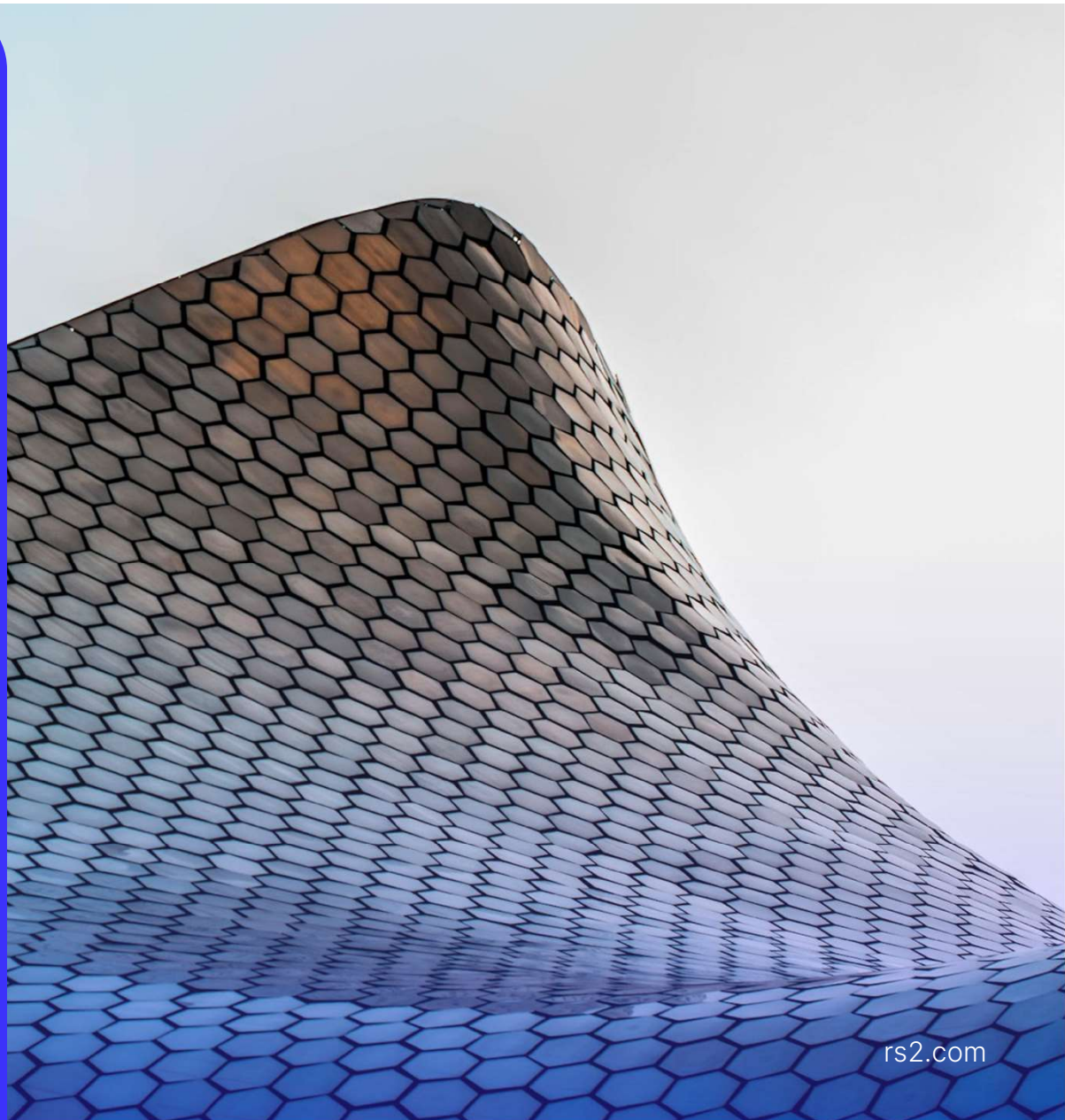


Brokers' Meeting

2022 Financial Results & Business Outlook

10 May 2023



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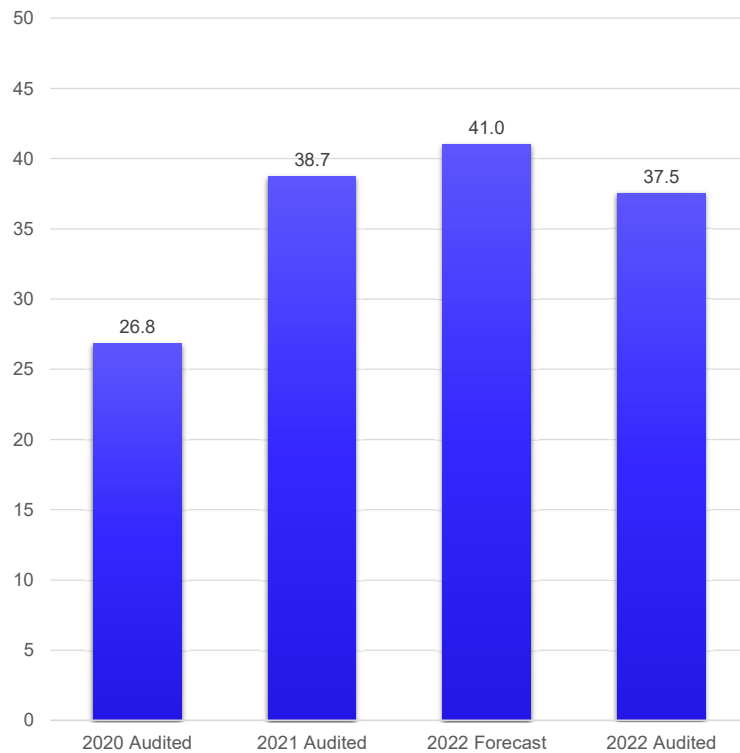
2022 Financial Results & Business Outlook



Revenues

KEY FIGURES

Revenues (€M)



- Revenues during 2022 amounted to €37.5m due to the difficult economic climate following Russia's invasion of Ukraine.
- Revenues fell short of the projections of €41m published in August 2022.
- The movement of €3.5m is due to banks putting on hold contracted development work.

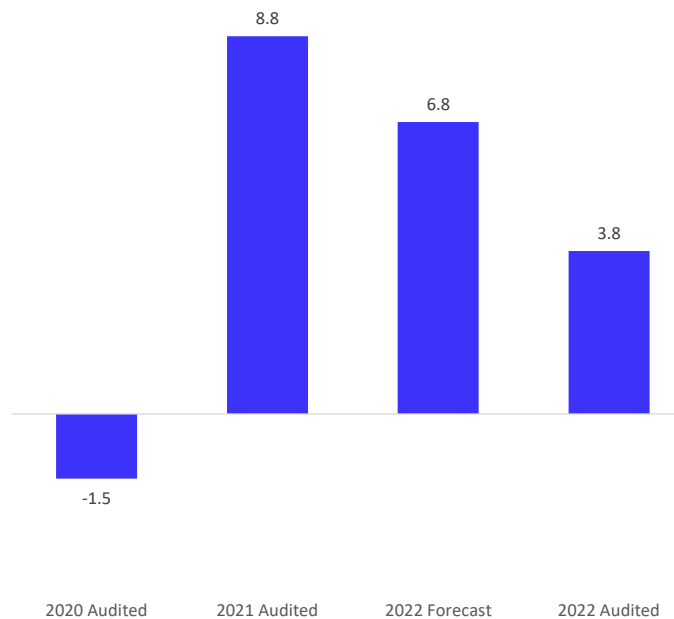
NBIT & EBITDA

KEY FIGURES

NIBT (€M)



EBITDA (€M)



Movement from forecast mainly driven by a negative variance in revenues, partly netted off by costs not materialising in line with forecast (mainly being payroll costs, card scheme fees, depreciation & amortisation, professional fees) and declining FX movements in the last quarter

RS2 Group Statements of Profit or Loss

Business Performance

Amounts in €m	Audited	Audited	Audited	Variance
			ACT Dec-22	
Statements of Profit or Loss for				vs
the year ended	Dec-20	Dec-21	Dec-22	ACT Dec-21
Revenue	26.8	38.7	37.5	(1.2)
Cost of sales	(18.6)	(21.7)	(25.7)	(3.9)
Gross profit	8.2	16.9	11.8	(5.1)
Marketing and promotional expenses	(1.5)	(1.4)	(1.6)	(0.3)
Administrative expenses	(8.3)	(8.5)	(10.3)	(1.9)
Other income	0.1	0.3	2.2	1.8
Other expenses	(1.9)	(0.9)	(0.2)	0.7
Results from operating activities	(3.4)	6.6	1.8	(4.8)
Net finance costs	(0.4)	(0.1)	(0.0)	0.1
(Loss)/Profit before income tax	(3.8)	6.4	1.8	(4.7)
Income tax expense	(2.1)	(3.1)	(2.0)	1.0
(Loss)/Profit for the year	(5.9)	3.4	(0.2)	(3.6)

- Stable top line despite current market conditions
- Decline in Company revenues compensated for by increases in revenues from subsidiaries, in line with Group's strategy of transforming revenue model from licence revenue to managed services and merchant services
- Customers delayed projects or reduced investment. Group's counter measures resulted in a positive ramp up in top line and bottom line in last few months of year
- During 2022, the Group processed over 1.25 billion transactions.

RS2 Group Statements of Financial Position ^{1 of 2}

Business Performance

Amounts in €m	Audited Dec-20	Audited Dec-21	Audited Dec-22	ACT Variance Dec-22 vs Dec-21
Assets				
Property, plant and equipment	8.8	9.2	8.2	(1.0)
Right-of-use assets	2.2	2.1	2.3	0.2
Intangible assets and goodwill	12.8	15.7	18.8	3.1
Deferred tax assets	0.2	-	-	-
Loans receivable	0.8	-	-	-
Finance lease receivable	0.1	0.1	0.2	0.1
Total non-current assets	25.0	27.2	29.5	2.3
Trade and other receivables	2.7	6.1	6.4	0.3
Finance lease receivable	0.0	0.1	0.1	0.0
Loans receivable	0.0	0.9	0.2	(0.7)
Prepayments	0.8	1.3	1.3	0.0
Accrued income and contract costs	2.4	3.8	2.1	(1.7)
Inventory	0.0	0.1	0.2	0.1
Cash at bank and in hand	6.8	8.2	3.5	(4.7)
	12.8	20.4	13.8	(6.6)
Non-current asset held-for-sale	0.3	-	-	-
Total current assets	13.1	20.4	13.8	(6.6)
Total assets	38.1	47.6	43.4	(4.2)

- Intangible assets and goodwill have increased due to internally generated software.
- Loans receivable refers to amounts due to RS2 Software plc from ITM (parent company) was settled by way of shares in RS2 Software INC in 2022.
- Trade receivables include amounts outstanding at year-end, the majority of which were settled to date. The Group has a few slow paying debtors but none which are problematic.
- RS2 Group has a positive cash position as at 31 December 2022. Cash at bank and in hand totalled €3.5m for RS2 Group. The o/d facility of €10m is available but not utilised at year end.

RS2 Group Statements of Financial Position ^{2 of 2}

Business Performance

Amounts in €m	Audited Dec-20	Audited Dec-21	Audited Dec-22	ACT Variance Dec-22 vs Dec-21
Equity				
Ordinary Share Capital	11.6	11.6	13.0	1.4
Preference Share Capital	-	0.5	0.6	0.1
Other equity	(0.1)	-	-	-
Reserves	(1.6)	13.1	11.6	(1.5)
Retained earnings	1.8	5.0	2.6	(2.4)
Total equity attributable to equity holders of the Company	11.7	30.2	27.9	(2.3)
Non-controlling interest	(4.6)	(4.8)	(3.7)	1.1
Total equity	7.1	25.4	24.2	(1.2)
Liabilities				
Bank borrowings	1.6	1.1	0.6	(0.5)
Lease liabilities	1.9	1.8	1.9	0.1
Employee benefits	3.8	4.0	3.4	(0.6)
Deferred tax liability	1.5	2.4	3.0	0.6
Total non-current liabilities	8.8	9.2	9.0	(0.2)
Bank borrowings	10.1	0.5	0.5	0.0
Trade and other payables	2.2	1.9	1.1	(0.8)
Lease liabilities	0.3	0.4	0.5	0.1
Current tax payable	2.9	3.3	3.2	(0.1)
Accruals and provisions	3.5	3.9	3.0	(0.9)
Employee benefits	1.4	1.4	0.4	(1.0)
Deferred income	1.9	1.6	1.6	0.0
Total current liabilities	22.2	12.9	10.2	(2.7)
Total liabilities	31.0	22.2	19.2	(3.0)
Total equity and liabilities	38.1	47.6	43.4	(4.2)

- The movement in Share Capital attributable to Bonus Issue
- Bank borrowings of €1.1m comprise the loan taken out to finance the Kalicom acquisition (2021: €1.6m). In 2020, such borrowings also include the overdraft facility of €9.7m, which was fully repaid upon issuance of the preference shares.
- The liability arising from performance-related share-based payment arrangements (cash-settled) of the US subsidiary decreased due to settled buyback of shares of a senior member of management of RS2 INC who left the Group.

Outlook 2022 / 23 ^{1 of 2}

BUSINESS PERFORMANCE

The Group continues to deliver against strategic milestones:

- The Group is expanding its operations into Latin America, through market entry in Mexico, Chile and Peru. In Asia Pacific services were extended to Singapore and Malaysia
- In APAC is in the process of adding InstaPay, real-time online scheme, allowing banks to offer services using own developed mobile application for banking services that will include also money transfers for Asian ex-pats starting in Europe
- The US enhanced its strategy to focus on enterprise business, acquiring processing and issuing processing
- The Financial Services business has been passported to a number of countries including Austria, Italy and Malta and achieved principle membership status with Visa and Mastercard
- The Group continues to invest in order to deliver new products to the market such as merchant reconciliation, merchant and partner portals and tokenisation for issuing services

The Group has made solid progress and executed its key strategic priorities at a steady pace



Outlook 2022 / 23 ^{2 of 2}

BUSINESS PERFORMANCE

However, despite these positive developments the Group faced unpredicted challenges in 2022 and early 2023, but markets are picking up again with positive outlook for the group.

- The conflict between Russia and Ukraine brought about high and increasing inflation rates, resulting from restricted supply of oils, gas and grains, an energy crisis and the looming threat of recession, while recovering from the economic shocks of a global pandemic. This challenging economic environment resulted in customers especially banks being cautious to execute signed projects whilst also holding back on new ones. Unfortunately this trend continued in the first months of 2023 with the collapse of banks in the US and Europe
- In line with their agreement, a long standing client decided to execute the terms of their agreement and take the development in-house using our platform. This impacted the Group`s top line with around €3m in 2022 and €5m in 2023
- However, the volumes in processing and merchant payments continued to grow, proving the strategy of shifting the business towards recurring revenue streams
- In the last weeks the group has seen demand coming back with several large strategic client projects in the pipeline

Positive outlook with markets coming back and pipeline filling up

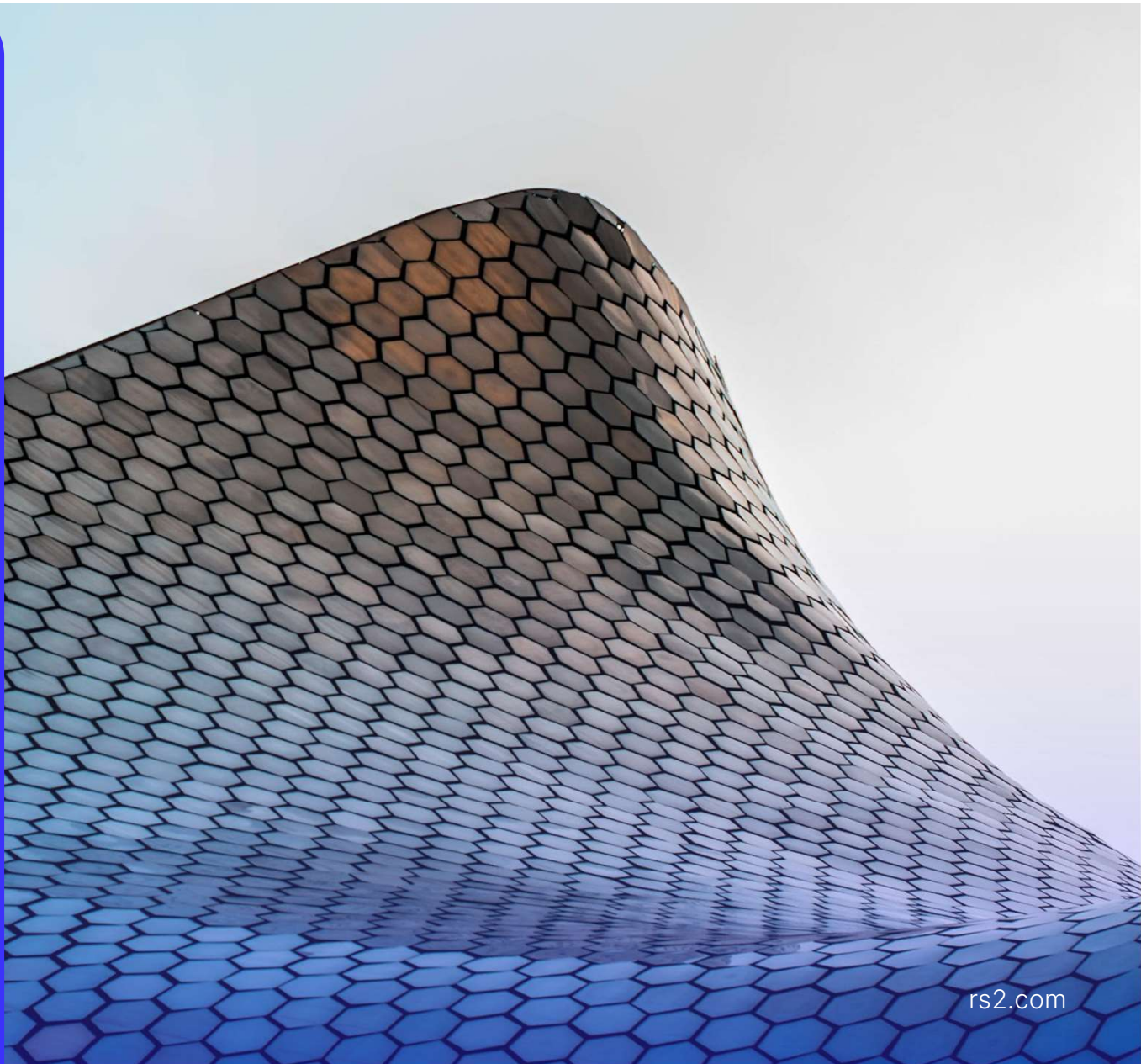


Questions



Thank you

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