



RS2 Software p.l.c.

COMPANY ANNOUNCEMENT

Interim Directors' Statement

Quote

During the third and fourth quarter of 2018, the Group successfully executed its business strategy, rolling out its services to more clients in the managed services business while also maintaining the revenue lines from the licensing segment.

We are pleased to highlight the developments and achievements within different geographical regions and in a diversified portfolio of industries.

In Europe the Group is in the implementation and roll-out stage for Finanfarma, a company operating in the credit card industry, with a focus on the pharmaceutical business. Implementation is ongoing for one of the largest global players operating in the travel industry, with focus on consolidating their business globally. The Group is engaged in advanced discussions with potential prospects in Northern Europe, for both business lines, namely managed services and licensing.

The Group has successfully entered the North American market and has attracted very well-respected thought leaders in the fintech and payments industry as part of its board and management team. Based on the ongoing roll-out of its services and the solid pipeline, that includes also Tier-1 financial institutions, the Group continues to accelerate its investment in infrastructure, human resource and the capability of the platform to service its contracted and potential clients.

In South America the Group continues to support its clients' expansion into other countries within the region driving growth in transaction volumes. On the services side, the Group continues to provide enhancements to the current capability of the system for its licensed customer.

In Asia-Pacific the Group is onboarding on its managed service platform, one of the largest financial institutions in New Zealand as well as one of the major payment service providers in Malaysia with subsidiaries in Thailand, Singapore, Philippines and Australia. The Group is also in discussion for the sale of licences as well as managed services with prospective Pan-Asian clients.

Unquote

A handwritten signature in black ink, appearing to read 'Ivan Gatt', with a stylized flourish underneath.

Dr Ivan Gatt

Company Secretary

17 December 2018