

Current Report no. 22 / 2018

Current report according to:	Rulebook BVB for AeRO-ATS, Law 24/2017, ASF 5/2018
Date of report:	15.10.2018
Name of the issuing entity:	Bittnet Systems S.A.
Address	Soimus Street, no. 23, bl. 2, Sc. B, 2nd Floor, Ap. 24, District 4
Tel/fax number:	0040 21 527 16 00 / 0040 21 527 16 98
Single Registration:	RO 21181848
Number with the Trade Registration:	J/40/3752/2007
Subscribed and paid share capital:	4.871.081,20 RON
The market where the securities issued are traded:	AeRO ATS Premium

Signing of an investment contract (business transfer agreement) between **dendrio** Solutions and Crescendo International

BITTNET SYSTEMS S.A., (hereinafter referred to as the "Company") informs the shareholders about signing of an investment contract (business transfer agreement) with *Crescendo International SRL*, a company with a history of 25 years in Romania, a turnover of RON 79 million in 2017 and a net profit of RON 4.4 million.

The investment contract will be subject to the approval of the Extraordinary General Meeting of Shareholders.

The contract provides *inter alia*:

- The transfer of the IT&C integration business of Crescendo International SRL to **dendrio**, a company with this specific activity in the Bittnet Group, for the amount of RON 10,900,000;
- The transfer includes the employees involved in the IT&C integration activity, as well as the equipment necessary for carrying out this activity, starting with a later date, which will occur after the following suspensive conditions are fulfilled:
 - a. Obtaining the Competition Council's approval of the transaction (the Company has already begun procedures in this regard);



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- b. Obtaining the approval for this transaction in the Extraordinary General Meeting of Shareholders for each part of the transaction - the Company will start procedures to convene the EGMS to ratify the investment;
 - c. Obtaining the funding (in the form of a corporate bond issuance or a bank loan) by Bittnet, in order to finance the transaction.

After the closing of the transaction, the IT&C integration activity of Crescendo will be integrated into the operations of **dendrio**, aiming to create a powerful IT&C integrator with regional coverage.

The transaction timeline is subject to the approvals specified above, but the Company expects the transaction to be completed by the end of 2018.

Cristian Logofatu,
CFO