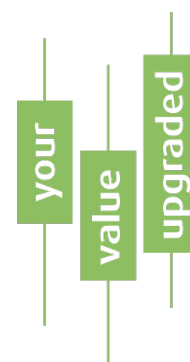


Current Report nr. 08 / 2021

Current report according to	Law 24/2017, FSA Reg 5/2018
Date of report	23.02.2021
Name of the issuing entity	BITTNET SYSTEMS S.A
Legal Address	Strada Șoimus Nr. 23, Bloc 2, Apartament 24, Sector 4, Bucuresti
Address	Bldv. Timisoara nr 26 Cladirea Plaza Romania Offices Spatiul PRO-01 Etaj 1 Sector 6, Bucuresti
Telefon/Fax	021.527.16.00 / 021.527.16.98
Fiscal Code	21181848
Number with the Trade Registration	J40/3752/2007
The market where the securities issued are traded:	Segment: BSE Main Market; Category: Standard
Ticker	BNET - shares BNET22, BNET23, BNET23A, BNET23C – bonds
Subscribed and paid share capital	26.443.139,30 RON
Total number of shares	229.049.725 shares face value RON 0.10 per share ¹



¹ The share capital registered at the Trade Register is 264.431.393 shares. At the time of this report, the Issuer has submitted to ASF the request to issue the CIVM for the entire capital.

Signing the investment contract

The E-Learning Company

BITTNET SYSTEMS S.A. (hereinafter referred to as "the Issuer") informs the investors about the successful negotiations and signing of the investment contract for purchasing 20,700 shares (23% of the share capital) of The E-Learning Company SA ("ELC").

The total estimated value of the transaction is in amount of RON 1.75 million. The 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:

- A first tranche in amount of RON 850,000 will be partially paid in cash (RON 450,000) and the rest will be compensated by issuing BNET shares and allocating them to the ELC founders;
- The second tranche will be calculated at the beginning of 2022, subtracting from the transaction price the value of the first tranche. The exact price of the transaction and the allocation between cash and compensation through 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 compensation of each of the two tranches will be determined in accordance with the provisions of art. 210(2) Law 31/1990 and art. 87-88 of Law 24/2017 on issuers of financial instruments and market operations and art. 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 made 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 the entry of Bittnet Systems 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 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 courses.

Starting with June 2020, ELC has added its Digital Transformation course collection, which includes over 60 course modules structured to provide support for the transition to digital transformation. The Digital Transformation program covers, among other things, topics such as:



- Strategy for digital transformation;
- Disruptive technologies;
- Agile methods for digital transformation;
- Big Data;
- Data mining;
- Virtual collaboration;
- Collaboration tools

The investment in the The E-Learning Company shares was approved by EGMS from 26.11.2020

President of the Board

Mihai Alexandru Constantin Logofatu

