

SECURITIES NOTE

dated 19 February 2021

This document is a Securities Note issued in accordance with the provisions of Chapter 4 of the Listing Rules published by the Listing Authority and in accordance with the provisions of Regulation (EU) No. 2017/1129 of the European Parliament and of the Council of 14 June 2017 on the prospectus to be published when securities are offered to the public or admitted to trading on a regulated market, as amended (the "**Prospectus Regulation**") and in accordance with the provisions of Commission Delegated Regulation No. 2019/979 and Commission Delegated Regulation No. 2019/980 issued thereunder.

This Securities Note is issued pursuant to the requirements of Listing Rule 4.14 of the Listing Rules and contains information about the Preference Shares being offered for sale by RS2 Software p.l.c. (the "**Company**" or "**Issuer**"). Application has been made for the admission to listing and trading of the Preference Shares on the Official List of the Malta Stock Exchange. This Securities Note should be read in conjunction with the most updated Registration Document issued from time to time containing information about the Company.

This document is issued
in respect of an offer of up to 28,571,400 Preference Shares
having a nominal value of €0.06 per Preference Share in

RS2 SOFTWARE P.L.C.

(a public limited liability company registered under the laws of Malta
with company registration number C 25829)

at an Offer Price of €1.75

ISIN: MT0000400219

Legal Counsel



Sponsors



Manager & Registrar



THIS SECURITIES NOTE HAS BEEN APPROVED BY THE LISTING AUTHORITY, WHICH IS THE COMPETENT AUTHORITY IN MALTA FOR THE PURPOSES OF THE PROSPECTUS REGULATION. THE LISTING AUTHORITY HAS ONLY APPROVED THIS SECURITIES NOTE AS MEETING THE STANDARDS OF COMPLETENESS, COMPREHENSIBILITY AND CONSISTENCY IMPOSED BY THE PROSPECTUS REGULATION AND SUCH APPROVAL OF THIS PROSPECTUS BY THE AUTHORITY SHOULD NOT BE CONSIDERED AS AN ENDORSEMENT OF THE COMPANY AND SECURITIES THAT ARE THE SUBJECT OF THIS PROSPECTUS. INVESTORS SHOULD MAKE THEIR OWN ASSESSMENT AS TO THE SUITABILITY OF INVESTING IN THE SECURITIES, THE SUBJECT OF THIS SECURITIES NOTE.

THE LISTING AUTHORITY ACCEPTS NO RESPONSIBILITY FOR THE CONTENTS OF THE PROSPECTUS, MAKES NO REPRESENTATIONS AS TO ITS ACCURACY OR COMPLETENESS AND EXPRESSLY DISCLAIMS ANY LIABILITY WHATSOEVER FOR ANY LOSS HOWSOEVER ARISING FROM, OR IN RELIANCE UPON, THE WHOLE OR ANY PART OF THE CONTENTS OF THE PROSPECTUS INCLUDING ANY LOSSES INCURRED BY INVESTING IN THESE SECURITIES.

A PROSPECTIVE INVESTOR SHOULD ALWAYS SEEK INDEPENDENT FINANCIAL ADVICE BEFORE DECIDING TO ACQUIRE ANY SHARES. A PROSPECTIVE INVESTOR SHOULD BE AWARE OF THE POTENTIAL RISKS IN ACQUIRING THE SHARES OF THE COMPANY AND SHOULD MAKE THE DECISION TO INVEST ONLY AFTER CAREFUL CONSIDERATION AND CONSULTATION WITH HIS OR HER OWN INDEPENDENT FINANCIAL ADVISER.

APPROVED BY THE DIRECTORS

A handwritten signature in black ink, appearing to be 'M. Schembri'.

Mr Mario Schembri in his capacity as Director of the Company

and for and on behalf of: Mr Radi Abd El Haj, Dr Robert Tufigno, Mr Franco Azzopardi,
Mr John Elkins, Prof. Raša Karapandža and Mr David Price.

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IMPORTANT INFORMATION

THIS SECURITIES NOTE CONTAINS INFORMATION ON AN OFFER TO THE PUBLIC OF UP TO 28,571,400 PREFERENCE SHARES HAVING A NOMINAL VALUE OF €0.06 EACH IN RS2 SOFTWARE P.L.C. (THE “COMPANY” OR “ISSUER”) AT AN OFFER PRICE OF €1.75 PER PREFERENCE SHARE (THE “OFFER”). THIS SECURITIES NOTE IS BEING DRAWN UP IN COMPLIANCE WITH THE REQUIREMENTS OF THE LISTING RULES OF THE LISTING AUTHORITY, THE COMPANIES ACT AND THE PROSPECTUS REGULATION AND SHOULD BE READ IN CONJUNCTION WITH THE REGISTRATION DOCUMENT ISSUED BY THE COMPANY.

NO BROKER, DEALER, SALESMAN OR OTHER PERSON HAS BEEN AUTHORISED BY THE COMPANY OR ITS DIRECTORS TO ISSUE ANY ADVERTISEMENT OR TO GIVE ANY INFORMATION OR TO MAKE ANY REPRESENTATIONS IN CONNECTION WITH THE SALE OF THE PREFERENCE SHARES OF THE COMPANY OTHER THAN THOSE CONTAINED IN THE PROSPECTUS AND IN THE DOCUMENTS REFERRED TO HEREIN, AND IF GIVEN OR MADE, SUCH INFORMATION OR REPRESENTATIONS MUST NOT BE RELIED UPON AS HAVING BEEN AUTHORISED BY THE COMPANY OR ITS DIRECTORS OR ADVISERS.

THIS SECURITIES NOTE DOES NOT CONSTITUTE, AND MAY NOT BE USED FOR PURPOSES OF, AN OFFER OR INVITATION TO SUBSCRIBE FOR PREFERENCE SHARES BY ANY PERSON IN ANY JURISDICTION: (I) IN WHICH SUCH OFFER OR INVITATION IS NOT AUTHORISED; OR (II) IN WHICH THE PERSON MAKING SUCH OFFER OR INVITATION IS NOT QUALIFIED TO DO SO; OR (III) TO ANY PERSON TO WHOM IT IS UNLAWFUL TO MAKE SUCH OFFER OR INVITATION.

IT IS THE RESPONSIBILITY OF ANY PERSON IN POSSESSION OF THIS DOCUMENT AND ANY PERSON WISHING TO ACQUIRE ANY PREFERENCE SHARES, TO INFORM THEMSELVES OF, AND TO OBSERVE AND COMPLY WITH, ALL APPLICABLE LAWS AND REGULATIONS OF ANY RELEVANT JURISDICTION. PROSPECTIVE APPLICANTS FOR ANY PREFERENCE SHARES SHOULD INFORM THEMSELVES AS TO THE LEGAL REQUIREMENTS OF APPLYING FOR ANY PREFERENCE SHARES AND ANY APPLICABLE EXCHANGE CONTROL REQUIREMENTS AND TAXES IN THE COUNTRY OF THEIR NATIONALITY, RESIDENCE OR DOMICILE.

SAVE FOR THE OFFER, NO ACTION HAS BEEN OR WILL BE TAKEN BY THE COMPANY THAT WOULD PERMIT A PUBLIC OFFERING OF THE PREFERENCE SHARES OR THE DISTRIBUTION OF THE PROSPECTUS (OR ANY PART THEREOF) OR ANY OFFERING MATERIAL IN ANY COUNTRY OR JURISDICTION WHERE ACTION FOR THAT PURPOSE IS REQUIRED.

A COPY OF THIS DOCUMENT HAS BEEN SUBMITTED TO THE LISTING AUTHORITY IN SATISFACTION OF THE LISTING RULES AND TO THE MALTA STOCK EXCHANGE IN SATISFACTION OF THE MALTA STOCK EXCHANGE BYE-LAWS AND HAS BEEN DULY FILED WITH THE REGISTRAR OF COMPANIES IN ACCORDANCE WITH THE ACT. APPLICATION HAS ALSO BEEN MADE TO THE LISTING AUTHORITY AND THE MALTA STOCK EXCHANGE FOR THE PREFERENCE SHARES TO BE ADMITTED TO THE OFFICIAL LIST OF THE MALTA STOCK EXCHANGE.

THIS DOCUMENT AND ALL AGREEMENTS, ACCEPTANCES AND CONTRACTS RESULTING THEREFROM SHALL BE GOVERNED BY AND CONSTRUED IN ACCORDANCE WITH THE LAWS OF MALTA, AND ANY PERSON ACQUIRING ANY PREFERENCE SHARES PURSUANT TO THE PROSPECTUS SHALL SUBMIT TO THE JURISDICTION OF THE MALTESE COURTS, WITHOUT LIMITING IN ANY MANNER THE RIGHT OF THE COMPANY TO BRING ANY ACTION, SUIT OR PROCEEDING ARISING OUT OF OR IN CONNECTION WITH ANY PURCHASE OF PREFERENCE SHARES OR AGREEMENT RESULTING HEREFROM OR THE PROSPECTUS AS A WHOLE IN ANY OTHER COMPETENT JURISDICTION.

STATEMENTS MADE IN THE PROSPECTUS ARE, EXCEPT WHERE OTHERWISE STATED, BASED ON THE LAW AND PRACTICE CURRENTLY IN FORCE IN MALTA AND ARE SUBJECT TO CHANGES THEREIN.

THE CONTENTS OF THE COMPANY’S WEBSITE OR ANY WEBSITE DIRECTLY OR INDIRECTLY LINKED TO THE COMPANY’S WEBSITE DO NOT FORM PART OF THE PROSPECTUS. ACCORDINGLY, NO RELIANCE OUGHT TO BE MADE BY ANY INVESTOR ON ANY INFORMATION OR OTHER DATA CONTAINED IN SUCH WEBSITES AS THE BASIS FOR A DECISION TO INVEST IN THE PREFERENCE SHARES.

ALL THE ADVISERS MENTIONED IN SECTION 5.1 OF THE REGISTRATION DOCUMENT HAVE ACTED AND ARE ACTING EXCLUSIVELY FOR THE COMPANY IN RELATION TO THIS PROSPECTUS AND HAVE NO CONTRACTUAL, FIDUCIARY OR OTHER OBLIGATION TOWARDS ANY OTHER PERSON AND WILL ACCORDINGLY NOT BE RESPONSIBLE TO ANY INVESTOR OR ANY OTHER PERSON WHOSOEVER IN RELATION TO THE TRANSACTIONS PROPOSED IN THE PROSPECTUS AND/OR IN RELATION TO THE COMPLETENESS OR ACCURACY OF THE CONTENTS OF, OR INFORMATION CONTAINED IN, THE PROSPECTUS.

PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER ALL THE INFORMATION CONTAINED IN THE PROSPECTUS AS A WHOLE AND SHOULD CONSULT THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISERS BEFORE DECIDING TO ACQUIRE ANY OF THE PREFERENCE SHARES.

THE VALUE OF INVESTMENTS CAN RISE OR FALL AND PAST PERFORMANCE IS NOT NECESSARILY INDICATIVE OF FUTURE PERFORMANCE. IF AN INVESTOR NEEDS ADVICE, S/HE SHOULD CONSULT A LICENSED STOCKBROKER OR AN INVESTMENT ADVISER LICENSED UNDER THE INVESTMENT SERVICES ACT, CAP. 370 OF THE LAWS OF MALTA.

THE PROSPECTUS IS VALID FOR A PERIOD OF 12 MONTHS FROM THE DATE HEREOF. FOLLOWING THE LAPSE OF THIS VALIDITY PERIOD, THE COMPANY IS NOT OBLIGED TO SUPPLEMENT THIS PROSPECTUS IN THE EVENT OF SIGNIFICANT NEW FACTORS, MATERIAL MISTAKES OR MATERIAL INACCURACIES.

1 DEFINITIONS

Words and expressions and capitalised terms used in this Securities Note shall, except where the context otherwise requires and except where otherwise defined herein, bear the same meaning as the meaning given to such words, expressions and capitalised terms as indicated in the Registration Document forming part of the Prospectus. Additionally, the following words and expressions as used in this Securities Note shall bear the following meanings whenever such words and expressions are used in their capitalised form, except where the context otherwise requires:

Applicant/s	a person/s who subscribe(s) for Preference Shares;
Application/s	the offer made by an Applicant to subscribe for Preference Shares by completing an Application Form and delivering it to any of the Financial Intermediaries;
Application Form/s	the forms of application to subscribe for the Preference Shares, specimens of which is set out in Annex II of this Securities Note;
Business Day	any day between Monday and Friday (both days included) on which commercial banks in Malta settle payments and are open for normal banking business;
Co-Sponsors	each of: <ul style="list-style-type: none">i) Rizzo, Farrugia & Co. (Stockbrokers) Ltd., a private limited liability company registered under the laws of Malta having its registered office at Airways House, Fourth Floor, High Street, Sliema SLM 1551, Malta and bearing company registration number C 13102; andii) Calamatta Cuschieri Investment Services Ltd, a private limited liability company registered under the laws of Malta having its registered office at Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034, Malta and bearing company registration number C 13729;
CSD	the Central Securities Depository of the Malta Stock Exchange authorised in terms of Part IV of the Financial Markets Act (Cap. 345 of the laws of Malta), having its address at Garrison Chapel, Castille Place, Valletta VLT 1063, Malta;
Financial Intermediary/ies	the licensed stockbrokers and financial intermediaries as listed in Annex I of this Securities Note;
Income Tax Act	the Income Tax Act (Cap. 123 of the laws of Malta);
Intermediaries' Offer	shall have the meaning set out in sub-section 7.5 of this Securities Note;
Manager & Registrar	Bank of Valletta p.l.c., a public limited liability company registered under the laws of Malta with company registration number C 2833 and having its registered address at 58, Zachary Street, Valletta, VLT 1130, Malta. Bank of Valletta p.l.c. is regulated by the MFSA and is licensed to carry out the business of banking and investment services in terms of the Banking Act (Cap. 371 of the laws of Malta) and the Investment Services Act (Cap. 370 of the laws of Malta);
MiFIR	Regulation (EU) No 600/2014 of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments;
Offer Period	the period between 08:30 hours on 3 March 2021 and 12:00 hours on 30 March 2021 during which Preferred Applicants and the general public may apply for the Preference Shares;
Official List	the list prepared and published by the Malta Stock Exchange as its official list in accordance with the Malta Stock Exchange Bye-Laws;

Preferred Applicants	collectively RS2 Employees and RS2 Shareholders;
Preference Shareholders	holders of Preference Shares;
RS2 Employees	those persons employed by RS2 as at 19 February 2021;
RS2 Shareholders	holders of ordinary shares in RS2 Software p.l.c. appearing on the register of members as at 19 February 2021 (last trading session of the 17 February 2021); and
Terms & Conditions	the terms and conditions relating to the Preference Shares as set out in this Securities Note under section 7.

All references in the Prospectus to "Malta" are to the "Republic of Malta".

Unless it appears otherwise from the context:

- a. words importing the singular shall include the plural and *vice-versa*;
- b. words importing the masculine gender shall include also the feminine gender and *vice-versa*;
- c. the word "may" shall be construed as permissive and the word "shall" shall be construed as imperative;
- d. any reference to a person includes natural persons, firms, partnerships, companies, corporations, associations, organisations, governments, states, foundations or trusts;
- e. any reference to a person includes that person's legal personal representatives, successors and assignees;
- f. any phrase introduced by the terms "including", "include", "in particular" or any similar expression is illustrative only and does not limit the sense of the words preceding those terms; and
- g. any reference to a law, legislative act and/or other legislation shall mean that particular law, legislative act and/or legislations in force at the time of publication of this Securities Note.

2 RISK FACTORS

2.1 GENERAL

AN INVESTMENT IN THE PREFERENCE SHARES INVOLVES CERTAIN RISKS INCLUDING THOSE DESCRIBED BELOW. PROSPECTIVE INVESTORS SHOULD CAREFULLY CONSIDER, WITH THEIR OWN INDEPENDENT FINANCIAL AND OTHER PROFESSIONAL ADVISERS, THE FOLLOWING RISK FACTORS AND OTHER INVESTMENT CONSIDERATIONS AS WELL AS ALL THE OTHER INFORMATION CONTAINED IN THE PROSPECTUS BEFORE DECIDING TO ACQUIRE THE PREFERENCE SHARES. THE RISK FACTOR APPEARING FIRST UNDER EACH SUB-CATEGORY CONSTITUTES THAT RISK FACTOR THAT THE BOARD HAS ASSESSED TO BE THE MOST MATERIAL RISK FACTOR UNDER SUCH CATEGORY AS AT THE DATE OF THIS PROSPECTUS. IN MAKING THEIR ASSESSMENT OF MATERIALITY, THE BOARD HAS EVALUATED THE COMBINATION OF: (I) THE PROBABILITY THAT THE RISK FACTOR OCCURS AND (II) THE EXPECTED MAGNITUDE OF THE ADVERSE EFFECT ON THE FINANCIAL CONDITION AND PERFORMANCE OF THE COMPANY, IF THE RISK FACTOR WERE TO MATERIALISE.

NEITHER THIS SECURITIES NOTE, NOR ANY OTHER PARTS OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PREFERENCE SHARES: (I) IS INTENDED TO PROVIDE THE BASIS OF ANY ACQUISITION OR OTHER EVALUATION OR (II) SHOULD BE CONSIDERED AS A RECOMMENDATION BY THE COMPANY OR ANY OF ITS ADVISERS THAT ANY RECIPIENT OF THIS SECURITIES NOTE OR ANY OTHER PART OF THE PROSPECTUS OR ANY OTHER INFORMATION SUPPLIED IN CONNECTION WITH THE PROSPECTUS OR ANY PREFERENCE SHARES, SHOULD PURCHASE ANY PREFERENCE SHARES.

ACCORDINGLY, PROSPECTIVE INVESTORS SHOULD MAKE THEIR OWN INDEPENDENT EVALUATION OF ALL RISK FACTORS, AND SHOULD CONSIDER ALL OTHER SECTIONS IN THIS DOCUMENT.

2.2 FORWARD-LOOKING STATEMENTS

This Securities Note may contain forward-looking statements which include, among others, statements concerning matters that are not historical facts and which may involve projections of future circumstances. These forward-looking statements are subject to a number of risks, uncertainties and assumptions and important factors that could cause actual risks to differ materially from the expectations of the Company's Directors. No assurance is given that future results or expectations will be achieved.

2.3 RISKS RELATING TO THE PREFERENCE SHARES

- The Company's results can fluctuate and its ability to pay dividends is dependent on, amongst other things, it achieving sufficient profits. The Company may not pay dividends if the Directors believe this would cause the Company to be less adequately capitalised or that there are otherwise insufficient distributable reserves or for various other reasons. The Company currently intends to retain in the near future substantial parts of its earnings to finance the operation and expansion of its business in order to deliver high value creation for the shareholders. Any decision to declare and pay dividends will be made at the discretion of the Board and will depend on, among other things, applicable law, regulation, restrictions on the payment of dividends in financing arrangements that RS2 may from time to time enter into, the Company's future profits and financial position, the Company's distributable reserves, regulatory capital requirements, working capital requirements, finance costs, general economic conditions and other factors the Board deems significant from time to time. The prospective dividend policy, set out in section 17 of the Registration Document, should be read accordingly. Furthermore, dividends on the Preference Shares are non-cumulative and therefore, if the Company does not declare dividends, Preference Shareholders will have no claim in respect of the non-payment and the Company has no obligation to pay those dividends in any future dividend period.
- The existence of an orderly and liquid market for the Preference Shares depends on a number of factors, including but not limited to, the presence of willing buyers and sellers of the Company's Preference Shares at any given time and the general economic conditions in the market in which the Preference Shares are traded. Such factors are dependent upon the individual decisions of Preference Shareholders and the general economic conditions of the market, over which the Company has no control. Accordingly, there can be no assurance that an active secondary market for the Preference Shares will develop, or, if it develops, that it will continue. Furthermore, there can be no assurance that a Preference Shareholder will be able to sell or otherwise trade in the Preference Shares at all.
- Preference Shareholders will not have the right to vote at any general meeting of the Company save for specific circumstances as documented in the Company's Memorandum and Articles of Association.
- A Preference Shareholder will bear the risk of any fluctuations in exchange rates between the currency of denomination of the Preference Shares (€) and the Preference Shareholder's currency of reference, if different.
- The Preference Shares represent equity interests in the Company that entitle the holder to rank *pari passu* with all other holders of Ordinary Shares in the Company upon any distribution of assets in a winding up situation. The Preference Shares of the Company are subordinated to any other debt instruments in the Company's capital structure, and will therefore be subject to greater credit risk than debt instruments of the Company.
- The terms and conditions of the admission to trading of the Preference Shares are based on Maltese law in effect as at the date of this Prospectus. No assurance can be given as to the impact of any possible judicial decision or change in Maltese law or administrative practice after the date of this Prospectus.
- No prediction can be made about the effect which any future public offerings of the Company's Preference Shares, or any takeover or merger activity involving the Company, will have on the market price of the Preference Shares prevailing from time to time.
- In the event that the Company wishes to amend any of the rights of Preference Shareholders, it shall call a meeting of holders of Ordinary Shares and Preference Shares whereby Ordinary Shareholders shall have two (2) votes in respect of each Ordinary Share and Preference Shareholders shall have one (1) vote in respect of each Preference Share in accordance with the Company's Memorandum and Articles of Association. These provisions permit defined majorities to bind all Preference Shareholders including those Preference Shareholders who did not attend and vote at the relevant meeting and any Preference Shareholders who voted in a manner contrary to the majority.

- Application has been made to seek a listing of the Preference Shares on the Official List of the Malta Stock Exchange, which is a smaller market and less liquid than the more developed stock markets in Europe and the United States. Prior to the Offer, there has been no local trading market for preference shares with the same characteristics as the Preference Shares. The limited liquidity of the market for the Preference Shares could increase the price volatility of the Preference Shares and may impair the ability of a holder of Preference Shares to sell such Preference Shares in the market in the amount and at the price and time such holder wishes to do so.
- The price at which the Preference Shares will be traded, as well as the sales volume of the Preference Shares traded, will be subject to fluctuations. These movements may not necessarily be caused by the Company's business activity or its results of operations, and may not necessarily be correlated to that of the Ordinary Shares trading. It is also possible that the Company's results of operations or its business outlook may fall short of expectations, in which case the price of the Preference Shares could be negatively affected.
- An investment in the Company may not be suitable for all recipients of this Prospectus and prospective investors are urged to consult their advisers as to the suitability or otherwise of acquiring the Preference Shares before such acquisition.

3 PERSONS RESPONSIBLE, CONSENT FOR USE OF PROSPECTUS & AUTHORISATION STATEMENT

3.1 PERSONS RESPONSIBLE

This document includes information given in compliance with the Prospectus Regulation and the Listing Rules for the purpose of providing prospective investors with information with regard to the Company and the Preference Shares. All of the directors of the Company, whose names appear in section 12.1 of the Registration Document entitled "*Board of Directors of the Issuer*", accept responsibility for the information contained in this Securities Note.

To the best of the knowledge and belief of the Directors of the Company, who have taken all reasonable care to ensure that such is the case, the information contained in this Securities Note is in accordance with the facts and does not omit anything likely to affect the import of such information. The Directors of the Company accept this responsibility accordingly.

3.2 CONSENT FOR USE OF THE PROSPECTUS

For the purposes of any subscription for Preference Shares through any of the Financial Intermediaries during the Intermediaries' Offer and during the Offer Period in terms of this Prospectus and any subsequent resale, placement or other offering of Preference Shares by such Financial Intermediaries in circumstances where there is no exemption from the requirement to publish a prospectus under the Prospectus Regulation, the Company consents to the use of this Prospectus (and accepts responsibility for the information contained therein) with respect to any such subsequent resale, placement or other offering of Preference Shares, provided this is limited only:

- (a) in respect of Preference Shares subscribed through Financial Intermediaries during the Intermediaries' Offer and during the Offer Period;
- (b) to any resale or placement of Preference Shares subscribed for as aforesaid, taking place in Malta; and
- (c) to any resale or placement of Preference Shares subscribed for as aforesaid, taking place within the period of sixty (60) days from the date of the Prospectus.

There are no other conditions attached to the consent given by the Company hereby which are relevant for the use of the Prospectus.

Neither the Company nor its advisers take any responsibility for any of the actions of any Financial Intermediary, including their compliance with applicable conduct of business rules or other local regulatory requirements or other securities law requirements in relation to a resale or placement of Preference Shares.

Other than as set out above, neither the Company nor its advisers have authorised (nor do they authorise or consent to the use of this Prospectus in connection with) the making of any public offer of the Preference Shares by any person in any circumstances. Any such unauthorised offers are not made on behalf of the Company or the advisers and neither the Company nor the advisers have any responsibility or liability for the actions of any person making such offers.

Investors should enquire whether an intermediary is considered to be an Financial Intermediary in terms of the Prospectus. If the investor is in doubt as to whether it can rely on the Prospectus and/or who is responsible for its contents, it should obtain legal advice. No person has been authorised to give any information or to make any representation not contained in or inconsistent with this Prospectus. If given or made, it must not be relied upon as having been authorised by the Company or its advisers and neither the Company nor its advisers accept responsibility for any information not contained in this Prospectus.

In the event of a resale, placement or other offering of Preference Shares by a Financial Intermediary, the Financial Intermediary will provide information to investors on the terms and conditions of the resale, placement or other offering at the time such is made.

Any resale, placement or other offering of Preference Shares to an investor by an Financial Intermediary will be made in accordance with any terms and other arrangements in place between such Financial Intermediary and such investor including as to price, allocations and settlement arrangements. Where such information is not contained in the Prospectus, it will be the responsibility of the applicable Financial Intermediary at the time of such resale, placement or other offering to provide the investor with that information and neither the Company nor its advisers have, or shall have, any responsibility or liability for such information.

Any Financial Intermediary using this Prospectus in connection with a resale, placement or other offering of Preference Shares subsequent to the Offer shall, limitedly for the period of sixty (60) days from the date of the Prospectus, publish on its website a notice to the effect that it is using this Prospectus for such resale, placement or other offering in accordance with the consent of the Company and the conditions attached thereto. The consent provided herein shall no longer apply following the lapse of such period.

Any new information with respect to any Financial Intermediary unknown at the time of approval of this Prospectus will be made available through a company announcement, which will also be made available on the Company's website (www.rs2.com).

3.3 AUTHORISATION STATEMENT

This Securities Note has been approved by the Listing Authority as the competent authority in Malta for the purposes of the Prospectus Regulation. The Listing Authority has only approved this Securities Note as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of the Company and the Preference Shares (as the subjects of the Prospectus).

4 KEY INFORMATION

4.1 WORKING CAPITAL

The Directors, after reasonable inquiry, are of the opinion that the working capital available to the Company, after taking into consideration up to €14 million generated from the proceeds of the Offer, is sufficient for the Company's present business requirements for the 12 months following the date of this Securities Note.

4.2 CAPITALISATION AND INDEBTEDNESS

This section summarises the capitalisation and indebtedness of the Group as at 31 December 2019 (being the date of the latest audited financial statements) and as at 30 November 2020 (based on unaudited financial information).

RS2 Software p.l.c. Statement of Capitalisation as at

	31.12.19 €000s	30.11.20 €000s
Current debt		
Secured	3,913	10,414
Guaranteed	-	522
	3,913	10,936
Non-current debt		
Secured	67	1,677
	67	1,677
Shareholder equity		
Share capital	11,578	11,578
Legal and other reserves	(183)	(318)
	11,395	11,260
Total	15,375	28,873

As at 31 December 2019, the Group's total capitalisation amounted to €15.4 million, comprising mainly of share capital and secured debt in the form of bank loans and bank overdrafts. Total capitalisation increased to €23.9 million at 30 November 2020 as the Group secured further banking facilities in order to enable its planned growth.

The secured debt as at 30 November 2020 is composed of bank loans and bank overdrafts. These facilities are secured by general hypothecs over the Company's assets, special hypothecs and special privilege over the Company's premises in Mosta and a pledge over the Company's business all risks insurance policy. In addition, the bank loan related to the acquisition of RS2 Zahlungssysteme GmbH (formerly KALICOM Zahlungssysteme GmbH) is also secured by an unsupported guarantee by the said subsidiary.

Guaranteed debt as at 30 November 2020 relates to a loan granted under the Small Business Administration (SBA) Paycheck Protection Program (PPP) to RS2 Software, Inc¹. The loan is 100% guaranteed by the SBA and is eligible for forgiveness up to the full principal amount upon application and satisfaction of set criteria, which the Group believes it will satisfy.

Total equity as at 30 November 2020, excluding retained earnings and before deducting non-controlling interest, amounts to €11.3 million.

¹ US Government assistance granted to small businesses with less than 500 employees in line with the CARES Act (Coronavirus Aid, Relief and Economic Security Act)

RS2 Software p.l.c.
Statement of Indebtedness
as at

	31.12.19 €000s	30.11.20 €000s
Cash	(2,422)	(6,418)
Liquidity	(2,422)	(6,418)
Current financial debt	4,277	11,229
Current financial indebtedness	4,277	11,229
Net current financial indebtedness	1,855	4,811
Non-current financial debt	2,265	3,604
Non-current trade and other payables	2,965	3,265
Non-current financial indebtedness	5,230	6,869
Total financial indebtedness	7,085	11,680

As at 31 December 2019, the Group's total financial indebtedness (net of cash) amounted to €7.1 million, which increased to €11.7 million at 30 November 2020.

The increase in the net financial indebtedness is attributable to:

1. increase in bank facilities; and
2. new loan granted to RS2 Software, Inc. under the Small Business Administration (SBA) Payment Protection Program (PPP) as detailed above.

Current financial debt at 30 November 2020 includes €10.9 million in bank facilities (loans and overdrafts) and €0.3 million in lease liabilities in line with the new *IFRS 16 - Leases*. Non-current financial debt includes €1.7 million in bank facilities and €1.9 million in lease liabilities. Non-current trade and other payables comprise employee liabilities in line with obligations the Company has for certain post-employment benefits as detailed in section 12.6 of the Registration Document.

4.3 INTEREST OF NATURAL AND LEGAL PERSONS INVOLVED IN THE OFFER

Save for any subscription for Preference Shares being made by Financial Intermediaries (which include the Co-Sponsors and the Manager & Registrar) and the fees payable to the advisers to the Offer, the Directors are not aware of any interest, conflicting or otherwise, considered material to the Offer.

4.4 REASON FOR THE OFFER AND USE OF PROCEEDS

The Preference Shares, because of their characteristics, would form part of the Company's equity base and will be instrumental for the Company's growth plans. The net proceeds from the Offer, expected to amount to approximately €48,959,950, shall be for the benefit of the Group and will be used to allow the Group to embark onto its business expansion and transformation plan.

The points below outline the reason for the Offer:

- i. increase the Group's profile and brand awareness;
- ii. foster organic growth investment to ramp up and strengthen operations by focusing on Europe and North America as well as extending its reach to APAC and LATAM;
- iii. invest in organisation and regional expansion by scaling up sales, marketing and market communication;

- iv. invest further in its own acquiring business initially in Europe and the US and subsequently globally by following the Group's customer base (see section 7.3 of the Registration Document);
- v. develop and execute the technology roadmap to enhance product capability and service offering;
- vi. support RS2 in pursuing growth over profitability in the medium term;
- vii. repay short-term bank facilities mainly composed of bank overdrafts taken to finance the Group's investment in operating expenditure necessary to execute its growth plans; and
- viii. sign accretive add-on acquisitions of companies to enhance our capability, to scale and improve time-to-market through M&A transactions.

Points (i) to (viii) above will enable the Group to proceed with the following (there is no order of priority with which the funds will be applied):

- further investment in the United States (applying *circa* €4 million of the proceeds from the Offer);
- additional investment in the Merchant Solutions business (applying *circa* €6 million of the proceeds from the Offer);
- product enhancements in line with the Group's strategic product road map (applying *circa* €5 million of the proceeds from the Offer); and
- the repayment of short-term bank facilities (applying *circa* €10 million of the proceeds from the Offer).

The balance from the proceeds pursuant to the offer of Preference Shares, amounting to the equivalent of a maximum of €25 million in Preference Shares will be applied towards the following, depending on future opportunities as they may arise:

- M&A transactions which will complement the Group's business and growth plans (approximately €15 million); and
- further investments in the technical capability of the platform and the service offering ensuring a full automation for its operation including the Processing Solutions business, business intelligence within Software Solutions and a fully digitalised KYC/AML, merchant on boarding and payment gateway services for its Merchant Solutions business (approximately €10 million).

In the event that following the closing of the Offer Period total subscriptions for Preference Shares do not equate to at least 50% of the Offer (amounting to 14,285,700 Preference Shares), no allotment of Preference Shares will be made, the subscription for Preference Shares shall be deemed not to have been accepted by the Issuer and all proceeds received from Applicants shall be refunded accordingly.

5 INFORMATION CONCERNING THE PREFERENCE SHARES TO BE ADMITTED TO TRADING

5.1 GENERAL

5.1.1 The Preference Shares are preference shares in the Company having a nominal value of €0.06 per Preference Share. An application is made to the Listing Authority for the admissibility of the Preference Shares to listing and to the Malta Stock Exchange for the Preference Shares to be listed and traded on its Official List.

5.1.2 The Preference Shares have been created in terms of the Act and subject to the Company's Memorandum and Articles of Association.

5.1.3 By virtue of a resolution approved during the Extraordinary General Meeting held on the 29 December 2020, the holders of Ordinary Shares irrevocably waived all their rights of pre-emption deriving from their shareholding in the context of (i) the Directors issuing and allotting any of the Preference Shares to employees and officers of the Company or of its subsidiaries and (ii) a public offering of any Preference Shares and their issuance and allotment subsequent thereto. The reason for this waiver stems from the desire of the Company to allow for the Issue of the Preference Share to be undertaken more flexibly and be open for subscription to all categories of investors, and to ensure a timelier and more cost-effective manner of allocation.

- 5.1.4** Subject to admission to listing of the Preference Shares to the Official List of the MSE, the shares are expected to be assigned ISIN MT0000400219.
- 5.1.5** Following their admission on the Official List, the Preference Shares will be in a de-materialised form, and held in an electronic form at the CSD in accordance with the requirements of the Malta Stock Exchange or in such other form as may be determined from time to time by applicable law, the requirements of the MSE or the Company.
- 5.1.6** The currency of the Preference Shares is Euro (€).
- 5.1.7** The expected date of listing of the Preference Shares is 16 April 2021, while trading may commence as from the next Business Day.
- 5.1.8** Applications for the Preference Shares are in line with section 7.6 of this Securities Note.
- 5.1.9** The Offer is open for subscription by all categories of investors.
- 5.1.10** The Issuer may enter into conditional subscription agreements ("**Subscription Agreements**") with Financial Intermediaries subject to the underlying applications being for a minimum of 150,000 Preference Shares and in multiples of 100 thereafter. Financial Intermediaries subscribing for Preference Shares in terms of a Subscription Agreement may do so for their own account or for the account of underlying customers, including retail customers, and the minimum shall also apply to each underlying Applicant. Subscription Agreements may be lodged with the Registrar by latest 14:00 hours on 17 March 2021.
- 5.1.11** Application Forms 'A' will be: i) pre-printed and mailed to RS2 Shareholders on 26 February 2021 and ii) available to RS2 Employees from the Company's offices as from 3 March 2021. Application Forms 'B' will be available to the general public as from 3 March 2021.
- 5.1.12** The Offer Period during which Preferred Applicants and the general public may apply for the Preference Shares shall be between 08:30 hours on 3 March 2021 and 12:00 hours on 30 March 2021, (both days included). The Offer may, at the discretion of the Issuer, close earlier in case of over-subscription.
- 5.1.13** The Company also reserves the right to withdraw the offer of Preference Shares prior to 16 April 2021, being the expected date of listing of the Preference Shares on the Official List of the Malta Stock Exchange, for reasons beyond its control, such as extraordinary events, substantial change of the political, financial, economic, legal, monetary or market conditions at national or international level and/or adverse events regarding the financial or commercial position of the Company and/or other relevant events that in the reasonable discretion of the Company may be prejudicial to the Offer.

In the event of a revocation or withdrawal of the Offer as aforesaid, any application monies received by or on behalf of the Company will be returned without interest (through the Registrar and/or the Financial Intermediaries, as applicable).

5.2 RIGHTS ATTACHED TO THE PREFERENCE SHARES

The Preference Shares form part of one class of Preference Shares in the Company. The following are highlights of the rights attaching to the Preference Shares:

Dividends

the Preference Shares shall carry the right to participate in the Company's profits in the form of dividends at a premium of not less than 10% over the dividend distributed and payable to the holders of Ordinary Shares. The dividend is non-cumulative and when declared, would be payable similarly to all holders of Preference Shares. More detail on the dividend policy is found in section 17 of the Registration Document.

Bonus Shares	the holders of Preference Shares shall qualify in the same manner as the holders of Ordinary Shares to be entitled to any bonus shares issued by the Company.
Voting Rights	<p>the Preference Shareholders shall have the right to attend general meetings of the Company and to receive notices, reports and balance sheets as the holders of any class of Ordinary Shares, but shall not have the right to vote at any general meeting of the Company save for the following specific circumstances as documented in the Company's Memorandum and Articles of Association:</p> <ul style="list-style-type: none"> i. reducing the capital of the Company; or ii. winding up of the Company; or iii. where the proposition to be submitted directly affects their rights and privileges; or iv. when the dividend on their shares is in arrears by more than six (6) months. <p>In such case where Preference Shareholders have the right to vote, such Preference Shareholders shall have one (1) vote in respect of each Preference Share whereas Ordinary Shareholders shall have two (2) votes in respect of each Ordinary Share.</p>
Capital Distributions	The holders of Preference Shares shall not be entitled to participate in the assets of the Company except by way of distribution of assets to its members on its winding up and this in the same manner as holders of Ordinary Shares. In any such case the holders of Preference Shares shall not enjoy any preference over the holders of the other shares.
Pre-Emption	in accordance with article 88 of the Act, should shares of the Company be proposed for allotment for consideration in cash, those shares must be offered on a pre-emptive basis to Preference Shareholders in proportion to the share capital held by them immediately prior to the new issue of shares, save for the allotment of Preference Shares to officers and employees of the Company and/or its subsidiaries, in accordance with the Company's Memorandum and Articles of Association.
Assets upon Liquidation	all holders of Preference Shares shall rank <i>pari passu</i> with holders of Ordinary Shares upon any distribution of assets in a winding up.
Mandatory Takeover Bids, Squeeze-Out and Sell-Out Rules	Chapter 11 of the Listing Rules, implementing the relevant provisions of Directive 2004/25/EC of the European Parliament and of the Council of 21 April 2004, regulates the acquisition by a person or persons acting in concert of the control of a company and provides specific rules on takeover bids and the squeeze-out and sell-out mechanisms. The Preference Shareholders of the Company may be protected by the said Listing Rules in the event that the Company is the subject of a Takeover Bid (as defined therein). The Listing Rules may be viewed on the official website of the Listing Authority – www.mfsa.mt .
Other	the Preference Shares shall be non-cumulative and shall not be redeemable or convertible into any other form of security.

5.3 TRANSFERABILITY OF THE PREFERENCE SHARES

- 5.3.1** The Preference Shares are freely transferable and, once admitted to the Official List of the MSE, shall be transferable only in whole (that is in multiples of one (1) Preference Share) in accordance with law, including the rules and regulations of the MSE applicable from time to time and with the Articles of Association of the Company.
- 5.3.2** All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Preference Shares, to any applicable laws and regulations and to the Articles of Association of the Company.
- 5.3.3** The costs and expenses of effecting any registration of transfer or transmission, except for the expenses of delivery by any means other than regular mail (if any) and except, if the Company shall so require, the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the transferor/ transferee, as applicable.

5.3.4 The minimum subscription and multiples requirements described in section 7.1(6) hereunder, shall only apply for Applications submitted in terms of the Offer. As such, no minimum holding requirement and multiples restrictions shall be applicable once the Preference Shares are admitted to listing on the Official List of the MSE and commence trading thereafter.

5.4 AUTHORISATIONS AND ADMISSIBILITY TO LISTING AND TRADING

The Offer has been authorised by the Board of Directors of the Company through a resolution dated 8 February 2021. The Listing Authority has authorised the Preference Shares as admissible to the Official List pursuant to the Listing Rules by virtue of a letter dated 19 February 2021.

The Preference Shares are expected to be admitted to the Malta Stock Exchange with effect from 16 April 2021 and trading may commence as from the next Business Day therefrom.

6 TAXATION

6.1 GENERAL

Investors and prospective investors are urged to seek professional advice as regards both Maltese and any foreign tax legislation which may be applicable to them in respect of the Preference Shares, including their acquisition, holding and disposal as well as any income/gains derived therefrom or made on their disposal. The following is a summary of the anticipated tax treatment applicable to Preference Shareholders in so far as taxation in Malta is concerned. This information does not constitute legal or tax advice and does not purport to be exhaustive.

The information below is based on an interpretation of tax law and practice relative to the applicable legislation, as known to the Company at the date of the Prospectus. Investors are reminded that tax law and practice and their interpretation as well as the levels of tax on the subject matter referred to in the preceding paragraph, may change from time to time.

This information is being given solely for the general information of investors who do not deal in the acquisition and disposal of securities in the course of their normal trading activity. The precise implications for Preference Shareholders will depend, among other things, on their particular circumstances and on the classification of the Preference Shares from a Maltese tax perspective, and professional advice in this respect should be sought accordingly.

6.2 TAXATION OF THE COMPANY

The Company, being a company incorporated in Malta, is subject to Maltese income tax on its worldwide profits. The normal Maltese corporate tax rate of 35% is chargeable on the taxable profits, although certain tax exemptions or lower tax rates may possibly apply in respect of certain particular sources of income.

The Company may be entitled to receive dividend income from its Maltese subsidiaries and associates. Such dividends should not be chargeable to further tax at the level of the Company, whether by way of withholding tax or otherwise.

If the Company receives any income from foreign sources (including capital gains, dividends, interest and any other income), such income should also be subject to tax in Malta at the corporate tax rate of 35% but subject to the entitlement to claim the applicable double taxation relief, if any. A Malta tax exemption may also apply at the level of the Company on dividends and gains derived from qualifying participating holdings in foreign entities.

6.3 TAXATION OF PREFERENCE SHAREHOLDERS

6.3.1 INCOME TAX ON ACQUISITION OF THE PREFERENCE SHARES

The acquisition of Preference Shares in the Company should not trigger a Maltese income tax liability.

6.3.2 INCOME TAX ON DIVIDENDS ARISING FROM THE HOLDING OF PREFERENCE SHARES

In general, distributions of dividends from taxed profits by the Company to its shareholders are not subject to any further tax in terms of the Income Tax Act.

In the event that the Company distributes a dividend out of profits allocated to the Untaxed Account of the Company (generally comprising of profits not chargeable to tax at the level of the Company), such dividends may be subject to a 15% withholding tax in the case where the shareholder is a "recipient" as defined in Article 61 of the Income Tax Act, as may be amended from time to time.

6.3.3 INCOME TAX ON CAPITAL GAINS ON TRANSFER OF THE PREFERENCE SHARES

Following the listing of the Preference Shares on the Malta Stock Exchange, in general, capital gains derived from the disposal of Preference Shares in the Company should be exempt from tax on capital gains in the hands of the shareholder.

6.3.4 DUTY ON DOCUMENTS AND TRANSFERS

Transfers of Preference Shares in the Company may be subject to duty under the Duty on Documents and Transfers Act.

However, following the listing of the Preference Shares on the Malta Stock Exchange, transfers of shares in the Company should be exempt from the payment of duty.

THIS INFORMATION IS BEING GIVEN SOLELY FOR GENERAL INFORMATION AND IT DOES NOT CONSTITUTE A SUBSTITUTE FOR LEGAL OR TAX ADVICE, AND IT DOES NOT PURPORT TO BE EXHAUSTIVE. INVESTORS AND PROSPECTIVE INVESTORS ARE URGED TO SEEK PROFESSIONAL ADVICE AS REGARDS BOTH MALTESE AND ANY FOREIGN TAX LEGISLATION APPLICABLE TO THE ACQUISITION, HOLDING AND DISPOSAL OF SHARES AS WELL AS DIVIDEND PAYMENTS MADE BY THE COMPANY. THE ABOVE IS A SUMMARY OF THE ANTICIPATED TAX TREATMENT APPLICABLE TO THE COMPANY AND TO ITS PREFERENCE SHAREHOLDERS. THIS INFORMATION, WHICH DOES NOT CONSTITUTE LEGAL OR TAX ADVICE, REFERS ONLY TO PREFERENCE SHAREHOLDERS WHO DO NOT DEAL IN SHARES IN THE COURSE OF THEIR NORMAL TRADING ACTIVITY.

7 TERMS & CONDITIONS OF THE OFFER

7.1 CONDITIONS

These terms and conditions of application apply to any application for Preference Shares.

1. The contract created by the acceptance of an Application shall be subject to the terms and conditions set out herein, in the Prospectus and in the respective Application Form.
2. Subject to all other terms and conditions set out in the Prospectus, the Company reserves the right to reject in whole or in part, or to scale down, any Application (including multiple or suspected multiple Applications) and any cheques and/or drafts for payment, upon receipt. The right is also reserved to refuse any Application which, in the opinion of the Financial Intermediary and/or the Registrar, is not properly completed in all respects in accordance with the instructions, or is not accompanied by the required documents.
3. In the case of joint Applications, reference to the Applicant in these terms and conditions is a reference to each Applicant, and liability therefor is joint and several. Joint Applications are to be signed by all parties.
4. In the case of corporate Applicants or Applicants having separate legal personality, the Application Form must be signed by a person/s authorised to sign and bind such Applicant. It shall not be incumbent on the Company or Registrar to verify whether the person or persons purporting to bind such an Applicant is or are in fact authorised. Applications by corporate Applicants have to include a valid legal entity identifier ("LEI") which must be unexpired. Applications without such information or without a valid LEI will not be accepted.

5. Applications in the name and for the benefit of minors shall be allowed provided that the Applicant already holds an MSE account and that the Application Form is signed by both parents or the legal guardian/s. Any Preference Shares allocated pursuant to such an Application shall be registered in the name of the minor as the holder of the acquired Preference Shares, with dividends payable to the parents/legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all dividends shall be payable directly to the registered holder, provided that the Malta Stock Exchange has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years.
6. All Applications for the purchase and acquisition of Preference Shares must be submitted on the appropriate Application Form within the time limits established herein. Applications submitted during the Offer Period shall be for a minimum of 1,000 Preference Shares and in multiples of 100 Preference Shares thereafter. Applications in terms of the Intermediaries' Offer shall be for a minimum of 150,000 Preference Shares and in multiples of 100 thereafter. The completed Application Forms are to be lodged with any of the Financial Intermediaries mentioned in Annex I of this Securities Note. All Application Forms must be accompanied by the full price of the Preference Shares applied for in Euro. In the event that a cheque accompanying an Application Form is not honoured on its first presentation, the respective Financial Intermediary or the Registrar reserve the right to invalidate the relative Application Form.
7. By completing and delivering an Application Form, the Applicant/s:
 - a. irrevocably offer/s to purchase, and pay the consideration for, the number of Preference Shares specified in the Application Form at the Offer Price subject to the provisions of the Prospectus, the Terms and Conditions, the Application Form and the Memorandum and Articles of Association of the Company;
 - b. authorise the Registrar and the Company to include the Applicant's name or in the case of joint Applications, the first-named Applicant, in the register of members of the Company (in respect of the Preference Shares allocated);
 - c. agree that, in the case of Applications received from Preferred Applicants and the general public during the Offer Period, a refund of any unallocated Application monies will be received, without interest, by direct credit, at the Applicant's own risk, to the bank account as indicated in the Application Form. Neither the Company nor the Registrar shall be responsible for any loss or delay in transmission or any charges in connection therewith;
 - d. warrant that the remittance will be honoured on first presentation and agree that, if such remittance is not so honoured, the Applicant will not be entitled to receive a registration advice or to be registered in the register of members or to enjoy or receive any rights in respect of such Preference Shares, unless and until payment is made in cleared funds for such Preference Shares and such payment is accepted by the Registrar (which acceptance shall be made in its absolute discretion and may be on the basis of indemnification of the Company against all costs, damages, losses, expenses and liabilities arising out of, or in connection with, the failure of the remittance to be honoured on first presentation at any time prior to unconditional acceptance by the Registrar of such late payment in respect of such Preference Shares), the Company may, without prejudice to other rights, treat the agreement to allocate such Preference Shares as void and may allocate such Preference Shares to some other person, in which case the Applicant will not be entitled to any refund or payment in respect of such Preference Shares (other than return of such late payment);
 - e. agree that the registration advice and other documents and any refunds may be retained pending clearance of the remittance and any verification of identity as required in terms of the Prevention of Money Laundering Act 1994 (and regulations made thereunder) and that such monies will not bear interest;
 - f. agree that all Applications, acceptances of Applications and contracts resulting therefrom will be governed by, and construed in accordance with Maltese law and that the Applicant submits to the jurisdiction of the Maltese Courts and agree that nothing shall limit the right of the Company to bring any action, suit or proceeding arising out of or in connection with any such Applications, acceptances of Applications and contracts in any other manner permitted by law in any court of competent jurisdiction;

- g. warrant that, if signing the Application Form on behalf of another party or on behalf of a corporation or corporate entity or association of persons, the Applicant has due authority to do so and such person, corporation, corporate entity, or association of persons will also be bound accordingly and will be deemed also to have given the confirmations, warranties and undertakings contained in these Terms and Conditions and undertake to submit the power of attorney or a copy thereof duly certified by a lawyer or notary public if so required by the Registrar;
- h. agree that, having had the opportunity to read the Prospectus, it shall be deemed that the Applicant have had notice of all information and representations concerning the Company and the Offer contained therein;
- i. confirm that in making such Application, the Applicant is not relying on any information or representation in relation to the Company or the Offer other than those contained in the Prospectus and accordingly agree that no person responsible solely or jointly for the Application or any part thereof will have any liability for any such other information or representation;
- j. confirm to have reviewed and will comply with the restriction contained in paragraph (q) and the warning in paragraph 8 below;
- k. warrant not to be under the age of eighteen (18) years or, if lodging an Application in the name and for the benefit of a minor, warrant that the Applicant/s are the parents or legal guardian/s of the minor;
- l. agree that such Application Form is addressed to the Company and that, in respect of those Preference Shares for which the Application has been accepted, the Applicant shall receive a registration advice confirming such acceptance;
- m. agree to provide the Registrar, with any information which it may request in connection with the Application/s;
- n. agree that the Co-Sponsors will not, in their capacity as Co-Sponsors to the Offer, treat the Applicant/s as their customer/s by virtue of the Application for Preference Shares or by virtue of the Application to purchase Preference Shares being accepted and they will not owe the Applicant/s any duties or responsibilities concerning the price of the Preference Shares or their suitability for the Applicant/s;
- o. warrant that, in connection with the Application, the Applicant would have observed all applicable laws, obtained any requisite governmental or other consents, complied with all requisite formalities and paid any issue, transfer or other taxes due in connection with the Application in any territory and have not taken any action which will or may result in the Company or the Registrar acting in breach of the regulatory or legal requirements of any territory in connection with the Offer or the Application;
- p. represent that the Applicant is not a U.S. person as such term is defined in Regulation S under the U.S. Securities Act of 1933, as amended (the "**Securities Act**") and that s/he is not accepting the invitation comprised in the Offer from within the United States of America, its territories or its possessions, any State of the United States of America or the District of Columbia (the "**United States**") or on behalf or for the account of anyone within the United States or anyone who is a U.S. person, unless indicated otherwise in the Application Form;
- q. acknowledge that the Preference Shares have not been and will not be registered under the Securities Act and accordingly may not be offered or sold within the United States or to or for the account or benefit of a U.S. person; and
- r. acknowledge that any Preference Shares which may be allotted will be recorded by the CSD in the MSE account number quoted on the Application Form even if the details of such account number, as held by the MSE, differ from any or all of the details appearing on the Application Form. Notwithstanding, the Company acting through the Registrar, reserves the right to contact the Applicant/s to verify, and if need be correct, the information submitted on the Application Form.

8. No person receiving a copy of the Prospectus or any part thereof or an Application Form in any territory other than Malta may treat the same as constituting an invitation or offer to him nor should he in any event use such Application Form, unless, in the relevant territory, such an invitation or offer could lawfully be made to him or such Application Form could lawfully be used without contravention of any registration or other legal requirements. Having considered the circumstances, the Issuer has formed the view (due to the onerous requirements involved in the registration of the Prospectus in any territory other than Malta and/or compliance with the relevant legal or regulatory requirements) not to send Application Forms to RS2 Shareholders having their address as included in the register of shareholders outside Malta, except where, *inter alia*, in the absolute discretion of the Issuer, it is satisfied that such action would not result in a contravention of any applicable legal or regulatory requirement in the relevant jurisdiction.
9. It is the responsibility of any person outside Malta wishing to make any Application to satisfy himself as to full observance of the laws of any relevant territory in connection therewith, including obtaining any requisite governmental or other consents, observing any other formalities required to be observed in such territory and paying any issues, transfer or other taxes required to be paid in such territory.
10. For the purposes of the Prevention of Money Laundering and Funding of Terrorism Regulations 2008 as subsequently amended, all appointed Financial Intermediaries are under a duty to communicate, upon request, all information they hold about clients, pursuant to Articles 1.2(d) and 2.4 of the "Members' Code of Conduct" appended as Appendix 3.6 in Chapter 3 of the MSE Bye-Laws, irrespective of whether the Financial Intermediaries are MSE members or not. Furthermore, such information shall be held and controlled by the MSE in terms of the Data Protection Act (Cap. 586 of the laws of Malta) and/or the General Data Protection Regulation (GDPR) (EU) 2016/679, as amended from time to time (as applicable), for the purposes, and within the terms of the MSE's Data Protection Policy as published from time to time.
11. It shall be incumbent on the respective Financial Intermediary to ascertain that all other applicable regulatory requirements relating to subscription of Preference Shares by an Applicant are complied with, including without limitation the obligation to comply with all applicable MiFIR requirements as well as applicable MFSA Rules for investment services providers.
12. By latest 9 April 2021, the Company shall determine and announce the basis of acceptance of Applications and the allocation policy to be adopted.
13. Preferred Applicants are to submit completed Application Forms A whereas the general public are to submit completed Application Forms B to any Financial Intermediary by not later than 12:00 hours on 30 March 2021 or earlier in case of over-subscription.
14. With respect to the Intermediaries' Offer, Financial Intermediaries need to submit completed Application Forms B representing the number of Preference Shares they have been allocated in terms of the respective Subscription Agreement by latest 23 March 2021.

7.2 REGISTRATION, REPLACEMENT, TRANSFER AND EXCHANGE

- a. A register of the Preference Shares will be kept by the Company at the CSD, wherein there will be entered the names and addresses of the holders of Preference Shares. A copy of such register will, at reasonable times during business hours, be open for inspection at the registered office of the Company for the purpose of inspecting information held on their respective account
- b. The Preference Shares, upon admission of the same to listing and trading on the MSE, shall be maintained in electronic form at the CSD. The Preference Shares shall accordingly be evidenced by a book-entry in the register of Preference Shareholders held by the CSD. Statements of holdings and/or registration advices issued by the CSD will be regulated in terms of the e-portfolio service offering of the CSD. To this extent, the Preference Shareholders are expected to liaise directly with the CSD on this matter.
- c. Preference Shares may be transferred only in whole (that is in multiples of one (1) Share) in accordance with the rules and procedures applicable from time to time in respect of the Official List of the MSE.

- d. Any person becoming entitled to the Preference Shares in consequence of the death or bankruptcy of a holder of Preference Shares may, upon such evidence being produced as may from time to time properly be required by the Company or the MSE, elect either to be registered himself/herself as holder of the Preference Share/s or to have another person nominated by him/her registered as the transferee thereof. If the person so becoming entitled elects to be registered himself/herself, he/she shall deliver or send to the Company a notice in writing signed by him/her stating that he/she so elects. If he/she elects to have another person registered he/she shall testify his/her election by executing to that person a transfer of those Preference Shares.
- e. All transfers and transmissions are subject in all cases to any pledge (duly constituted) of the Preference Shares and to any applicable laws and regulations.
- f. The cost and expenses of affecting any exchange or registration of transfer or transmission except for the expenses of delivery other than regular mail (if any) and except, if the Company shall so require, the payment of a sum sufficient to cover any tax, duty or other governmental charge or insurance charges that may be imposed in relation thereto, will be borne by the holder of the Preference Shares.
- g. Upon submission of an Application Form, Applicants who opt to subscribe for the online e-portfolio by ticking the appropriate box on the Application Form will be registered by the CSD for the online e-portfolio facility and will receive by mail at their registered address a handle code to activate the new e-portfolio login. The Applicant's statement of holdings evidencing entitlement to Preference Shares held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on <https://eportfolio.borzamalta.com.mt/>. Further detail on the e-portfolio is found on <https://eportfolio.borzamalta.com.mt/Help>.

7.3 PLAN OF DISTRIBUTION AND ALLOTMENT

The Offer is open for subscription to all categories of investors which may be broadly split up as follows:

- i. An amount not exceeding 14,285,700 Preference Shares is being reserved for subscription by Financial Intermediaries through an Intermediaries' Offer subject to each underlying Application being for a minimum of 150,000 Preference Shares and in multiples of 100 Preference Shares thereafter;
- ii. The remaining balance of 14,285,700 Preference Shares, together with any number of Preference Shares not taken up during the Intermediaries' Offer shall be made available for subscription by Preferred Applicants and the general public. The minimum number of Preference Shares that can be subscribed for by Preferred Applicants and the general public shall be of 1,000 Preference Shares and in multiples of 100 Preference Shares thereafter.

In any case, Applications made under nominee, the minimum and multiples as mentioned in (i) and (ii) above shall apply for each individual underlying customer.

7.4 ALLOCATION POLICY

The Company shall allocate the Preference Shares on the basis of the following policy:

- i. a maximum amount of 14,285,700 Preference Shares, shall be allocated to Financial Intermediaries pursuant to Subscription Agreements entered into with the Issuer at the Intermediaries' Offer date as further detailed in section 7.5 hereunder. Financial Intermediaries may, by ticking the appropriate box in the respective Subscription Agreement, opt to have any unallocated Preference Shares considered with the Applications received from the general public in terms of (ii) hereunder in case of over-subscription;
- ii. the remaining 14,285,700 Preference Shares together with any number of Preference Shares not being subscribed for during the Intermediaries' Offer referred to in (i) above, shall be allocated to Preferred Applicants and the general public in accordance with an allocation policy as determined by the Issuer. In determining the allocation policy, the Issuer will be giving preference to Preferred Applicants.

The terms of the allocation policy will be published up to five (5) Business Days after the closing of the Offer Period. The Issuer will endeavour, through the allocation policy to be adopted, to sufficiently disperse the shareholder base to facilitate, as far as practicable, an active secondary market in the Preference Shares.

7.5 INTERMEDIARIES' OFFER

An amount not exceeding 14,285,700 Preference Shares is being reserved for subscription by Financial Intermediaries participating in an Intermediaries' Offer. Any subscriptions received during the Intermediaries' Offer shall be subject to the same terms and conditions as those applicable to Applications by Preferred Applicants and the general public.

In this regard, the Issuer shall enter into Subscription Agreements with a number of Financial Intermediaries whereby it will bind itself to allocate Preference Shares up to the total aggregate amount of 14,285,700 Preference Shares during the Intermediaries' Offer.

In terms of each Subscription Agreement entered into with a Financial Intermediary, the Issuer will be conditionally bound to issue, and each Financial Intermediary will bind itself to subscribe for, up to the total number of Preference Shares as indicated therein, subject to the Preference Shares being admitted to trading on the Official List. The Subscription Agreements, which will be subject to the terms and conditions of the Prospectus, will become binding on each of the Issuer and the respective Financial Intermediaries upon delivery, provided that these Financial Intermediaries would have paid to the Registrar all subscription proceeds in cleared funds on delivery of the Subscription Agreement.

Financial Intermediaries subscribing for Preference Shares may do so for their own account or for the account of underlying customers, including retail customers. The minimum which each Financial Intermediary may apply for in terms of the applicable Subscription Agreement is 150,000 Preference Shares and in multiples of 100 Preference Shares thereafter and such minimum and multiples shall also apply to each underlying Applicant.

7.6 APPLICATION FORM/METHOD OF PAYMENT

Applications for the purchase of Preference Shares by Preferred Applicants must be submitted on Application Form A whereas Applications by the general public must be submitted on Application Form B. A specimen of the Application Forms can be found in Annex II to this Securities Note. Applicants applying for Preference Shares in terms of the Intermediaries' Offer are to complete Application Form B.

The completed Application Forms are to be lodged with any of the Financial Intermediaries during the Offer Period or by the Intermediaries' Offer date, as the case may be, and must be accompanied by the full price of the Preference Shares applied for. In the event that cheques accompanying the Application Forms are not honoured on their first presentation, the Financial Intermediary reserves the right to invalidate the relative Application.

7.7 REFUNDS

If any Application Form by Preferred Applicants and/or the general public is not accepted, or is accepted for fewer Preference Shares than those applied for, the Application monies or the balance of the amount paid on Application will be returned by the Company, acting through the Registrar, without interest, by direct credit into the Applicant's bank account as indicated by the Applicant on the relevant Application Form by latest 16 April 2021.

With respect to the Intermediaries' Offer, any refund equivalent to the number of unallocated Preference Shares in terms of the Subscription Agreements shall be paid to the respective Financial Intermediary, without interest, to the bank account indicated in the Subscription Agreement by latest 18 March 2021, unless otherwise indicated by the Financial Intermediary to consider any unallocated Preference Shares with Applications submitted by the general public in which case refund of any unallocated monies will be effected by latest 16 April 2021.

The Company shall not be responsible for any loss or delay in transmission or any charges in connection therewith.

7.8 MINIMUM APPLICATIONS

Applications shall be for a minimum of 1,000 Preference Shares and in multiples of 100 Preference Shares thereafter with respect to Preferred Applicants and the general public during the Offer Period, and shall be for a minimum of 150,000 Preference Shares and in multiples of 100 Preference Shares for Applications qualifying for the Intermediaries' Offer.

7.9 PRICING

The Offer Price for the Preference Shares has been fixed at €1.75 per Preference Share. The Offer Price consists of a discount of *circa* 18% to the trade weighted average price of the Company's Ordinary Shares over a twelve-month period from 11 February 2020 to 8 February 2021 and a premium of €1.69 over nominal value.

7.10 UNDERWRITING

The Offer is not underwritten.

7.11 RESULTS OF THE OFFER

The Issuer shall determine, and announce by way of company announcement which will also be made available on its website: www.rs2.com, the basis of acceptance of Applications and allocation policy to be adopted by no later than five (5) Business Days from the closing of the Offer Period. Dealing in the Preference Shares shall not commence prior to admission to listing.

7.12 INTENTION TO ACQUIRE

The Company does not have any knowledge whether any member of the management, supervisory or administrative bodies of the Company or any single investor has the intention of participating in the Offer by acquiring more than five per cent (5%) of the Preference Shares of the Company.

7.13 EXPECTED TIMETABLE

Event	Date
1. Application Forms mailed to RS2 Ordinary Shareholders	26 February 2021
2. Opening of Offer Period	3 March 2021
3. Intermediaries' Offer date	17 March 2021
4. Closing of Offer Period	30 March 2021
5. Announcement of basis of acceptance through a company announcement	9 April 2021
6. Refund of unallocated monies, if any	16 April 2021
7. Dispatch of allotment letters	16 April 2021
8. Expected date of admission of the Preference Shares to listing	16 April 2021
9. Expected date of commencement of trading in the Preference Shares	19 April 2021

The Issuer reserves the right to close the Offer Period before 30 March 2021 in the event of over-subscription, in which case the remaining events set out above in 5 to 9 above will be brought forward and will keep the same chronological order set out above.

8 DILUTION

Ordinary Shareholders will, as a result of the Offer, suffer an immediate dilution of 12.9% in the share capital of the Company if the Offer is taken up in full. This level of dilution to each individual Ordinary Shareholder will be dependent on the level of participation in the Offer, if any, and to the respective number of Preference Shares being allotted by the Issuer in terms of section 7.4 above.

Preference Shareholders shall not, save for specific circumstances as documented in the Company's Memorandum and Articles of Association, have the right to vote at any general meeting of the Company and, as a result, the voting rights vested in the Ordinary Shareholders will not be diluted as a consequence of the Offer.

The net asset value of the Company as at 30 June 2020 was €10,535,696 or €0.055 per Ordinary Share based on 192,968,569 Ordinary Shares outstanding. The net asset value per Ordinary Share represents the amount of total assets less total liabilities as at 30 June 2020 divided by the total number of Ordinary Shares outstanding.

Net asset value dilution per Preference Share to new investors is calculated as the difference between the Offer Price and the net asset value per Preference Share immediately after successful completion of the Offer. Without taking into account any other changes in net asset value after 30 June 2020, other than the sale of the Preference Shares in terms of the Offer at a price of €1.75 per Preference Share and after deducting the estimated fees and expenses payable by the Company in relation to the Offer, the net asset value following successful completion of the Offer will be approximately €59,495,646 if the Offer is fully subscribed which is equivalent to approximately €0.269 per Preference Share. This represents an immediate increase in net asset value of approximately €0.214 per Ordinary Share and will result in an immediate dilution in net asset value of €1.481 per Preference Share. The following table illustrates the above:

Offer Price per Preference Share		€1.75
Net asset value per Ordinary Share as at 30 June 2020	€0.055	
Increase per Ordinary Share attributable to this Offer	€0.214	
Adjusted net asset value per Ordinary Share after the Offer		€0.269
Dilution per Preference Share pursuant to this Offer		€1.481

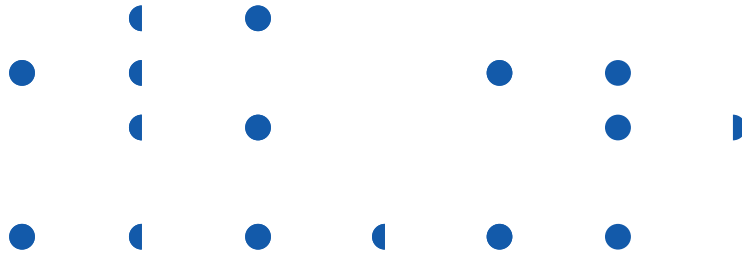
9 COMMISSIONS & EXPENSES RELATING TO THE OFFER OF THE PREFERENCE SHARES

The selling commissions and fees in connection with the Offer are estimated not to exceed €1,040,000 and will be borne by the Company. There is no particular order of priority with respect to such expenses.

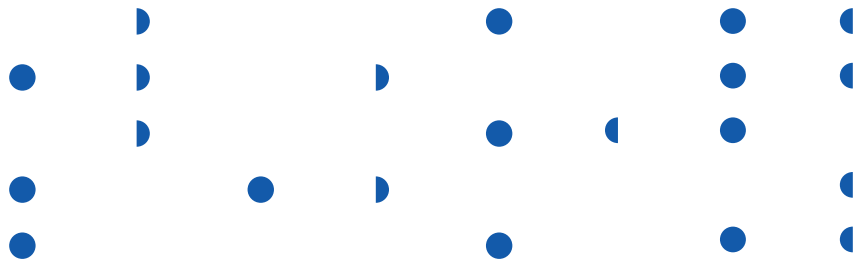
Each Financial Intermediary shall be entitled to a selling commission on the value of the Preference Shares allocated to Applicants applying through such Financial Intermediaries of 1.5%.

10 ADDITIONAL INFORMATION

All the advisers to the Company named in the Registration Document under the heading "Advisers" in sub-section 5.1 thereof have acted and are acting exclusively for the Company in relation to this admission to listing and trading.



SECURITIES NOTE
ANNEXES



ANNEX I

FINANCIAL INTERMEDIARIES

Name	Address	Telephone
APS Bank p.l.c.	APS Centre, Tower Street, Birkirkara BKR 4012	+356 2560 3000
Bank of Valletta p.l.c.	BOV Centre, Cannon Road, Zone 4, Central Business District, St Venera CBD 4060	+356 2275 1732
Calamatta Cuschieri Investment Services Ltd	Ewropa Business Centre, Triq Dun Karm, Birkirkara BKR 9034	+356 2568 8688
Curmi & Partners Ltd	Finance House, Princess Elizabeth Street, Ta' Xbiex XBX 1102	+356 2134 7331
FINCO Treasury Management Ltd	The Bastions, Office No 2, Emvin Cremona Street, Floriana FRN 1281	+356 2122 0002
Hogg Capital Investments Ltd	Nu Bis Centre, Mosta Road, Lija LJA 9012	+356 2132 2872
Jesmond Mizzi Financial Advisors Ltd	67 Level 3, South Street, Valletta VLT 1105	+356 2326 5696
Lombard Bank Malta p.l.c.	67, Republic Street, Valletta VLT 1117	+356 2558 1806
Medirect Bank (Malta) p.l.c.	The Centre, Tigné Point, Sliema TPO 0001	+356 2557 4400
Michael Grech Financial Investment Services Ltd	The Brokerage, St Marta Street, Victoria, Gozo VCT 2550	+356 2155 4492
MZ Investment Services Ltd	61, St Rita Street, Rabat RBT 1523	+356 2145 3739
Rizzo, Farrugia & Co (Stockbrokers) Ltd	Airways House, Fourth Floor, High Street, Sliema SLM 1551	+356 2258 3000
Zenith Finance Ltd	220, Immaculate Conception Street, Msida, MSD 1838	+356 2133 2200

ANNEX II

SPECIMEN APPLICATION FORMS & ADDENDUM



RS2 SOFTWARE P.L.C. PREFERENCE SHARES APPLICATION FORM 'A' PREFERRED APPLICANTS

This application form is not transferable and entitles you to subscribe for Preference Shares in RS2 Software p.l.c. as either (i) shareholders of RS2 Software p.l.c. appearing on the share register as at 19 February 2021 (trading session of the 17 February 2021) ("RS2 Shareholders"); or (ii) those persons employed by RS2 Software p.l.c. or any of its subsidiaries as at 19 February 2021 ("RS2 Employees"); together referred to as "Preferred Applicants". Please read the notes overleaf before completing this Application Form. Mark 'X' where applicable.

APPLICANT (see notes 2 to 6)			
<input type="checkbox"/> RS2 Shareholder <input type="checkbox"/> RS2 Employee			
		I.D. CARD / PASSPORT / CO REG NO <small>(mandatory)</small>	MSE A/C NO. <small>(mandatory)</small>
DOCUMENT TYPE <small>(mandatory)</small>	COUNTRY OF ISSUE <small>(mandatory)</small>	DATE OF BIRTH <small>(mandatory)</small>	NATIONALITY <small>(mandatory)</small>
LEI (Legal Entity Identifier) <small>(if applicant is NOT an Individual)</small>		PLEASE REGISTER ME FOR E-PORTFOLIO <input type="checkbox"/>	MOBILE NO. <small>(mandatory for e-portfolio)</small>
C ADDITIONAL (JOINT) APPLICANTS (see note 3) <small>(please use Addendum to Application Form if space is not sufficient)</small>			
TITLE (Mr/Mrs/Ms/...)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
D DECISION MAKER/MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARY (see notes 4, 7 & 8) <small>(to be completed ONLY if applicable)</small>			
TITLE (Mr/Mrs/Ms/...)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
TITLE (Mr/Mrs/Ms/...)	FULL NAME AND SURNAME		I.D. CARD/PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
E I/WE APPLY TO PURCHASE AND ACQUIRE (see note 9):			
NUMBER OF PREFERENCE SHARES IN FIGURES		NUMBER OF PREFERENCE SHARES IN WORDS	
Preference Shares in RS2 Software p.l.c. (minimum 1,000 Preference Shares and in multiples of 100 Preference Shares thereafter) at a price of €1.75 per Preference Share (the "Offer Price") (as defined in the Prospectus dated 19 February 2021, (the "Prospectus") payable in full upon application and subject to the terms of (a) the Prospectus, including the terms and conditions of the Offer; and (b) the memorandum and articles of association of RS2 Software p.l.c.			
		AMOUNT PAYABLE €	
F DIVIDEND AND REFUND MANDATE (see note 10 & 11) <small>(completion of this panel is MANDATORY)</small>			
BANK	IBAN		
I/We have fully understood the instructions for completing this Application Form, and am/are making this Application solely on the basis of the Prospectus, and subject to its Terms and Conditions of the Preference Shares as contained therein which I/we fully accept.			
I/We hereby authorise the Company to forward the details to the Malta Stock Exchange for the purposes of registering the Preference Shares in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this Application Form in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/we understand and acknowledge that the Company may require additional information for Transaction Reporting purposes and agree that such information will be provided.			
Signature/s of Applicant/s <small>(Parent/s or legal guardian/s are/is to sign if Applicant is a minor) (All parties are to sign in the case of a joint Application) (Bare owner/s and usufructuary/ies to sign in the case of holdings that are subject to usufruct)</small>			Date
AUTHORISED INTERMEDIARY'S STAMP	AUTHORISED INTERMEDIARY'S CODE	APPLICATION NUMBER	

Notes on how to complete this Application Form and other information

The following notes are to be read in conjunction with the Prospectus dated 19 February 2021 regulating the Offer

1. This Application is governed by the Terms and Conditions of the Offer contained in Section 7 of the Securities Note dated 19 February 2021 forming part of the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the Prospectus.
2. The Application Form is to be completed in BLOCK LETTERS. Applicants who are non-residents in Malta for tax purposes, must indicate their passport number in Panel B.
3. The MSE account pertaining to RS2 Shareholders has been pre-printed in Panel B and reflects the MSE account number on the Company's Register at the CSD as at 19 February 2021 (trading session of the 17 February 2021).

RS2 Employees are to insert the required personal details in Panel B including MSE account number which is mandatory. In the case of an Application by more than one person (including husband and wife) full details of all individuals must be given in Panels B and C but the person whose name appears in Panel B shall, for all intents and purposes, be deemed to be the registered holder of the Preference Shares (vide note 6 below). Applications by more than two persons are to use the Addendum to the Application Form.

Upon submission of an Application Form, Preference Shareholders who opt to have an online e-portfolio facility (by marking the relative box in Panel B), will receive by mail at their registered address a handle code to activate the new e-portfolio login. Registration for the e-Portfolio facility requires a mobile number to be provided on the Application Form. The Preference Shareholders' statement of holdings evidencing entitlement to Preference Shares held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on <https://eportfolio.borzamalta.com.mt/>. Further detail on the e-portfolio may be found on <https://eportfolio.borzamalta.com.mt/Help>.

4. Applications in the name and for the benefit of minors shall be allowed provided that the applicant already holds an account with the MSE. Any Preference Shares allocated pursuant to such an Application shall be registered in the name of the minor as Preference Shareholder, with dividend, if any, payable to the parents or legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all dividends, if any, shall be payable directly to the registered holder, provided that the Malta Stock Exchange has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years. Panel D must be inserted with full details of the parents/legal guardians.
5. In the case of a body corporate, the name of the entity exactly as registered and the registration number are to be inserted in Panel B. A valid Legal Entity Identifier ("LEI") needs to be inserted in Panel B. **Failure to include a valid LEI code, will result in the Application being cancelled by the Registrar.** Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.
6. **PREFERRED APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT QUOTED ON THIS APPLICATION FORM WITH THE DETAILS (INCLUDING REGISTERED ADDRESS), AS HELD BY THE CSD OF THE MALTA STOCK EXCHANGE .**
7. Where a decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "decision maker") such as an individual that holds a power of attorney to trade on the Applicant's account or applications under a discretionary account, details of the decision maker need to be included in Panel D.
8. Where an MSE account number is held subject to usufruct, both the bare owner/s and the usufructuary/ies are to sign this Application Form.
9. Applications must be for a minimum subscription of X Preference Shares and thereafter in multiples of X Preference Shares and must be accompanied by the relevant subscription amount equivalent in Euro.
10. The Offer Period will open at 08:30 hours on 3 March 2021 and will close at 12:00 hours on 30 March 2021, or earlier in the case of over subscription. Application for Preference Shares may be lodged with any Financial Intermediary listed in Annex I of the Securities Note during normal office hours. Remittances by post are made at the risk of the Applicant and the Company disclaims all responsibility for any such remittances not being received by the date of closing of the subscription lists. If any Application is not accepted after the closure of the subscription lists or is accepted for fewer Preference Shares than those applied for, the monies equivalent to the number of Preference Shares not being accepted will be returned by direct credit into the IBAN specified in panel F.
11. Dividends, if any, will be paid by direct credit to the bank account (which must be in Euro and held with a local bank) bearing a valid IBAN as indicated by the Applicant in Panel F, or to any other bank account indicated by the Preference Shareholder to the MSE.
12. The Company reserves the right to refuse any Application which appears to be in breach of the Terms and Conditions of the Offer as contained in the Prospectus.
13. By completing and delivering an Application Form you, as the Applicant/s acknowledge that:
 - a. the Issuer or its duly appointed agents including the CSD and the Registrar, may process the personal data that you provide in the Application Form in accordance with the Data Protection Act (Cap. 586 of the laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679 as amended from time to time;
 - b. the Issuer may process such personal data for all purposes necessary for and related to the Preference Shares applied for; and
 - c. you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer. Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself as the Applicant to whom the personal data relates.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. Prior to purchasing Preference Shares, an investor should consult an independent financial adviser, licensed under the Investment Services Act (Cap. 370 of the Laws of Malta), for advice.



**RS2 SOFTWARE P.L.C.
PREFERENCE SHARES
APPLICATION FORM 'B'
GENERAL PUBLIC / INTERMEDIARIES' OFFER**

Please read the notes overleaf before completing this Application Form. **Complete in BLOCK LETTERS and Mark 'X' where applicable.**

APPLICANT (see notes 2 to 6)

<input type="checkbox"/> Non-Resident	<input type="checkbox"/> Minor (under 18)	<input type="checkbox"/> Body Corporate/ Body of Persons	<input type="checkbox"/> CIS-Prescribed Fund
A TITLE (Mr/Mrs/Ms/...)		FULL NAME AND SURNAME / REGISTERED NAME	
MSE A/C NO. (mandatory)	I.D. CARD / PASSPORT / COMPANY REG. NO.	DOCUMENT TYPE (mandatory)	COUNTRY OF ISSUE (mandatory)
LEI (Legal Entity Identifier) (if applicant is NOT an Individual)		DATE OF BIRTH (mandatory)	NATIONALITY (mandatory)
<input type="checkbox"/> PLEASE REGISTER ME FOR E-PORTFOLIO (mobile number is mandatory for e-portfolio registration)			MOBILE NO. (mandatory for e-portfolio)

C ADDITIONAL (JOINT) APPLICANTS (see note 3) (please use Addendum to Application Form if space is not sufficient)

TITLE (Mr/Mrs/Ms/...)	FULL NAME AND SURNAME	I.D. CARD/PASSPORT NO.	
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

D DECISION MAKER/MINOR'S PARENTS / LEGAL GUARDIAN(S) / USUFRUCTUARY (see notes 4, 7 & 8) (to be completed ONLY if applicable)

TITLE (Mr/Mrs/Ms/...)	FULL NAME AND SURNAME	I.D. CARD/PASSPORT NO.	
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

E I/WE APPLY TO PURCHASE AND ACQUIRE (see note 9 to 11):

NUMBER OF PREFERENCE SHARES IN FIGURES	NUMBER OF PREFERENCE SHARES IN WORDS
<p>Preference Shares in RS2 Software p.l.c. (minimum of: (i) 150,000 Preference Shares with respect to Applications in terms of the Intermediaries' Offer, or such lower minimum as may be communicated by the Registrar to the respective Financial Intermediaries in case of over-subscription; and (ii) 1,000 Preference Shares with respect to general public Applications; and in multiples of 100 Shares thereafter) at a price of €1.75 per Preference Share (the "Offer Price") as defined in the Prospectus dated 19 February 2021 (the "Prospectus"), payable in full upon application and subject to the terms of (a) the Prospectus, including the terms and conditions of the Offer; and (b) the memorandum and articles of association of RS2 Software p.l.c.</p>	
<p>AMOUNT PAYABLE</p> <p>€</p>	

F DIVIDEND AND REFUND MANDATE (see note 11 & 12) (completion of this panel is MANDATORY)

BANK	IBAN
<p>I/We have fully understood the instructions for completing this Application Form, and am/are making this Application solely on the basis of the Prospectus, and subject to its Terms and Conditions of the Preference Shares as contained therein which I/we fully accept.</p> <p>I/We hereby authorise the Company to forward the details to the Malta Stock Exchange for the purposes of registering the Preference Shares in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this Application Form in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/we understand and acknowledge that the Company may require additional information for Transaction Reporting purposes and agree that such information will be provided.</p>	
Signature/s of Applicant/s	Date
<p><small>(Parent/s or legal guardian/s are/is to sign if Applicant is a minor) (All parties are to sign in the case of a joint Application) (Bare owner/s and usufructuary/ies to sign in the case of holdings that are subject to usufruct)</small></p>	

AUTHORISED INTERMEDIARY'S STAMP	AUTHORISED INTERMEDIARY'S CODE	APPLICATION NUMBER				
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Notes on how to complete this Application Form and other information

The following notes are to be read in conjunction with the Prospectus dated 19 February 2021 regulating the Offer

1. This Application is governed by the Terms and Conditions of the Offer contained in Section 7 of the Securities Note dated 19 February 2021 forming part of the Prospectus. Capitalised terms not defined herein shall, unless the context otherwise requires, have the meaning ascribed to them in the Prospectus.
2. The Application Form is to be completed in BLOCK LETTERS. Applicants who are non-residents in Malta for tax purposes, must indicate their passport number in Panel B. The relative box in Panel A must also be marked appropriately.
3. Applicants are to insert the required personal details in Panel B. In the case of an Application by more than one person (including husband and wife) full details of all individuals must be given in Panels B and C but **the person whose name appears in Panel B shall, for all intents and purposes, be deemed to be the registered holder of the Preference Shares (vide note 6 below)**. Applications by more than two persons are to use the Addendum to the Application Form.

Upon submission of an Application Form, Applicants who opt to have an online e-portfolio facility (by marking the relative box in Panel B), will receive by mail at their registered address a handle code to activate the new e-portfolio login. Registration for the e-Portfolio facility requires a mobile number to be provided on the Application Form. The Preference Shareholders' statement of holdings evidencing entitlement to Preference Shares held in the register kept by the CSD and registration advices evidencing movements in such register will be available through the said e-portfolio facility on <https://eportfolio.borzamalta.com.mt/>. Further detail on the e-portfolio may be found on <https://eportfolio.borzamalta.com.mt/Help>.
4. Applications in the name and for the benefit of minors shall be allowed provided that the applicant already holds an account with the MSE. Any Preference Shares allocated pursuant to such an Application shall be registered in the name of the minor as Preference Shareholder, with dividend, if any, payable to the parents or legal guardian/s signing the Application Form until such time as the minor attains the age of eighteen (18) years, following which all dividends, if any, shall be payable directly to the registered holder, provided that the Issuer has been duly notified in writing of the fact that the minor has attained the age of eighteen (18) years. Panel D must be inserted with full details of the parents/legal guardians.
5. In the case of a body corporate, the name of the entity exactly as registered and the registration number are to be inserted in Panel B. A valid Legal Entity Identifier ("LEI") needs to be inserted in Panel B. **Failure to include a valid LEI code, will result in the Application being cancelled by the Registrar.** Applications must be signed by duly authorised representatives indicating the capacity in which they are signing.
6. **APPLICANTS ARE TO INSERT AN MSE ACCOUNT NUMBER IN THE SPACE PROVIDED IN PANEL B, AND FAILURE TO DO SO WILL RESULT IN REJECTION OF THE APPLICATION FORM. APPLICANTS ARE TO NOTE THAT ANY SECURITIES ALLOTTED TO THEM WILL BE RECORDED BY THE MALTA STOCK EXCHANGE IN THE MSE ACCOUNT QUOTED ON THIS APPLICATION FORM WITH THE DETAILS (INCLUDING REGISTERED ADDRESS), AS HELD BY THE CSD OF THE MALTA STOCK EXCHANGE..**
7. Where a decision to invest is taken by a third party authorised to transact on behalf of the Applicant (a "decision maker") such as an individual that holds a power of attorney to trade on the Applicant's account or applications under a discretionary account, details of the decision maker need to be included in Panel D.
8. Where an Applicant quotes an MSE account number which is held subject to usufruct, both the bare owner/s and the usufructuary/ies are to sign this Application Form.
9. Applications in terms of the Intermediaries' Offer, as further detailed in section 7.5 of the Securities Note must be for a minimum of 150,000 Preference Shares and in multiples of 100 Preference Shares thereafter. Applications with respect to the general public must be for a minimum subscription of 1,000 Preference Shares and in multiples of 100 Preference Shares thereafter.
10. In terms of the Intermediaries' Offer, Financial Intermediaries are to submit completed Application Forms representing the amount allocated, by not later than 14:00 hours on 23 March 2021. Financial Intermediaries, may at their sole discretion, not accept an Application or accept an Application for few Preference Shares than those applied for.
11. The Offer Period with respect to the general public, will open at 08:30 hours on 3 March 2021 and will close at 12:00 hours on 30 March 2021 or earlier in case of over-subscription. Completed Application Forms are to be delivered to any Financial Intermediary listed in Annex I of the Securities Note during normal office hours. Remittances by post are made at the risk of the Applicant and the Company disclaims all responsibility for any such remittances not being received by the date of closing of the subscription lists. If any Application is not accepted after the closure of the subscription lists or is accepted for fewer Preference Shares than those applied for, the monies equivalent to the number of Preference Shares not being accepted will be returned by direct credit into the IBAN specified in panel F.
12. Dividends, if any, will be paid by direct credit to the bank account (which must be in Euro and held with a local bank) bearing a valid IBAN as indicated by the Applicant in panel F, or to such other bank account indicated by the Preference Shareholder to the MSE.
13. The Company reserves the right to refuse any Application which appears to be in breach of the Terms and Conditions of the Offer as contained in the Prospectus dated 19 February 2021.
14. By completing and delivering an Application Form you, as the Applicant/s acknowledge that:
 - a. the Issuer or its duly appointed agents including the CSD and the Registrar, may process the personal data that you provide in the Application Form in accordance with the Data Protection Act (Cap. 586 of the laws of Malta) and the General Data Protection Regulation (GDPR)(EU) 2016/679 as amended from time to time;
 - b. the Issuer may process such personal data for all purposes necessary for and related to the Shares applied for; and
 - c. you, as the Applicant, have the right to request access to and rectification of the personal data relating to you, as processed by the Issuer. Any such requests must be made in writing and addressed to the Issuer. The request must be signed by yourself as the Applicant to whom the personal data relates.

The value of investments can go up or down and past performance is not necessarily indicative of future performance. Prior to purchasing Preference Shares, an investor should consult an independent financial adviser, licensed under the Investment Services Act (Cap. 370 of the Laws of Malta), for advice.

RS2 SOFTWARE P.L.C.
28,571,400 PREFERENCE SHARES AT €1.75 PER PREFERENCE SHARE
ADDENDUM TO APPLICATION FORM

DETAILS OF ORIGINAL APPLICATION FORM
Name of Applicant
I.D. Card / Passport No.
Application No.

ADDITIONAL (JOINT) APPLICANTS <small>(see note 3)</small>			
FULL NAME & SURNAME			I.D. CARD / PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
FULL NAME & SURNAME			I.D. CARD / PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
FULL NAME & SURNAME			I.D. CARD / PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY
FULL NAME & SURNAME			I.D. CARD / PASSPORT NO.
DOCUMENT TYPE	COUNTRY OF ISSUE	DATE OF BIRTH	NATIONALITY

I/We have fully understood the instructions for completing this Addendum to the Application Form, and am/are making this Application solely on the basis of the Prospectus, and subject to its Terms and Conditions of the Preference Shares as contained therein which I/we fully accept.

I/We hereby authorise the Company to forward the details to the Malta Stock Exchange for the purposes of registering the Preference Shares in my/our MSE account, to register for the e-portfolio (where applicable) and to enable the reporting of all necessary transaction and personal information provided in this Application Form in compliance with Article 26 of MiFIR (Markets in Financial Instruments Regulation) to the Malta Financial Services Authority as competent authority ("Transaction Reporting"). Furthermore, I/we understand and acknowledge that the Company may require additional information for Transaction Reporting purposes and agree that such information will be provided.

Signature/s

 Date