

**RS2 Software p.l.c.**

**COMPANY ANNOUNCEMENT**

**Interim Directors' Statement**

**Quote**

During the first months of 2017 the Group continued with its strategy of intensively growing its managed services business. As announced in January 2017, RS2 Smart Processing concluded three major agreements with one of the largest acquirer in Europe, a Latin American company and a Canadian company.

In addition to these new agreements, the Group has already concluded letters of intent and is in an advanced stage of contract negotiation for delivery of managed services to clients in Argentina, Australia, UK and Portugal.

Implementations of these new engagements is currently underway and completion is expected to occur by the end of this year. When completed, the number of live clients for the Group's managed services business will multiply threefold and will consequently increase the recurring revenue from this business stream.

Revenue from transaction services from these agreements is expected to start materialising in the later part of 2017.

In furthering its global expansion strategy, the Group has attracted international talent to strengthen its senior management team. In May 2017, Mr. Patrick Clarke was appointed the new Chief Technology Officer (CTO). Mr. Clarke brings with him extensive knowledge and expertise of the payments industry having co-founded and lead OmniPay (a First Data company), a global acquirer processing company, as its CEO. Mr. Clarke is also a Certified Information Systems Security Professional (CISSP) and Payment Card Industry Qualified Security Assessor (PCI QSA). The Group's management, staff as well as clients have welcomed this engagement as a very positive development.

**Unquote**



**Dr. Ivan Gatt**  
Company Secretary

26 May 2017