

Report regarding the results of the Extraordinary Shareholder Meeting BITTNET SYSTEMS S.A.

The Extraordinary Meeting of Shareholders of BITTNET SYSTEMS took place on 17th of December 2018, 11.00 o'clock (Romanian time) at the Company's offices: Bucharest, Bd. Timisoara no. 26, "Plaza Romania Offices" Building, et. 1, 061331 - district 6, being conducted by the Sole Administrator of the Company - as Meeting President. There were entitled to participate and vote the shareholders registred in the Shareholders Registry at the end of the reference date, 6th December 2018. At the Extraordinary Meeting of Shareholders were present a number of 13 shareholders and other 9 shareholders voted through correspond mail ballot

In accordance with:

1. The Convening notice published on the Company's website (<http://www.bittnetsystems.ro/investors/>) on the 12 of November 2018 and in the Romanian Official Gazette, part IV, no. 4317 from the 13 of November 2018 and in Ziarul Bursa from 13 November 2018;
2. The Companies' Law no. 31/1990, republished (Law no. 31/1990);
3. The Capital Markets' Law no. 297/2004;
4. The Issuers Law - number 24 / 2017
5. The National Securities Commision Regulation no. 5/2018 on issuers and trading of securities (Regulation 5/2018);
6. The National Securities Commision Regulation no. 6/2009 on the exercise of certain rights of shareholders in general shareholders meetings of the companies;

The shareholders have decided upon the items on the EGM agenda as it follows:

1. In the presence of the shareholders representing 41,995,983 shares, representing 86.2149% of the total voting rights, with the positive vote of shareholders holding 41,995,983 shares, representing 100% of the votes cast and 86.2149% of the total voting rights,

Approves of the amendment of Article 9.19 of the Articles of Association, taking into account the present value of the Company's equity. Article 9.19 shall be amended and shall have the following content: 9.19 The Administrator is authorized to decide for the period between the date of registration of these updated Articles of Association and the date of 30.06.2021, to increase the subscribed share capital by one or several share issues, up to a value that does not exceed half the subscribed share capital existing at the time of the authorization. The value thus calculated of the authorized share capital is 24,355,406 shares or 2,435,540.6 lei. Exclusively for the purpose of increasing the share capital under the aforementioned conditions, for each of the capital increases made up to the level of the authorized capital, the administrator shall be entitled to decide to restrict or to lift the right of preference of the existing shareholders at the date of the respective increase of the share capital.

2. In the presence of the shareholders representing 41,995,983 shares, representing 86.2149% of the total voting rights, with the positive vote of shareholders holding 41,995,983 shares, representing 100% of the votes cast and 86.2149% of the total voting rights,

Approves of the business transfer representing the entire IT&C integration activity of CRESCENDO INTERNATIONAL S.R.L., a legal entity organized and operating in accordance with the Romanian law, with headquarters in Bucharest, Sector 2, Street Fecioarei no. 13, registered with the Trade Registry under the number J40/6257/1997, unique registration number RO9653097, to Dendrio Solutions S.R.L. - a wholly-owned company of Bittnet Systems S.A., having its headquarters in Bucharest, Timisoara Blvd. 26, "Plaza Romania Offices" Building, 1st Floor, PRO-01 Space, Room 1, District 6, registered with the Trade Registry under no. J40/6266/12.07.1999 and CUI 11973883, under the conditions described in the presentation document.

3. In the presence of the shareholders representing 41,995,983 shares, representing 86.2149% of the total voting rights, with the positive vote of shareholders holding 41,995,983 shares, representing 100% of the votes cast and 86.2149% of the total voting rights,

Approves of issue of non-convertible corporate bonds and the authorization of the Company's Administrator for the period between the date of publication of the decision of the EGMS in the Official Gazette of Romania Part IV and the date of 31.12.2020, to decide one or more bond issues in EURO, up to EUR 10,000,000, each bond being issued with a nominal value of EUR 100 per bond, with a maturity of at least 3 and a maximum of 5 years, with an annual interest rate of no more than 9% per annum. Administrator has the mandate to decide the timeliness of each issue and its final details, as well as to sign any documents relating to each bond issue including the type of placement (public or private), the publishing of issuance prospectuses, or any necessary documents for listing the bonds on the relevant market of the Bucharest Stock Exchange, as well as any other documents that could be concluded in connection with the issue and the fulfillment of this decision.

4. In the presence of the shareholders representing 41,995,983 shares, representing 86.2149% of the total voting rights, with the positive vote of shareholders holding 41,995,983 shares, representing 100% of the votes cast and 86.2149% of the total voting rights,

Approves the admission of the shares issued by the Company to trading on the Regulated Market administered by the Bucharest Stock Exchange S.A. ("BSE"). It mandates the Company's administrator to establish the date, structure and terms of listing (through secondary public offering or through technical listing) and generally perform all necessary steps and formalities required by any institution, including the Financial Supervisory Authority, the Bucharest Stock Exchange, The Central Depository, the Trade Register, etc. to carry out the decision thus adopted.

5. In the presence of the shareholders representing 41,995,983 shares, representing 86.2149% of the total voting rights, with the positive vote of shareholders holding 41,995,983 shares, representing 100% of the votes cast and 86.2149% of the total voting rights,

Approves of the empowerment, with substitutability, of the Company's administrator, Mihai-

Alexandru-Constantin LOGOFATU to carry out acts that are capable of engage the Company within the limit of 25,000,000 lei to guarantee any banking and / or financing products contracted by its affiliates from banking institutions, credit institutions and / or other financial institutions banking or non-banking, as requested by that institution. The Company's Administrator, Mr. Mihai-Alexandru-Constantin LOGOFATU will decide, represent the Company with full powers, conclude and sign any acts on guarantees of any kind granted by the Company to its affiliates based on the mandate granted by this decision.

6. In the presence of the shareholders representing 41,995,983 shares, representing 86.2149% of the total voting rights, with the positive vote of shareholders holding 41,995,983 shares, representing 100% of the votes cast and 86.2149% of the total voting rights,

Approves the registration date (defined as the date serving to identify the shareholders to whom the judgment is addressed) - 08.01.2019 and date ex-date: 07.01.2019.

7. In the presence of the shareholders representing 41,995,983 shares, representing 86.2149% of the total voting rights, with the positive vote of shareholders holding 41,995,983 shares, representing 100% of the votes cast and 86.2149% of the total voting rights,

Approves of the empowerment, with substitutability, of the Company's administrator, Mihai-Alexandru-Constantin LOGOFATU to sign the resolutions of the shareholders, as well as the amended and updated form of the Articles of Incorporation and any other documents related to them and to fulfill all the procedures and formalities provided by the law for the implementation of the shareholders' decisions, including the publishing formalities and their registration with the Trade Registry or any other public institution.

Cristian Logofatu
CFO