiale (ct. 261 - 2961)	19	12.422.254	31.287.160

A		B	1	2
19	2. Împrumuturi acordate entităților din grup (ct. 2671 + 2672 - 2964)	20	19.458.721	19.705.168
20	3. Acțiunile deținute la entitățile asociate și la entitățile controlate în comun (ct. 262 + 263 - 2962)	21	8.527.500	1.996.839
21	4. Împrumuturi acordate entităților asociate și entităților controlate în comun (ct. 2673 + 2674 - 2965)	22		
22	5. Alte titluri imobilizate (ct. 265 - 2963)	23		
23	6. Alte împrumuturi (ct. 2675* + 2676* + 2677 + 2678* + 2679* - 2966* - 2968*)	24	1.927.615	255.869
24	TOTAL (rd. 19 la 24)	25	42.336.090	53.245.036
25	ACTIVE IMOBILIZATE – TOTAL (rd. 06 + 16 + 17 + 18 + 25)	26	51.119.201	61.047.664
	B. ACTIVE CIRCULANTE			
	I. STOCURI			
26	1. Materii prime și materiale consumabile (ct. 301 + 302 + 303 +/- 308 + 321 + 322 + 323 + 328 + 351 + 358 + 381 +/- 388 - 391 - 392 - 3951 - 3958 - 398)	27		502
27	2. Active imobilizate deținute în vederea vânzării (ct. 311)	28		
28	3. Producția în curs de execuție (ct. 331 + 332 + 341 +/- 348* - 393 - 3941 - 3952)	29		
29	4. Produse finite și mărfuri (ct. 326 + 327 + 345 + 346 + 347 +/- 348* + 354 + 356 + 357 + 361 +/- 368 + 371 +/- 378 - 3945 - 3946 - 3947 - 3953 - 3954 - 3955 - 3956 - 3957 - 396 - 397 - 4428)	30	24.420	17.994
30	5. Avansuri (ct. 4091 - 4901)	31		
31	TOTAL (rd. 27 la 31)	32	24.420	18.496
	II. CREANȚE			
32	1. Creanțe comerciale (ct. 2675* + 2676* + 2678* + 2679* - 2966* - 2968* + 411 + 413 + 418 + 4642 - 491 - 494)	33	4.815.695	5.788.329
33	2. Avansuri plătite (ct. 4092 - 4902)	34	83.686	27.711
34	3. Sume de încasat de la entitățile din grup (ct. 451** - 495*)	35	1.427.755	
35	4. Sume de încasat de la entitățile asociate și entitățile controlate în comun (ct. 453** - 495*)	36		
36	5. Creanțe rezultate din operațiunile cu instrumente derivate (ct. 4652)	37		
37	6. Alte creanțe (ct. 425 + 4282 + 431** + 436** + 437** + 4382 + 441** + 4424 + 4428** + 444** + 445 + 446** + 447** + 4482 + 4582 + 461 + 4662 + 473** + 4762 - 496 + 5187)	38		
38	7. Capital subscris și nevărsat (ct. 456 - 495*)	39		
301	8. Creanțe reprezentând dividende repartizate în cursul exercițiului financiar (ct. 463)	40		
39	TOTAL (rd. 33 la 40)	41	6.327.136	5.816.040

40	III. INVESTIȚII PE TERMEN SCURT (ct. 505 + 506 + 507 + 508* - 595 - 596 - 598 + 5113 + 5114)	42	1.459.700	17.919.885
41	IV. CASA ȘI CONTURI LA BĂNCI (ct. 508* + 5112 + 512 + 531 + 532 + 541 + 542)	43	11.610.034	8.753.193
42	ACTIVE CIRCULANTE – TOTAL (rd. 32 + 41 + 42 + 43)	44	19.421.290	32.507.614
43	C. CHELTUIELI ÎN AVANS (ct. 471 + 474) (rd. 46 + 47) , din care	45	133.363	205.862
44	Sume de reluat într-o perioadă de până la un an (ct. 471* + ct.474*)	46	133.363	205.862
45	Sume de reluat într-o perioadă mai mare de un an (din ct. 471* + ct.474*)	47		
D. DATORII: SUMELE CARE TREBUIE PLATITE INTR-O PERIOADA DE PANA LA UN AN				
46	1. Împrumuturi din emisiunea de obligațiuni, prezentându-se separat împrumuturile din emisiunea de obligațiuni convertibile (ct. 161 + 1681 - 169)	48	889.781	872.768
47	2. Sume datorate instituțiilor de credit (ct. 1621 + 1622 + 1624 + 1625 + 1627 + 1682 + 5191 + 5192 + 5198)	49	973.643	965.120
48	3. Avansuri încasate în contul comenzilor (ct. 419)	50		43.229
49	4. Datorii comerciale - furnizori (ct. 401 + 404 + 408 + 4641)	51	3.467.884	3.369.093
50	5. Efecte de comerț de plătit (ct. 403 + 405)	52		
52	6. Sume datorate entităților din grup (ct. 1661 + 1685 + 2691 + 451***)	53		
53	7. Sume datorate entităților asociate și entităților controlate în comun (ct. 1663 + 1686 + 2692 + 453***)	54		
54	8. Datorii rezultate din operațiunile cu instrumente derivate (ct. 4651)	55		
55	9. Alte datorii, inclusiv datoriile fiscale și datoriile privind asigurările sociale (ct. 1623 + 1626 + 167 + 1687 + 2693 + 2695 + 421 + 422 + 423 + 424 + 426 + 427 + 4281 + 431*** + 436*** + 437*** + 4381 + 441*** + 4423 + 4428*** + 444*** + 446*** + 447*** + 4481 + 455 + 456*** + 457 + 4581 + 462 + 4661 + 473*** + 4761 + 509 + 5186 + 5193 + 5194 + 5195 + 5196 + 5197)	56	1.742.816	11.359.557
56	TOTAL (rd. 48 la 56)	57	7.074.124	16.609.767
57	E. ACTIVE CIRCULANTE NETE/DATORII CURENTE NETE (rd. 44 + 46 - 57 - 74 - 77 - 80)	58	12.080.437	15.839.864
58	F. TOTAL ACTIVE MINUS DATORII CURENTE (rd. 26 + 47 + 58)	59	63.199.638	76.887.528
G. DATORII: SUMELE CARE TREBUIE PLĂTITE ÎNTR-O PERIOADĂ MAI MARE DE UN AN				
59	1. Împrumuturi din emisiunea de obligațiuni, prezentându-se separat împrumuturile din emisiunea de obligațiuni convertibile (ct. 161 + 1681 - 169)	60	28.357.324	24.044.334
60	2. Sume datorate instituțiilor de credit (ct. 1621 + 1622 + 1624 + 1625 + 1627 + 1682 + 5191 + 5192 + 5198)	61	1.154.210	165.607
61	3. Avansuri încasate în contul comenzilor (ct. 419)	62		
62	4. Datorii comerciale - furnizori (ct. 401 + 404 + 408 + 4641)	63		550.256

63	5. Efecte de comerț de plătit (ct. 403 + 405)	64		
65	6. Sume datorate entităților din grup (ct. 1661 + 1685 + 2691 + 451***)	65		
66	7. Sume datorate entităților asociate și entităților controlate în comun (ct. 1663 + 1686 + 2692 + 453***)	66		
67	8. Datorii rezultate din operațiunile cu instrumente derivate (ct. 4651)	67		
68	9. Alte datorii, inclusiv datoriile fiscale și datoriile privind asigurările sociale (ct. 1623 + 1626 + 167 + 1687 + 2693 + 2695 + 421 + 422 + 423 + 424 + 426 + 427 + 4281 + 431*** + 436*** + 437*** + 4381 + 441*** + 4423 + 4428*** + 444*** + 446*** + 447*** + 4481 + 455 + 456*** + 4581 + 462 + 4661 + 4761 + 473*** + 509 + 5186 + 5193 + 5194 + 5195 + 5196 + 5197)	68	2.898.659	624.136
69	TOTAL (rd. 60 la 68)	69	32.410.193	25.384.333
	H.PROVIZIOANE			
70	1. Provizioane pentru beneficiile angajaților (ct. 1517)	70		
71	2. Alte provizioane (ct. 1511 + 1512 + 1513 + 1514 + 1518)	71		
72	TOTAL (rd. 70 + 71)	72		
	VENITURI ÎN AVANS			
73	1. Subvenții pentru investiții (ct. 475) - total (rd. 74 + 75), din care:	73		
74	Sume de reluat într-o perioadă de până la un an (ct. 475*)	74		
75	Sume de reluat într-o perioadă mai mare de un an (ct. 475*)	75		
76	2. Venituri înregistrate în avans (ct. 472) - total (rd. 77 + 78), din care:	76	400.092	263.845
77	Sume de reluat într-o perioadă de până la un an (ct. 472*)	77	400.092	263.845
78	Sume de reluat într-o perioadă mai mare de un an (ct. 472*)	78		
79	3. Venituri în avans aferente activelor primite prin transfer de la clienți (ct. 478) - total (rd. 80 + 81) , din care:	79		
80	Sume de reluat într-o perioadă de până la un an (ct. 478*)	80		
81	Sume de reluat într-o perioadă mai mare de un an (ct. 478*)	81		
82	TOTAL (rd. 73 + 76 + 79)	82	400.092	263.845
	J. CAPITAL ȘI REZERVE			
	I. CAPITAL			
83	1. Capital subscris vărsat (ct. 1012)	83	26.443.139	48.043.690
84	2. Capital subscris nevărsat (ct. 1011)	84		

85	3. Capital subscris reprezentând datorii financiare ² (ct. 1027)	85		
302	4. Patrimoniul regiei (ct. 1015)	86		
86	5. Ajustări ale capitalului social/ patrimoniul regiei(ct. 1028)	SOLD C	87	
87		SOLD D	88	
88	6. Alte elemente de capitaluri proprii (ct. 103)	SOLD C	89	1.120.398
89		SOLD D	90	2.187.309
90	TOTAL (rd. 83 + 84 + 85 + 86 + 87 - 88 + 89 - 90)	91	27.563.537	50.230.999
91	II. PRIME DE CAPITAL (ct. 104)	92	25.409.965	14.542.953
92	III. REZERVE DIN REEVALUARE (ct. 105)	93		
	IV. REZERVE			
93	1. Rezerve legale (ct. 1061)	94	369.599	947.402
94	2. Rezerve statutare sau contractuale (ct. 1063)	95		
95	3. Alte rezerve (ct. 1068)	96		
96	TOTAL (rd. 94 la 96)	97	369.599	947.402
97	Diferențe de curs valutar din conversia situațiilor financiare anuale individuale într-o monedă de prezentare diferită de monedă funcțională (ct. 1072)	SOLD C	98	
98		SOLD D	99	
99	Acțiuni proprii (ct. 109)	100		
100	Câștiguri legate de instrumentele de capitaluri proprii (ct. 141)	101		1.125.798
101	Pierderi legate de instrumentele de capitaluri proprii (ct. 149)	102	21.014.395	22.395.612
102	V. REZULTAT REPORTAT, CU EXCEPȚIA REZULTATULUI REPORTAT PROVENIT DIN ADOPTAREA PENTRU PRIMA DATA A IAS 29 (ct. 117)	SOLD C	103	0
103		SOLD D	104	3.534.140
104	VI. REZULTAT REPORTAT PROVENIT DIN ADOPTAREA PENTRU PRIMA DATA A IAS 29 (ct. 118)	SOLD C	105	810.024
105		SOLD D	106	0
106	VII. PROFITUL SAU PIERDEREA LA SFÂRȘITUL PERIOADEI DE RAPORTARE (ct. 121)	SOLD C	107	1.994.879
107		SOLD D	108	9.168.718

108	Repartizarea profitului (ct. 129)	109		504.924
109	CAPITALURI PROPRII – TOTAL (rd. 91 + 92 + 93 + 97 + 98 - 99 - 100 + 101 - 102 + 103 - 104 + 105 - 106 + 107 - 108 - 109)	110	30.789.445	51.503.195
110	Patrimoniul privat (ct. 1023) ³	111		
111	Patrimoniul public (ct. 1026)	112		
112	CAPITALURI - TOTAL (rd. 110 + 111 + 112)	113	30.789.445	51.503.195
FORMULAR VALIDAT		Suma de control Formular 10: 1207562914 / 2565405749		

Semnaturi	Administrator	Intocmit
	Nume si prenume IVYLYON MANAGEMENT SRL PRIN LOGOFATU MIHAI ALEXANDR	Nume si prenume SYSCONT PROFESIONAL SRL
	Semnatura	Calitatea 22--Persoana juridica autorizata** Nr.de inregistrare in organismul profesional 11354 Semnatura

* Conturi de repartizat după natura elementelor respective.
** Solduri debitoare ale conturilor respective.
*** Solduri creditoare ale conturilor respective.

1) La acest rând nu se cuprind drepturile de utilizare care se încadrează în definiția unei investiții imobiliare și care vor fi prezentate la rd. 10.
2) În acest cont se evidențiază acțiunile care, din punct de vedere al IAS 32, reprezintă datorii financiare.
3) Se va completa de către entitățile cărora le sunt incidente prevederile Ordinului ministrului finanțelor publice și al ministrului delegat pentru buget nr. 668/2014 pentru aprobarea Precizărilor privind întocmirea și actualizarea inventarului centralizat al bunurilor imobile proprietate privată a statului și a drepturilor reale supuse inventarierii, cu modificările și completările ulterioare.

COD 20. SITUAȚIA VENITURILOR SI CHELTUIELILOR la data de 31.12.2021 (lei)					Sterge datele din acest tabel (Cod 20)	
se vor avea în vedere rândurile și corelațiile din coloana Nr. rând și nu cele cuprinse în coloana CodRd						
codRd	Denumirea indicatorilor			Nr. rand	Perioada de raportare	
					01.01.2020 - 31.12.2020	01.01.2021 - 31.12.2021
A				B	1	2
01	Cifra de afaceri netă (rd. 03 + 04 - 05 + 06)			01	16.878.520	13.069.342
306	- din care, cifra de afaceri netă corespunzătoare activității preponderente efectiv desfășurate			02	16.878.520	13.069.342
02	Producția vândută (ct. 701 + 702 + 703 + 704 + 705 + 706 + 708 - ct. 6815*)			03	14.009.675	11.613.268
03	Venituri din vânzarea mărfurilor (ct. 707 - ct. 6815*)			04	2.898.523	1.636.695
04	Reduceri comerciale acordate (ct. 709)			05	29.678	180.621
05	Venituri din subvenții de exploatare aferente cifrei de afaceri (ct. 7411)			06		
06	Venituri aferente costului producției în curs de execuție(ct. 711 + 712 + 713)		SOLD C	07	530.651	378.513
07			SOLD D	08		0
08	Venituri din producția de imobilizări și investiții imobiliare (rd. 10 + 11)			09		
09	Venituri din producția de imobilizări necorporale și corporale (ct. 721 + 722)			10		
10	Venituri din producția de investiții imobiliare (ct. 725)			11		
11	Venituri din activele imobilizate (sau grupurile destinate cedării) deținute în vederea vânzării (ct. 753)			12		
12	Venituri din reevaluarea imobilizărilor (ct. 755)			13		
13	Venituri din investiții imobiliare (ct. 756)			14		
14	Venituri din active biologice și produse agricole (ct. 757)			15		
15	Venituri din subvenții de exploatare (ct. 7412 + 7413 + 7414 + 7415 + 7416 + 7417 + 7419)			16		
16	Alte venituri din exploatare (ct. 758 + 751), din care			17	327.684	106.160
17	- venituri din subvenții pentru investiții (ct. 7584)			18		
301	- câștiguri din cumpărări în condiții avantajoase (ct. 7587)			19		
18	VENITURI DIN EXPLOATARE - TOTAL (rd. 01 + 07 - 08 + 09 + 12 + 13 + 14 + 15 + 16 + 17)			20	17.736.855	13.554.015
19	a) Cheltuieli cu materiile prime și materialele consumabile (ct. 601 + 602)			21	116.230	237
20	Alte cheltuieli materiale (ct. 603 + 604 + 606 + 608)			22	683.075	166.620
21	b) Alte cheltuieli externe (cu energie și apă) (ct. 605)			23	18.963	9.387
307	- din care, cheltuieli privind consumul de energie (ct. 6051)			24		

A		B	1	2
22	c) Cheltuieli privind mărfurile (ct. 607)	25	2.305.183	1.412.364
23	Reduceri comerciale primite (ct. 609)	26	49.667	84.441
24	Cheltuieli cu personalul (rd. 28+ 29), din care:	27	1.978.290	1.714.808
25	a) Salarii și indemnizații (ct. 641 + 642 + 643 + 644)	28	1.963.610	1.693.960
26	b) Cheltuieli privind asigurările și protecția socială (ct. 645 + 646)	29	14.680	20.848
27	a) Ajustări de valoare privind imobilizările (rd. 31 + 32 - 33)	30	557.590	640.863
28	a.1) Cheltuieli cu amortizările și ajustările pentru depreciere (ct. 6811 + 6813 + 6816 + 6817 + din ct. 6818)	31	149.020	444.481
303	a.2) Cheltuieli cu amortizarea activelor aferente drepturilor de utilizare a activelor luate în leasing (ct. 685)	32	408.570	196.382
29	a.3) Venituri (ct. 7813 + 7816 + din ct. 7818)	33		
30	b) Ajustări de valoare privind activele circulante (rd. 35 - 36)	34	63.816	-26.838
31	b.1) Cheltuieli (ct. 654 + 6814 + din ct. 6818)	35	266.681	
32	b.2) Venituri (ct. 754 + 7814 + din ct. 7818)	36	202.865	26.838
33	Alte cheltuieli de exploatare (rd. 38 la 46)	37	10.081.744	11.736.012
34	1. Cheltuieli privind prestațiile externe (ct. 611 + 612 + 613 + 614 + 615 + 621 + 622 + 623 + 624 + 625 + 626 + 627 + 628)	38	9.884.621	11.258.252
35	2. Cheltuieli cu alte impozite, taxe și vărsăminte asimilate; cheltuieli reprezentând transferuri și contribuții datorate în baza unor acte normative speciale (ct. 635 + 6586)	39		2.072
36	3. Cheltuieli cu protecția mediului înconjurător (ct. 652)	40		
37	4. Cheltuieli legate de activele imobilizate (sau grupurile destinate cedării) deținute în vederea vânzării (ct. 653)	41		
38	5. Cheltuieli din reevaluarea imobilizărilor (ct. 655)	42		
39	6. Cheltuieli privind investițiile imobiliare (ct. 656)	43		
40	7. Cheltuieli privind activele biologice (ct. 657)	44		
41	8. Cheltuieli privind calamitățile și alte evenimente similare (ct. 6587)	45		
42	9. Alte cheltuieli (ct. 651 + 6581 + 6582 + 6583 + 6584 + 6585 + 6588)	46	197.123	475.688
43	Ajustări privind provizioanele (rd. 48 - 49)	47		
44	- Cheltuieli (ct. 6812)	48		
45	- Venituri (ct. 7812)	49		
46	CHELTUIELI DE EXPLOATARE – TOTAL (rd. 21 la 23 + 25 - 26 + 27 + 30 + 34 + 37 + 47)	50	15.755.224	15.569.012

PROFITUL SAU PIERDEREA DIN EXPLOATARE:				
47	- Profit (rd. 20 - 50)	51	1.981.631	0
48	- Pierdere (rd. 50 - 20)	52	0	2.014.997
49	Venituri din acțiuni deținute la filiale (ct. 7611)	53	598.657	216.174
50	Venituri din acțiuni deținute la entități asociate (ct. 7612)	54		
51	Venituri din acțiuni deținute la entități asociate și entități controlate în comun (ct. 7613)	55		
52	Venituri din operațiuni cu titluri și alte instrumente financiare (ct. 762)	56		773.014
53	Venituri din operațiuni cu instrumente derivate (ct. 763)	57		
54	Venituri din diferențe de curs valutar (ct. 765)	58	351.204	506.039
55	Venituri din dobânzi (ct. 766)	59	1.781.954	1.532.810
56	- din care, veniturile obținute de la entitățile din grup	60	1.688.281	1.465.022
57	Venituri din subvenții de exploatare pentru dobânda datorată (ct. 7418)	61		
58	Venituri din investiții financiare pe termen scurt (ct. 7617)	62		
308	Venituri din amânarea încasării peste termenele normale de creditare (ct. 7681)	63		
59	Alte venituri financiare (ct. 7615 + 764 + 767 + 7688)	64	1.168.120	16.431.599
60	VENITURI FINANCIARE – TOTAL (rd. 53 la 59 + 61 la 64)	65	3.899.935	19.459.636
61	Ajustări de valoare privind imobilizările financiare și investițiile financiare deținute ca active circulante (rd. 67 - 68)	66		
62	- Cheltuieli (ct. 686)	67		
63	- Venituri (ct. 786)	68		
64	Cheltuieli privind operațiunile cu titluri și alte instrumente financiare (ct. 661)	69		
65	Cheltuieli privind operațiunile cu instrumente derivate (ct. 662)	70		
66	Cheltuieli privind dobânzile (ct. 666)	71	2.814.757	2.480.101
67	- din care, cheltuielile în relația cu entitățile din grup	72		
309	Cheltuieli cu amânarea plății peste termenele normale de creditare (ct. 6681)	73		
304	Cheltuieli privind dobânzile aferente contractelor de leasing (ct. 6685)	74	141.103	49.720

68	Alte cheltuieli financiare (ct. 663 + 664 + 665 + 667 + 6682 + 6688)	75	381.856	4.816.268
69	CHELTUIELI FINANCIARE – TOTAL (rd. 66 + 69 + 70 + 71 + 73 + 74 + 75)	76	3.337.716	7.346.089
PROFITUL SAU PIERDEREA FINANCIAR(Ă):				
70	- Profit (rd. 65 - 76)	77	562.219	12.113.547
71	- Pierdere (rd. 76 - 65)	78	0	0
72	VENITURI TOTALE (rd. 20 + 65)	79	21.636.790	33.013.651
73	CHELTUIELI TOTALE (rd. 50 + 76)	80	19.092.940	22.915.101
PROFITUL SAU PIERDEREA BRUT(Ă):				
74	- Profit (rd. 79 - 80)	81	2.543.850	10.098.550
75	- Pierdere (rd. 80 - 79)	82	0	0
76	Impozitul pe profit curent (ct. 691)	83	312.954	1.084.122
77	Impozitul pe profit amânat (ct. 692)	84	236.017	-154.290
78	Venituri din impozitul pe profit amânat (ct. 792)	85		
305	Cheltuieli cu impozitul pe profit, determinate de incertitudinile legate de tratamente fiscale (ct. 693)	86		
302	Impozitul specific unor activități (ct. 695)	87		
79	Alte impozite ne reprezentate la elementele de mai sus (ct. 698)	88		
PROFITUL SAU PIERDEREA NET(Ă) A PERIOADEI DE RAPORTARE:				
80	- Profit (rd. 81 - 83 - 84 + 85 - 86 - 87 - 88)	89	1.994.879	9.168.718
81	- Pierdere (rd. 82 + 83 + 84 - 85 + 86 + 87 + 88); (rd. 83 + 84 + 86 + 87 + 88 - 85 - 81)	90	0	0
FORMULAR VALIDAT		Suma de control Formular 20: 392132535 / 2565405749		

Semnături	Administrator Nume si prenume IVYLON MANAGEMENT SRL PRIN LOGOFATU MIHAI ALEXANDR	Intocmit Nume si prenume SYSCONT PROFESIONAL SRL
	Semnatura	Calitatea 22--Persoana juridica autorizata** Nr.de inregistrare in organismul profesional 11354 Semnatura

*) Conturi de repartizat după natura elementelor respective.

La rândul 28 - se cuprind și drepturile colaboratorilor, stabilite potrivit legislației muncii, care se preiau din rulajul debitor al contului 621 „Cheltuieli cu colaborarii”, analitic „Colaboratori persoane fizice”.

COD 30. DATE INFORMATIVE la data de 31.12.2021 (lei) se vor avea în vedere rândurile și corelațiile din coloana Nr. rând și nu cele cuprinse în coloana CodRd			Sterge datele din acest tabel (Cod 30)		
codRd	I. Date privind rezultatul înregistrat	Nr. rand	Nr.unitati	Sume	
	A	B	1	2	
01	Unități care au înregistrat profit	01	1	9.168.718	
02	Unități care au înregistrat pierdere	02	0	0	
03	Unități care nu au înregistrat nici profit, nici pierdere	03	0	0	
	II. Date privind plățile restante	Nr. rand	Total (col.2 + 3)	Din care:	
	A	B	1	Pentru activitatea curenta	Pentru activitatea de investitii
				2	3
04	Plăți restante – total (rd.05 + 09 +15 la 17 + 19), din care:	04	323.120	323.120	
05	Furnizori restanți – total (rd. 06 la 08), din care:	05	323.120	323.120	
06	- peste 30 de zile	06	322.954	322.954	
07	- peste 90 de zile	07	166	166	
08	- peste 1 an	08			
09	Obligații restante față de bugetul asigurărilor sociale – total (rd.10 la 14), din care:	09			
10	- contribuții pentru asigurări sociale de stat datorate de angajatori, salariați și alte persoane asimilate	10			
11	- contribuții pentru fondul asigurărilor sociale de sănătate	11			
12	- contribuția pentru pensia suplimentară	12			
13	- contribuții pentru bugetul asigurărilor pentru șomaj	13			
14	- alte datorii sociale	14			
15	Obligații restante față de bugetele fondurilor speciale și alte fonduri	15			
16	Obligații restante față de alți creditori	16			
17	Impozite, taxe și contribuții neplătite la termenul stabilit la bugetul de stat, din care:	17			
301	- contribuția asiguratorie pentru muncă	18			
18	Impozite și taxe neplătite la termenul stabilit la bugetele locale	19			
	III. Număr mediu de salariați	Nr. rand	31 decembrie 2020	31 decembrie 2021	
	A	B	1	2	
19	Număr mediu de salariați	20	8	15	

	A	B	1	
	IV. Redevențe plătite în cursul perioadei de raportare, subvenții încasate și creanțe restante	Nr. rand	Sume	
	A	B	1	
21	Redevențe plătite în cursul perioadei de raportare pentru bunurile din domeniul public, primite în concesiune, din care:	22		
22	- redevențe pentru bunurile din domeniul public plătite la bugetul de stat	23		
23	Redevență minieră plătită la bugetul de stat	24		
24	Redevență petrolieră plătită la bugetul de stat	25		
25	Chirii plătite în cursul perioadei de raportare pentru terenuri ¹⁾	26		
26	Venituri brute din servicii plătite către persoane nerezidente, din care:	27		
27	- impozitul datorat la bugetul de stat	28		
28	Venituri brute din servicii plătite către persoane nerezidente din statele membre ale Uniunii Europene, din care:	29		
29	- impozitul datorat la bugetul de stat	30		
30	Subvenții încasate în cursul perioadei de raportare, din care:	31		
31	- subvenții încasate în cursul perioadei de raportare aferente activelor	32		
32	- subvenții aferente veniturilor, din care:	33		
33	- subvenții pentru stimularea ocupării forței de muncă*)	34		
316	- subvenții pentru energie din surse regenerabile	35		
317	- subvenții pentru combustibili fosili	36		
34	Creanțe restante, care nu au fost încasate la termenele prevăzute în contractele comerciale și/sau în actele normative în vigoare, din care:	37		
35	- creanțe restante de la entități din sectorul majoritar sau integral de stat	38		
36	- creanțe restante de la entități din sectorul privat	39		
	V. Tichete acordate salariaților	Nr. rand	Sume	
	A	B	1	
37	Contravaloarea tichetelor acordate salariaților	40	25.545	
302	Contravaloarea tichetelor acordate altor categorii de beneficiari, alții decât salariați	41		
	VI. Cheltuieli efectuate pentru activitatea de cercetare – dezvoltare**)	Nr. rand	31 decembrie 2020	31 decembrie 2021
	A	B	1	2
38	Cheltuieli de cercetare - dezvoltare	42		
318	- din care, efectuate în scopul diminuării impactului activității entității asupra mediului sau al dezvoltării unor noi tehnologii sau a unor produse mai sustenabile	43		

39	- după surse de finanțare (rd. 45 + 46), din care	44	0	0
40	- din fonduri publice	45		
41	- din fonduri private	46		
42	- după natura cheltuielilor (rd. 48 + 49)	47	0	0
43	- cheltuieli curente	48		
44	- cheltuieli de capital	49		
	VII. Cheltuieli de inovare ***)	Nr. rand	31 decembrie 2020	31 decembrie 2021
	A	B	1	2
45	Cheltuieli de inovare	50		
319	- din care, efectuate în scopul diminuării impactului activității entității asupra mediului sau al dezvoltării unor noi tehnologii sau a unor produse mai sustenabile	51		
	VIII. Alte informații	Nr. rand	31 decembrie 2020	31 decembrie 2021
	A	B	1	2
46	Avansuri acordate pentru imobilizări necorporale (ct. 4094), din care:	52	82.699	34.188
303	- avansuri acordate entităților neafiliate nerezidente pentru imobilizări necorporale (din ct. 4094)	53		
304	- avansuri acordate entităților afiliate nerezidente pentru imobilizări necorporale (din ct. 4094)	54		
47	Avansuri acordate pentru imobilizări corporale (ct. 4093), din care:	55		
305	- avansuri acordate entităților neafiliate nerezidente pentru imobilizări corporale (din ct. 4093)	56		
306	- avansuri acordate entităților afiliate nerezidente pentru imobilizări corporale (din ct. 4093)	57		
48	Imobilizări financiare, în sume brute (rd. 59 + 65), din care:	58	25.737.747	37.676.772
49	Acțiuni deținute la entitățile afiliate, interese de participare, alte titluri imobilizate și obligațiuni, în sume brute (rd. 60 + 61 + 62 + 64), din care:	59	20.949.754	33.284.000
50	- acțiuni necotate emise de rezidenți	60	13.173.500	16.336.384
51	- părți sociale emise de rezidenți	61	7.776.254	16.947.616
52	- acțiuni și părți sociale emise de nerezidenți, din care	62		
307	- dețineri de cel puțin 10%	63		
53	- obligațiuni emise de nerezidenți	64		
54	Creanțe imobilizate, în sume brute (rd. 66 + 67), din care:	65	4.787.993	4.392.772
55	- creanțe imobilizate în lei și exprimate în lei, a căror decontare se face în funcție de cursul unei valute (din ct. 267)	66		
56	- creanțe imobilizate în valută (din ct. 267)	67	4.787.993	4.392.772

57	Creanțe comerciale, avansuri pentru cumpărări de bunuri de natura stocurilor și pentru prestări de servicii acordate furnizorilor și alte conturi asimilate, în sume brute (ct. 4091 + 4092 + 411 + 413 + 418 + 4642), din care:	68	4.948.025	3.174.778
58	- creanțe comerciale în relația cu entitățile neafiliate nerezidente, avansuri pentru cumpărări de bunuri de natura stocurilor și pentru prestări de servicii acordate furnizorilor neafiliați nerezidenți și alte conturi asimilate, în sume brute în relație cu neafiliații nerezidenți (din ct. 4091 + din ct. 4092 + din ct. 411 + din ct. 413 + din ct. 418 + din ct.4642)	69	1.758.781	1.307.169
308	- creanțe comerciale în relația cu entitățile afiliate nerezidente, avansuri pentru cumpărări de bunuri de natura stocurilor și pentru prestări de servicii acordate furnizorilor afiliați nerezidenți și alte conturi asimilate, în sume brute în relație cu afiliații nerezidenți (din ct. 4091 + din ct. 4092 + din ct. 411 + din ct. 413 + din ct. 418 + din ct.4642)	70		
59	Creanțe neîncasate la termenul stabilit (din ct. 4091 + din ct. 4092 + din ct. 411 + din ct. 413)	71	733.977	609.046
60	Creanțe în legătură cu personalul și conturi asimilate (ct. 425 + 4282)	72		
61	Creanțe în legătură cu bugetul asigurărilor sociale și bugetul statului (din ct. 431 + 436 + 437 + 4382 + 441 + 4424 + 4428 + 444 + 445 + 446 + 447 + 4482), (rd.74 la 78), din care:	73	52.624	217.414
62	- creanțe în legătură cu bugetul asigurărilor sociale (ct. 431 + 437 + 4382)	74	27.332	39.710
63	- creanțe fiscale în legătură cu bugetul statului (ct. 436 + 441 + 4424 + 4428 + 444 + 446)	75	25.292	177.704
64	- subvenții de încasat (ct. 445)	76		
65	- fonduri speciale - taxe și vărsăminte asimilate (ct. 447)	77		
66	- alte creanțe în legătură cu bugetul statului (ct. 4482)	78		
67	Creanțele entității în relațiile cu entitățile afiliate (ct.451), din care:	79		
68	- creanțe cu entități afiliate nerezidente (din ct.451), din care:	80		
69	- creanțe comerciale cu entități afiliate nerezidente (din ct.451)	81		
70	Creanțe în legătură cu bugetul asigurărilor sociale și bugetul statului neîncasate la termenul stabilit (din ct. 431 + din ct.436 + din ct. 437 + din ct. 4382 + din ct. 441 + din ct. 4424 + din ct. 4428 + din ct. 444 + din ct. 445 + din ct. 446 + din ct. 447 + din ct. 4482)	82		
71	Creanțe din operațiuni cu instrumente derivate (ct. 4652)	83		
72	Alte creanțe (ct. 453 + 456 + 4582 + 461 + 4662 + 471 + 473 + 4762), din care:	84		
73	- decontări cu entitățile asociate și entitățile controlate în comun, decontări cu acționarii privind capitalul și decontări din operațiuni în participație (ct. 453 + 456 + 4582)	85		
74	- alte creanțe în legătură cu persoanele fizice și persoanele juridice, altele decât creanțele în legătură cu instituțiile publice (instituțiile statului) (din ct. 461 + 4662+ din ct. 471 + din ct. 473)	86	1.113.039	2.068.474
75	- sumele preluate din contul 542 "Avansuri de trezorerie" reprezentând avansurile de trezorerie, acordate potrivit legii și nedecontate până la data de raportare (din ct. 461)	87		
76	Dobânzi de încasat (ct. 5187), din care:	88		

77	- de la nerezidenți	89		
314	Dobânzi de încasat de la nerezidenți (din ct. 4518 + din ct. 4538)	90		
78	Valoarea împrumuturilor acordate operatorilor economici****)	91	17.580.982	
79	Investiții pe termen scurt, în sume brute (ct. 505 + 506 + 507 + din ct. 508), din care:	92	1.459.700	17.919.885
80	- acțiuni necotate emise de rezidenți	93		225.270
81	- părți sociale emise de rezidenți	94		
82	- acțiuni emise de nerezidenți	95		
83	- obligațiuni emise de nerezidenți	96		
320	- dețineri de obligațiuni verzi	97		
84	Alte valori de încasat (ct. 5113 + 5114)	98		
85	Casa în lei și în valută (rd. 100 + 101), din care:	99	1.141	1.141
86	- în lei (ct. 5311)	100	1.141	1.141
87	- în valută (ct. 5314)	101		
88	Conturi curente la bănci în lei și în valută (rd. 103 + 105), din care:	102	11.608.893	8.752.052
89	- în lei (ct. 5121), din care:	103	2.688.361	5.360.327
90	- conturi curente în lei deschise la bănci nerezidente	104		
91	- în valută (ct. 5124), din care:	105	8.920.532	3.391.725
92	- conturi curente în valută deschise la bănci nerezidente	106	29.486	28.997
93	Alte conturi curente la bănci și acreditive (rd. 108 + 109), din care:	107		
94	- sume în curs de decontare, acreditive și alte valori de încasat, în lei (ct. 5112 + din ct.5125 + 5411)	108		
95	- sume în curs de decontare și acreditive în valută (din ct. 5125 + 5414)	109		
96	Datorii (rd. 111 + 114 + 117 + 118 + 121 + 124 + 127 + 128 + 133 + 137 + 140 + 141 + 147), din care:	110	4.197.663	16.271.633
97	Credite bancare externe pe termen scurt (credite primite de la instituții financiare nerezidente pentru care durata contractului de credit este mai mică de 1 an) (din ct. 519), (rd. 112 + 113), din care:	111		
98	- în lei	112		
99	- în valută	113		

100	Credite bancare externe pe termen lung (credite primite de la instituții financiare nerezidente pentru care durata contractului de credit este mai mare sau egală cu 1 an) (din ct. 162), (rd. 115 + 116), din care:	114		
101	- în lei	115		
102	- în valută	116		
103	Credite de la trezoreria statului și dobânzile aferente (ct. 1626 + din ct. 1682)	117		
104	Alte împrumuturi și dobânzile aferente (ct. 166 + 1685 + 1686 + 1687), (rd. 119 + 120), din care:	118		
105	- în lei și exprimate în lei, a căror decontare se face în funcție de cursul unei valute	119		
106	- în valută	120		
107	Alte împrumuturi și datorii asimilate (ct. 167), din care:	121		
108	- valoarea concesiunilor primite (din ct. 167)	122		
321	- valoarea obligațiunilor verzi emise de entitate	123		
109	Datorii comerciale, avansuri primite de la clienți și alte conturi asimilate, în sume brute (ct. 401 + 403 + 404 + 405 + 408 + 419 + 4641), din care:	124	3.495.015	3.700.431
110	- datorii comerciale în relația cu entitățile neafiliate nerezidente, avansuri primite de la clienți neafiliați nerezidenți și alte conturi asimilate, în sume brute în relație cu neafiliații nerezidenți (din ct. 401 + din ct. 403 + din ct. 404 + din ct. 405 + din ct. 408 + din ct. 419 + din ct.4641)	125	10.546	273.027
309	- datorii comerciale în relația cu entitățile afiliate nerezidente, avansuri primite de la clienți afiliați nerezidenți și alte conturi asimilate, în sume brute în relație cu afiliații nerezidenți (din ct. 401 + din ct. 403 + din ct. 404 + din ct. 405 + din ct. 408 + din ct. 419 + din ct.4641)	126		
111	Datorii în legătură cu personalul și conturi asimilate (ct. 421 + 422 + 423 + 424 + 426+ 427 + 4281)	127	36.644	60.357
112	Datorii în legătură cu bugetul asigurărilor sociale și bugetul statului (ct. 431 + 436 + 437 + 4381 + 441 + 4423 + 4428 + 444 + 446 + 447 + 4481), (rd. 129 la 132), din care:	128	246.235	315.269
113	- datorii în legătură cu bugetul asigurărilor sociale (ct. 431 + 437 + 4381)	129	21.432	27.230
114	- datorii fiscale în legătură cu bugetul statului (ct.436 + 441 + 4423 + 4428 +444 + 446)	130	224.803	288.039
115	- fonduri speciale – taxe și vărsăminte asimilate (ct. 447)	131		
116	- alte datorii în legătură cu bugetul statului (ct.4481)	132		
117	Datoriile entităților în relațiile cu entitățile afiliate(ct. 451), din care:	133		
118	- datorii cu entități afiliate nerezidente ²⁾ (din ct. 451), din care:	134		
310	- cu scadența inițială mai mare de un an	135		
119	- datorii comerciale cu entități afiliate nerezidente indiferent de scadență (din ct. 451)	136		

120	Sume datorate acționarilor/asociaților (ct. 455), din care:	137		
121	- sume datorate acționarilor/asociaților persoane fizice	138		
122	- sume datorate acționarilor/asociaților persoane juridice	139		
123	Datorii din operațiuni cu instrumente derivate (ct. 4651)	140		
124	Alte datorii (ct. 269 + 453 + 456 + 457 + 4581 + 462 + 4661+ 472 + 473 + 4761 + 478 + 509), din care:	141	419.769	12.195.576
125	- decontări cu entitățile asociate și entitățile controlate în comun, decontări cu acționarii privind capitalul, dividende și decontări din operații în participație (ct. 453 + 456 + 457 + 4581)	142		
126	- alte datorii în legătură cu persoanele fizice și persoanele juridice, altele decât datoriile în legătură cu instituțiile publice (instituțiile statului) ³⁾ (din ct. 462 + ct. 4661+ din ct. 472 + din ct. 473)	143	419.769	12.195.576
127	- subvenții nereluate la venituri (din ct. 472)	144		
128	- vărsăminte de efectuat pentru imobilizări financiare și investiții pe termen scurt (ct. 269 + 509)	145		
129	- venituri în avans aferente activelor primite prin transfer de la clienți (ct. 478)	146		
130	Dobânzi de plătit (ct. 5186), din care:	147		
311	- către nerezidenți	148		
315	Dobânzi de plătit către nerezidenți (din ct. 4518 + din ct. 4538)	149		
131	Valoarea împrumuturilor primite de la operatorii economici****)	150		
132	Capital subscris vărsat (ct. 1012) din care:	151	26.443.139	48.043.690
133	- acțiuni cotate ⁴⁾	152	26.443.139	48.043.690
134	- acțiuni necotate ⁵⁾	153		
135	- părți sociale	154		
136	- capital subscris vărsat de nerezidenți (din ct.1012)	155		
137	Brevete si licențe (din ct.205)	156	5.800.518	5.800.518
	IX. Informații privind cheltuielile cu colaboratorii	Nr. rand	31 decembrie 2020	31 decembrie 2021
	A	B	1	2
138	Cheltuieli cu colaboratorii (ct. 621)	157	358.167	484.356
	X. Informații privind bunurile din domeniul public al statului	Nr. rand	31 decembrie 2020	31 decembrie 2021
	A	B	1	2
139	Valoarea bunurilor din domeniul public al statului aflate în administrare	158		
140	Valoarea bunurilor din domeniul public al statului aflate în concesiune	159		

141	Valoarea bunurilor din domeniul public al statului închiriate		160			
	XI. Informații privind bunurile din proprietatea privată a statului supuse inventarierii cf. OMFP nr. 668/2014		Nr. rand	31 decembrie 2020	31 decembrie 2021	
	A		B	1	2	
142	Valoarea contabilă netă a bunurilor ⁶⁾		161			
	XII. Capital social vărsat	Nr. rand	31 decembrie 2020		31 decembrie 2021	
			Suma (col.1)	% ⁷⁾ (col.2)	Suma (col.3)	% ⁷⁾ (col.4)
	A	B	1	2	3	4
143	Capital social vărsat (ct. 1012) ⁷⁾ (rd. 163 + 166 + 170 + 171 + 172 + 173), din care:	162	26.443.139	X	48.043.690	X
144	- deținut de instituții publice (rd. 164 + 165), din care:	163		0		0
145	- deținut de instituții publice de subordonare centrală;	164		0		0
146	- deținut de instituții publice de subordonare locală;	165		0		0
147	- deținut de societățile cu capital de stat, din care:	166		0		0
148	- cu capital integral de stat;	167		0		0
149	- cu capital majoritar de stat;	168		0		0
150	- cu capital minoritar de stat;	169		0		0
151	- deținut de regii autonome	170		0		0
152	- deținut de societățile cu capital privat	171	3.454.371	13,06	6.852.009	14,26
153	- deținut de persoane fizice	172	22.988.768	86,94	41.191.681	85,74
154	- deținut de alte entități	173		0		0
			Nr. rand	Sume (lei)		
	A		B	2020	2021	
155	XIII. Dividende/vărsăminte cuvenite bugetului de stat sau local, de repartizat din profitul exercițiului financiar de către companiile naționale, societățile naționale, societățile și regiile autonome, din care:		174			

	A	B	1	2
156	- către instituții publice centrale;	175		
157	- către instituții publice locale;	176		
158	- către alți acționari la care statul/unitățile administrativ teritoriale/instituțiile publice dețin direct/indirect acțiuni sau participații indiferent de ponderea acestora.	177		
		Nr. rand	Sume (lei)	
	A	B	2020	2021
159	XIV. Dividende/vărsăminte cuvenite bugetului de stat sau local și virate în perioada de raportare din profitul reportat al companiilor naționale, societăților naționale, societăților și al regiilor autonome, din care:	178		
160	- dividende/vărsăminte din profitul exercițiului financiar al anului precedent, din care virate:	179		
161	- către instituții publice centrale;	180		
162	- către instituții publice locale;	181		
163	- către alți acționari la care statul/unitățile administrativ teritoriale/instituțiile publice dețin direct/indirect acțiuni sau participații indiferent de ponderea acestora.	182		
164	- dividende/vărsăminte din profitul exercițiilor financiare anterioare anului precedent, din care virate:	183		
165	- către instituții publice centrale;	184		
166	- către instituții publice locale;	185		
167	- către alți acționari la care statul/unitățile administrativ teritoriale/instituțiile publice dețin direct/indirect acțiuni sau participații indiferent de ponderea acestora.	186		
	XV. Dividende distribuite acționarilor din profitul reportat	Nr. rand	Sume (lei)	
	A	B	2020	2021
313	- Dividende distribuite acționarilor în perioada de raportare din profitul reportat	187		
	XVI. Repartizări interimare de dividende potrivit Legii nr. 163/2018	Nr. rand	Sume (lei)	
	A	B	2020	2021
312	- dividendele interimare repartizate ⁸⁾	188		
	XVII. Creanțe preluate prin cesionare de la persoane juridice *****)	Nr. rand	Sume (lei)	
			31 decembrie 2020	31 decembrie 2021
	A	B	1	2
168	Creanțe preluate prin cesionare de la persoane juridice (la valoarea nominală), din care:	189		
169	- creanțe preluate prin cesionare de la persoane juridice afiliate	190		
170	Creanțe preluate prin cesionare de la persoane juridice (la cost de achiziție), din care:	191		
171	- creanțe preluate prin cesionare de la persoane juridice afiliate	192		

	XVIII. Venituri obținute din activități agricole *****)	Nr. rand	Sume (lei)	
			31 decembrie 2020	31 decembrie 2021
	A	B	1	2
172	Venituri obținute din activități agricole	193		
322	XIV. Cheltuieli privind calamitățile și alte evenimente similare (ct. 6587), din care:	194		
323	- inundații	195		
324	- secetă	196		
325	- alunecări de teren	197		
FORMULAR VALIDAT		Suma de control Formular 30: 660507708 / 2565405749		

Semnături

Administrator

Nume si prenume

IVYLON MANAGEMENT SRL PRIN
LOGOFATU MIHAI ALEXANDR

Semnatura

Intocmit

Nume si prenume

SYSCONT PROFESIONAL SRL

Calitatea

22--Persoana juridica autorizata**

Nr.de inregistrare in organismul profesional

11354

Semnatura

*) Subvenții pentru stimularea ocupării forței de muncă (transferuri de la bugetul statului către angajator) - reprezintă sumele acordate angajatorilor pentru plata absolvenților instituțiilor de învățământ, stimularea șomerilor care se încadrează în muncă înainte de expirarea perioadei de șomaj, stimularea angajatorilor care încadrează în muncă pe perioadă nedeterminată șomeri în vârstă de peste 45 ani, șomeri întreținători unici de familie sau șomeri care în termen de 3 ani de la data angajării îndeplinesc condițiile pentru a solicita pensia anticipată parțială sau de acordare a pensiei pentru limita de vârstă, ori pentru alte situații prevăzute prin legislația în vigoare privind sistemul asigurărilor pentru șomaj și stimularea ocupării forței de muncă.

**) Se va completa cu cheltuielile efectuate pentru activitatea de cercetare-dezvoltare, respectiv cercetarea fundamentală, cercetarea aplicativă, dezvoltarea tehnologică și inovarea, stabilite potrivit prevederilor Ordonanței Guvernului nr. 57/2002 privind cercetarea științifică și dezvoltarea tehnologică, aprobată cu modificări și completări prin Legea nr. 324/2003, cu modificările și completările ulterioare.

***) Se va completa cu cheltuielile efectuate pentru activitatea de inovare.

La completarea rândurilor corespunzătoare capitolelor VI și VII sunt avute în vedere prevederile Regulamentului de punere în aplicare (UE) 2020/1197 al Comisiei din 30 iulie 2020 de stabilire a specificațiilor tehnice și a modalităților în temeiul Regulamentului (UE) 2019/2152 al Parlamentului European și al Consiliului privind statisticile europene de întreprindere și de abrogare a 10 acte juridice în domeniul statisticilor de întreprindere, publicat în Jurnalul Oficial al Uniunii Europene, seria L, nr. 271 din 18 august 2020. Prin acest Regulament a fost abrogat Regulamentul de punere în aplicare (UE) nr. 995/2012 al Comisiei din 26 octombrie 2012 de stabilire a normelor de punere în aplicare a Deciziei nr. 1.608/2003/CE a Parlamentului European și a Consiliului privind producția și dezvoltarea statisticilor comunitare în domeniul științei și al tehnologiei.

****) În categoria operatorilor economici nu se cuprind entitățile reglementate și supravegheate de Banca Națională a României, respectiv Autoritatea de Supraveghere Financiară, societățile reclassificate în sectorul administrației publice și instituțiile fără scop lucrativ în serviciul gospodăriilor populației.

*****) Pentru creanțele preluate prin cesionare de la persoane juridice se vor completa atât valoarea nominală a acestora, cât și costul lor de achiziție.

Pentru statutul de „persoane juridice afiliate” se vor avea în vedere prevederile art. 7 pct. 26 lit. c) și d) din Legea nr. 227/2015 privind Codul fiscal, cu modificările și completările ulterioare.

*****) Conform art. 11 din Regulamentul Delegat (UE) nr. 639/2014 al Comisiei din 11 martie 2014 de completare a Regulamentului (UE) nr. 1307/2013 al Parlamentului European și al Consiliului de stabilire a unor norme privind plățile directe acordate fermierilor prin scheme de sprijin în cadrul politicii agricole comune și de modificare a anexei X la regulamentul menționat, „(1) ... veniturile obținute din activități agricole sunt veniturile care au fost obținute de un fermier din activitatea sa agricolă în sensul articolului 4 alineatul (1) litera (c) din regulamentul menționat (R (UE) 1307/2013), în cadrul exploatației sale, inclusiv sprijinul din partea Uniunii din Fondul european de garantare agricolă (FEGA) și din Fondul european agricol pentru dezvoltare rurală (FEADR), precum și orice ajutor național acordat pentru activități agricole, cu excepția plăților directe naționale complementare în temeiul articolelor 18 și 19 din Regulamentul (UE) nr. 1307/2013. Veniturile obținute din prelucrarea produselor agricole în sensul articolului 4 alineatul (1) litera (d) din Regulamentul (UE) nr. 1307/2013 ale exploatației sunt considerate venituri din activități agricole cu condiția ca produsele prelucrate să rămână proprietatea fermierului și ca o astfel de prelucrare să aibă ca rezultat un alt produs agricol în sensul articolului 4 alineatul (1) litera (d) din Regulamentul (UE) nr. 1307/2013.

Orice alte venituri sunt considerate venituri din activități neagricole.

(2) În sensul alineatului (1), „venituri” înseamnă veniturile brute, înaintea deducerii costurilor și impozitelor aferente.....”.

- 1) Se vor include chiriile plătite pentru terenuri ocupate (culturi agricole, pășuni, fânețe etc.) și aferente spațiilor comerciale (terase etc.) aparținând proprietarilor privați sau unor unități ale administrației publice, inclusiv chiriile pentru folosirea luciului de apă în scop recreativ sau în alte scopuri (pescuit etc.).
- 2) Valoarea înscrisă la rândul „datorii cu entități afiliate nerezidente (din ct. 451), din care:” NU se calculează prin însumarea valorilor de la rândurile „cu scadența inițială mai mare de un an” și „datorii comerciale cu entitățile afiliate nerezidente indiferent de scadență (din ct. 451)”.
- 3) În categoria „Alte datorii în legătură cu persoanele fizice și persoanele juridice, altele decât datoriile în legătură cu instituțiile publice (instituțiile statului)” nu se vor înscrie subvențiile aferente veniturilor existente în soldul contului 472.
- 4) Titluri de valoare care conferă drepturi de proprietate asupra societăților, care sunt negociabile și tranzacționate, potrivit legii.
- 5) Titluri de valoare care conferă drepturi de proprietate asupra societăților, care nu sunt tranzacționate.
- 6) Se va completa de către operatorii economici cărora le sunt incidente prevederile Ordinului ministrului finanțelor publice și al ministrului delegat pentru buget nr. 668/2014 pentru aprobarea Precizărilor privind întocmirea și actualizarea inventarului centralizat al bunurilor imobile proprietate privată a statului și a drepturilor reale supuse inventarierii, cu modificările și completările ulterioare.
- 7) La secțiunea „XII Capital social vărsat” la rd. 163 - 173 în col. 2 și col. 4 entitățile vor înscrie procentul corespunzător capitalului social deținut în totalul capitalului social vărsat înscris la rd. 162.
- 8) La acest rând se cuprind dividendele repartizate potrivit Legii nr. 163/2018 pentru modificarea și completarea Legii contabilității nr. 82/1991, modificarea și completarea Legii societăților nr. 31/1990, precum și modificarea Legii nr. 1/2005 privind organizarea și funcționarea cooperăției.

COD40. SITUATIA ACTIVELOR IMOBILIZATE la data de 31.12.2021						-lei	Resetează acest formularul
Elemente de imobilizari	Nr. rand	Valori brute					
		Sold initial	Cresteri	Reduceri		Sold final (col.5 = 1 + 2 - 3)	
				Total	Din care: dezmembrari si casari		
A	B	1	2	3	4	5	
I. Imobilizări necorporale							
Cheltuieli de dezvoltare	01				X		
Active necorporale de explorare și evaluare a resurselor minerale	02				X		
Alte imobilizări	03	6.886.202	787.569		X	7.673.771	
Avansuri acordate pentru imobilizări necorporale	04	82.699			X	82.699	
TOTAL (rd. 01 la 04)	05	6.968.901	787.569		X	7.756.470	
II. Imobilizări corporale							
Terenuri și amenajări de terenuri	06				X		
Construcții	07	502.712		502.712			0
Instalații tehnice și mașini	08						
Alte instalații, utilaje și mobilier	09	216.219				216.219	
Investiții imobiliare	10						
Active corporale de explorare și evaluare a resurselor minerale	11						
Plante productive	12						
Imobilizări corporale în curs de execuție	13		157.437			157.437	
Investiții imobiliare în curs de execuție	14						
Avansuri acordate pentru imobilizări corporale	15						
TOTAL (rd. 06 la 15)	16	718.931	157.437	502.712		373.656	
III. Active biologice productive	17				X		
IV. Drepturi de utilizare a activelor luate în leasing	18	2.761.768	28.735	1.929.041	X	861.462	
V. Imobilizări financiare	19	42.336.090	30.451.467	19.542.521	X	53.245.036	
ACTIVE IMOBILIZATE –TOTAL (rd. 05 + 16 + 17 + 18 + 19)	20	52.785.690	31.425.208	21.974.274		62.236.624	

► SITUATIA AMORTIZARII ACTIVELOR IMOBILIZATE					
Elemente de imobilizari	Nr. rand	Sold initial	Amortizare in cursul anului	Amortizare aferenta imobilizarilor scoase din evidenta	Amortizare la sfarsitul anului (col.9 = 6+7-8)
A	B	6	7	8	9
I. Imobilizări necorporale					
Cheltuieli de dezvoltare	21				
Active necorporale de explorare și evaluare a resurselor minerale	22				
Alte imobilizări	23	214.616	291.555		506.171
TOTAL (rd. 21 + 22 + 23)	24	214.616	291.555		506.171
II. Imobilizări corporale					
Amenajări de terenuri	25				
Construcții	26	303.151	477.539	780.690	0
Instalații tehnice și mașini	27				
Alte instalații, utilaje și mobilier	28	184.580	13.155		197.735
Investiții imobiliare	29				
Active corporale de explorare și evaluare a resurselor minerale	30				
Plante productive	31				
TOTAL (rd. 25 la 31)	32	487.731	490.694	780.690	197.735
III. Active biologice productive	33				
IV. Drepturi de utilizare a activelor luate în leasing	34	964.142	141.451	620.539	485.054
AMORTIZĂRI – TOTAL (rd. 24 + 32 + 33 + 34)	35	1.666.489	923.700	1.401.229	1.188.960

► SITUATIA AJUSTARILOR PENTRU DEPRECIERE					
Elemente de imobilizari	Nr. rand	Sold initial	Ajustari constituite in cursul anului	Ajustari reluate la venituri	Sold final (c.13 = 10+11-12)
A	B	10	11	12	13
I. Imobilizări necorporale					
Cheltuieli de dezvoltare	36				
Active necorporale de explorare și evaluare a resurselor minerale	37				
Alte imobilizări	38				
Avansuri acordate pentru imobilizări necorporale	39				
TOTAL (rd. 36 la 39)	40				
II. Imobilizări corporale					
Terenuri și amenajări de teren	41				
Construcții	42				
Instalații tehnice și mașini	43				
Alte instalații, utilaje și mobilier	44				
Investiții imobiliare	45				
Active corporale de explorare și evaluare a resurselor minerale evaluate la cost	46				
Plante productive	47				
Imobilizari corporale în curs de execuție	48				
Investiții imobiliare în curs de execuție	49				
Avansuri acordate pentru imobilizari corporale	50				
TOTAL (rd. 41 la 50)	51				
III. Active biologice productive	52				
IV. Drepturi de utilizare a activelor luate în leasing	53				
V. Imobilizări financiare	54				
AJUSTĂRI PENTRU DEPRECIERE – TOTAL (rd. 40 + 51 + 52 + 53 + 54)	55				
FORMULAR VALIDAT		Suma de control Formular 40: 305202592 / 2565405749			

Semnaturi**Administrator**

Nume si prenume

IVYLON MANAGEMENT SRL PRIN
LOGOFATU MIHAI ALEXANDR

Semnatura

Intocmit

Nume si prenume

SYSCONT PROFESIONAL SRL

Calitatea

22--Persoana juridica autorizata**

Nr.de inregistrare in organismul profesional

11354

Semnatura

The Board Statement

The undersigned Logofatu Mihai Alexandru Constantin, as legal representative of the Chairman of the Board, confirms, based on the data we have, that the consolidated and individual financial statements of the Issuer, prepared in accordance with applicable accounting standards, provide an image correct and in line with the reality regarding the financial position of the Group, financial performance and cash flows for the year ended December 31st, 2021 and that the directors' report provides a correct and in line with the reality regarding the development and performance of the Group's activity and uncertainties related to the expected development of the Group.

Mihai Logofatu

President of the Board Bittnet Systems