



RS2 Software p.l.c.
COMPANY ANNOUNCEMENT

THE FOLLOWING IS A COMPANY ANNOUNCEMENT ISSUED BY RS2 SOFTWARE P.L.C. ("THE COMPANY") PURSUANT TO THE MALTA FINANCIAL SERVICES AUTHORITY LISTING RULES.

Quote:

Reference is made to the company announcement published on the 22 October 2020 relative to the forthcoming Extraordinary General Meeting ("EGM") of the Company scheduled to be held remotely on the 15 December 2020 from 10.30am onwards. The Board of Directors of the Company hereby announce that the documentation relative to the EGM consisting of Notice to Shareholder, Proxy Form, Shareholders' Circular and Lumi EGM User Guide, is available for inspection on the Company website <https://www.rs2.com/investors/>

The EGM is being convened for the purpose of considering and if thought fit, passing the resolutions hereunder.

EXTRAORDINARY RESOLUTIONS:

Amendments to the Object Clauses
<p><i>Resolution:</i></p> <ol style="list-style-type: none">To approve that Paragraph a) of Clause 4 of the Memorandum of Association be and is hereby deleted and replaced by the following: "a) to develop, market, sell and install computer software and software solutions and hardware for banks, service providers and other financial and non-financial organisations.
<p><i>Resolution:</i></p> <ol style="list-style-type: none">To approve that Paragraph c) of Clause 4 of the Memorandum of Association be and is hereby renumbered as Paragraph d) and that immediately after paragraph b) of Clause 4, the following paragraph be and is hereby inserted: "c) to acquire, hold and dispose by any title whatsoever shares, debentures, securities of any other type and any other interest in any company, corporation, partnership, and any other legal person as well as in any joint venture whose objects, scope or activities are connected, complimentary or useful to the

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business of the Company, including in any payment institution/s, financial institution/s, credit institution/s and providers of services to such institutions as well as to merchants.”

Resolution:

3. To approve that immediately after the last paragraph of Clause 4 the following paragraph be and is hereby inserted:
“Nothing in the foregoing shall be construed as empowering or enabling the Company to carry out any activity or service which requires a license or other authorisation under any applicable law in force in Malta or in any other state, without such license or authorisation from the relevant competent authority or regulator and the provisions of Article 77 (3) of the Companies Act (Chapter 386 of the Laws of Malta).”

Changes to Share Capital

Resolution:

4. To approve that the Authorised Share Capital of the Company be varied and increased as follows, with the appropriate amendments made to Clause 7(a) of the Memorandum of Association: -
That the Authorised Share Capital of the Company be increased from twelve million Euro (€12,000,000) to eighteen million Euro (€18,000,000) and shall be split between fourteen million four hundred thousand Euro (€14,400,000) divided into two hundred and forty million (240,000,000) Ordinary Shares of six Euro cents (€0.06) each, and three million six hundred thousand Euro (€3,600,000) divided into sixty million (60,000,000) Preference Shares of six Euro cents (€0.06) each.

Resolution:

5. To approve that paragraph b) of Clause 7 of the Memorandum of Association of the Company be amended to reflect the current share capital of the Company.

Resolution:

6. To approve that pursuant to resolutions proposed in 4 and 5 above, Clause 7 be and is hereby deleted and replaced by the following:
“7. SHARE CAPITAL
 - a) That the Authorised Share Capital of the Company is eighteen million Euro (€18,000,000) and split between fourteen million four hundred thousand Euro (€14,400,000) divided into two hundred and forty million (240,000,000) Ordinary Shares of six Euro cents (€0.06) each, and three million six hundred thousand Euro (€3,600,000) divided into sixty million (60,000,000) Preference Shares of six Euro cents (€0.06) each.
 - b) The issued share capital is of eleven million five hundred and seventy eight thousand one hundred and fourteen Euro and fourteen cents (€11,578,114.14) divided into one hundred and ninety two

million nine hundred and sixty eight thousand five hundred and sixty nine (192,968,569) Ordinary shares of six Euro cents (€0.06) each.

c) Every member shall have two (2) votes in respect of each Ordinary Share held by him. Save where otherwise provided, all Ordinary Shares shall rank *pari passu*.

d) Subject to the provisions of article 113 of the Companies Act, as from time to time obtaining, in issuing and Shares, the Company through the Board of Directors shall be entitled to make a discount to the person to whom the said shares are issued and allotted.

e) In the event of there being any unissued shares in the capital of the Company, such shares shall be at the disposal of the Board of Directors who, subject to any provision in the Memorandum and Articles of Association, may allot, issue or otherwise deal with or dispose of the same to such persons on such terms and conditions and at such times as the Board of Directors shall think fit.

f) Preference Shares shall have the following rights attached thereto:

i) The holder of Preference Shares 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, subject to the immediately following paragraph, shall not have the right to vote at any general meeting of the Company.

ii) Preference shareholders shall have the right to vote only at any general meeting of the Company convened for the purpose:

- 1) of reducing the capital of the Company; or
- 2) winding up of the Company; or
- 3) where the proposition to be submitted directly affects their rights and privileges; or
- 4) when the dividend on their shares is in arrears by more than six (6) months.

In such case where the holder of Preference Shares shall have the right to vote, such shareholder shall have one (1) vote in respect of each Preference Share held by him.

iii) The holders of Preference Shares shall not be entitled to any participation in the profits and assets of the Company except as provided hereunder.

iv) 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.

v) When a dividend is declared payable in respect of any financial period, the holders of Preference Shares shall be entitled to a dividend at a premium ("Premium Dividend") over the dividend distributed and payable to the holders of Ordinary Shares. Such Premium dividend shall be determined by the Board of Directors at the time of issue of the said Preference Shares, but such Premium Dividend shall not be less than ten per cent (10%).

vi) 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. The provisions of paragraph ix) of this Clause 7 (f) shall apply in determining the number and manner of bonus shares to which the holders of Preference Shares shall be entitled to receive by way of bonus shares.

vii) Preference Shares shall be non-cumulative and shall not be redeemable

viii) The holders of Preference Shares shall not have any rights of pre-emption in respect of allotment of Preference shares to officers and employees of the Company and, or its subsidiaries.

ix) Subject to the above Preference Shares shall rank *pari passu* with Ordinary Shares irrespective of the nominal value attached thereto.

Waiver of Pre-emption rights

Resolution:

7. To approve that (i) in the context of the Directors issuing and allotting any of the Preference Shares to employees and Officers of the Company or of its subsidiaries and (ii) in the context of a public offering of any Preference Shares and their issuance and allotment subsequent thereto the holders of Ordinary Shares and Preference Shares in the Company do and hereby irrevocably waive all their rights of pre-emption deriving from their shareholding.

Authority to Directors to issue and allot unissued Authorised Share Capital

Resolution:

8. To approve that the Directors be and are hereby authorised from time to time to allot from the unissued Authorised Share Capital within a period of five years from the date of approval of this resolution, as same may be extended according to law, any of the said unissued authorised share capital, whether Ordinary Shares or Preference Shares, in any amounts and at the time/s and in the manner as the Board of Directors may in its own absolute discretion from time to time determine, but subject to any limitation applicable as a result of any of the other resolutions approved during this general meeting

SHARE OPTION SCHEME - Allotment of Share to Officers and Employee

Resolution:

9. To approve that subject to and conditional to the approval of Resolution, 4, 5, 6, 7 & 8 above: -

- (i) the Board be and is hereby authorised to issue and allot Preference Shares up to a maximum amount in the aggregate of 10% Preference Shares, to Officers of the Company or its subsidiaries of the Company and to such employees of the Company or of the Company's subsidiaries as the Board of Directors may from time to time determine and this in accordance with any contractual arrangement between the said employees of the Company and/or its subsidiaries or according to such Share Option Scheme that may be established by the Board of Directors as provided in the immediately following resolution. Subject to what is provided in the immediately following resolution, such issue and allotment shall be for such amount of Preference Shares and under such terms and conditions as the Board of Directors may from time to time determine.

- (ii) The Directors be and are hereby authorized to establish and set up a Share Option Scheme that is based on the Share Option Scheme that had been approved by the shareholders of the company by means of a resolution of the company in general meeting held on the 29th April 2008 (“mail scheme”) but containing such necessary modifications as the Board of Directors may establish, provided that any Shares made available under such scheme shall be treated as counting against any limits on individual or overall participation in the main scheme.
- (iii) For the purposes of the resolutions passed and approved during this general meeting the term “officers” shall have the same meaning as is attributed to it by the Companies Act 1995 (Cap. 366 of the Laws of Malta)

Changes to the Articles of Association to cater for virtual meetings.

Resolution:

10. To approve that Article 33.1 be deleted and replaced by the following:

33.1 Subject to the provisions of the Act the annual general meetings of the Company shall be held at such time and place as the Directors shall appoint. Should it be possible according to Maltese law, a General Meeting may be convened, held or concluded, whether wholly or partly, by Electronic Means as the Directors may in each particular case decide.

Resolution:

11. To approve that Article 40.1 be deleted and replaced by the following:

40.1 At the commencement of any General Meeting, whether annual or extraordinary, the Chairman may lay down to the meeting the procedure which shall be adopted for the proceedings of that meeting. Such procedure shall be binding on the Members. The Chairman shall have the duty and the right to ensure that a General Meeting in a physical place be conducted in an orderly manner and in a way so as not to adversely affect the health or safety of any person attending the meeting, and the Chairman may for such purpose at his/her discretion refuse physical entry to or attendance by any Member, whether in person or by proxy, at the place of the meeting, and may also adjourn the meeting or take such other actions or measures as he/she may deem appropriate in the circumstances.

Resolution:

12. To approve that Article 42 of the Articles of Association of the Company be deleted and is hereby replaced by the following

42. The Chairman may, with the consent of any meeting at which a quorum is present, or if in his/her opinion if it appears to him/her that (i) an adjournment is necessary to protect the safety of any person attending the meeting or (ii) to ensure that the business of the meeting is conducted in an orderly manner, (and shall if so directed by the meeting), adjourn the meeting from time to

time and from place to place, but no business shall be transacted at any adjourned meeting other than the business left unattended or unfinished at the meeting from which the adjournment took place. When a meeting is adjourned for thirty (30) days or more, notice of the adjourned meeting shall be given as in the case of an original meeting. Save as aforesaid it shall not be necessary to give any notice of an adjourned meeting or of the business to be transacted at an adjourned meeting.

Resolution:

13. To approve that Article 47 of the Articles of Association of the Company be deleted and replaced by the following:

47. Subject to any rights or restrictions for the time being attached to any class or classes of Equity Securities, on a show of hands every Member present in person shall have one vote, and on a poll every Member holding Ordinary Share shall have two votes for each Ordinary Share carrying voting rights of which he is the holder. On a poll or on a show of hands votes may be given either personally or by proxy

Resolution:

14. To approve to insert the following Articles immediately after Articles 53A of the Articles of Association of the Company

53B When a general meeting is convened by the Directors of the Company or in accordance with Article 132 of the Act, the Notice convening the General Meeting or where applicable the Order of the Court shall specify the manner how the General Meeting shall take place and how the Members entitled to attend and vote at such meeting may participate at the meeting and vote.

53C A General Meeting may be held in any of the following manners as the Directors of the Company or the Court may decide, namely: -

- (i) Exclusively by the physical participation in person or by proxy in a physical place or places where the meeting shall take place;
- (ii) By allowing Members entitled to attend and vote at such a meeting to participate in the meeting by Electronic Means, including any of the following as the Directors shall decide, namely:-
 - (a) Real-time transmission of the General Meeting through such means and platforms as the Directors shall determine;
 - (b) Real-time two-way communication enabling the Members to address the General Meeting from a remote location through such means and platforms as the Directors shall determine;

- (c) A mechanism for casting votes [whether before or] during the General Meeting, without the need to appoint a proxy holder who is physically present at the meeting, as the Directors may decide.

53D When the participation of Members in a General Meeting is made possible by Electronic Means the Company shall take the appropriate measures, and subject the said participation to such requirements and constraints as are necessary to ensure the identification of Members and the security of the electronic communication and this only to the extent that such requirements or constraints are proportionate to the achievement of these objectives.

53E The Members entitled to attend and vote at such meetings shall be informed of any requirements or restrictions which the Company puts in place pursuant to Article 53D.

53F Where votes by Members are cast electronically, an electronic confirmation of receipt of the votes shall be sent to the person that casts the vote.

53G Any Member who casts a vote during a General Meeting by Electronic Means or a third party nominated by him/her, shall be entitled after the closing of the general meeting to obtain, upon request, confirmation that his/her votes have been validly recorded and counted by the Company. Any such request shall be made in writing or by email addressed to the Chairman of the Company, and the Company shall reply to such request within a reasonable time.

53H The format of the electronic confirmation of receipt of the votes shall comply with the Commission Delegated Regulation (EU) 2018/1212 of 3 September 2018 laying down minimum requirements implementing the provisions of Directive 2007/36/EC of the European Parliament and of the Council as regards shareholder identification, the transmission of information and the facilitation of the exercise of shareholders rights, and with any applicable law.

53I Following a notice convening a General Meeting which specifies that Members shall only or may participate, at a general meeting by Electronic Means, any member who wishes to participate in such meeting by Electronic Means shall be counted present at the meeting for the purposes of determining the quorum only if the Member:-

- (a) attends the meeting in the manner provided in Article 53C (ii) (a) or (b);
- (b) is verified by the Company Secretary as attending the meeting in the manner provided in Article 53C (ii) (a) or (b); and
- (c) is acknowledged by Electronic Means by the Chairman of the General Meeting as present at the meeting.

53J The Company may, if the notice convening a General Meeting so provides, require Members, before the meeting, to send to the Chairman of the meeting, by mail or electronic mail, the matters which the Member wishes to raise at the meeting, and each such matter, if substantial and relevant and sent within a reasonable time before the meeting (in any case at

least ten working days prior to the date of the meeting) , is to be responded to at [or before] the meeting by Electronic Means.

53K In the case of conflict between any provision of Articles 53B to 53J (both included) and the rest of the Articles, the provisions of Articles 53B to 53J (both included) shall prevail.

Amendment of Articles of Association

Definition of Member

Resolution:

15. To approve that , subject to and conditional to the approval of the above resolutions 4, 5, 6, 7 & 8 above, that the definition of "Member" as contained in Article 2 of the Articles of Association be and are hereby deleted and replaced by the following:-

"Member" means a person registered by the Company as the holder of Equity Securities but in the case of holders of Preference Shares limitedly with such rights as attach to such shares in accordance with the Memorandum of Association and/or with the terms of issue of such shares".

Resolution:

16. To approve that, subject to and conditional to the approval of the above resolutions 4, 5, 6, 7, & 8 that Article 3.6 of the Articles of Association be and are hereby deleted and be substituted by the following:

Preference Shares

"3.6 Subject to the provisions of the Act any preference shares may, with the sanction of an ordinary resolution, be issued either as non-redeemable or on the terms that they are, or at the option of the Company liable, to be redeemed on such terms and in such manner as the Company, before the issue, may by ordinary resolution determine."

Resolution:

17. to approve that , subject to and conditional to the approval of the above resolutions 4, 5, 6, 7 & 8 that Article 9.1 to 9.3 (inclusively) of the Articles of Association be and are hereby deleted.

Resolution:

18. To approve that, subject to and conditional to the approval of the above resolutions 4, 5, 6, 7 & 8 that a new Article 9.1 be and is hereby inserted immediately after Article 8.5 of the Articles of Association:

“9.1 All holders of Ordinary Shares and Preference Shares shall rank "pari passu" upon any distribution of assets in a winding up. The holders of Preference Shares of the Company shall not rank prior to the holders of Ordinary Shares upon any distribution of assets in a winding up.”

Unquote:



Dr. Ivan Gatt
Company Secretary
19 November 2020