AGM 23rd July, 2025

CEO & MD's Speech

Ladies & Gentlemen,

With great pleasure, I welcome you all to the thirty-seventh Annual General Meeting of your Company, RS Software (India) Limited.

With great pleasure, I am pleased to inform you that your company is now consistently reporting annual profits for the second consecutive year, ending on 31st March 2025. We continue to generate cash, which allows us the opportunity to consolidate and strengthen our ability to execute our growth strategy. It's been a long, hard journey of 6+ years and I appreciate your patience and reposing faith in us. The board finalized the results for the first quarter of this fiscal, and we have reported a loss of Rs. 37 million, and a revenue of Rs. 79 million. The primary reasons for the fall in revenue are: At two of our clients in US, we are now at the tail end of our customization and implementation effort, post the license sales we had made in the fiscal year ending 31st March 2024, and the closure on two of our major opportunities in the sales pipeline have got pushed to later part of this calendar year. While we are absolutely confident that our strategy for the market opportunities is on track, and we are getting consistent validation, we are fully cognizant that we must take all steps to significantly strengthen our revenue acquisition and our transition to becoming a world-class product organization. I am pleased to report that we have made an excellent addition to our executive team, Samik Roy, who has spent 25+ years with two of the most successful product organizations in the world, Oracle and Microsoft. He joined us on 7th July, and we are confident he will be fully productive to navigate the rest of this fiscal year, and we can expect to make good progress on implementing our growth strategy in the next 9 months. In addition, I am also pleased to report that we have significantly strengthened our channel partner strategy, and are working very closely together with one of the major partners, to respond to a large global opportunity.

During the fiscal ending March 2025, we achieved a delicate balance between financial stability and the ability to compete. We expect this to continue and we remain committed to maximizing the best returns for all our stakeholders. We are pursuing our turnaround with resilience unknown, and unrivalled passion that tests itself against slower than planned sales closures, continuing investments to reach out to the market and long sales cycles. What is encouraging is the validation of our core capabilities in building world class payment platforms, and global market that is proving to be a multi-decade opportunity. Our partnership strategy is rewarding us well, and we have visibility to pipeline of revenue that spreads well into the next 3-5 years.

I would like to bring to your attention that it's now 10 years when we won the global RFP to build the UPI platform for India. This has now become a gold standard in digital payments globally.

UPI: A Model for Digital Transformation and Global Connectivity

The Unified Payments Interface (UPI) is a landmark achievement in India's digital transformation, and RS Software built it exclusively. The objective was to transform India's fragmented, cash-heavy payments landscape into a digital-first, inclusive, real-time payment ecosystem. It’s the first ever third generation national level payment system.

Key Highlights and Achievements of UPI

UPI was designed as an API-first, mobile-first federated payments infrastructure, supporting a wide range of transactions (Aadhaar ID, mobile, account, virtual IDs) with secure authentication methods like PINs, biometrics, and passwords.

Unprecedented Scale and Adoption: Launched in April 2016 at 2,000 TPS, UPI has since scaled dramatically to 25,000 TPS and is benchmarked for 100,000 TPS. It now processes ~49% of real-time payments worldwide. In June 2025, UPI transaction value in India surged past ₹25 Trillion, and volume rose 33% to 18.7 billion transactions in a month, demonstrating 23% year-on-year growth in value.

Shift to Merchant Payments: While initially 95%+ of transactions were Person-to-Person (P2P), today 60% are Person-to-Merchant (P2M), indicating strong commercial adoption.

Open Source and Innovation: UPI was architected using primarily an open-source software stack, running on commodity hardware, proving that high-performance real-time payment systems can be built for low TCO (total cost of ownership), accelerating financial inclusion in a country like India.

Social and Economic Impact: UPI has reached more than a billion people in India, with 330 banks linked to its infrastructure. Its resounding success is a testament to its relentless focus on customer experience, design, accessibility, and convenience.

Paving the Way for Cross-Border: Importantly, UPI's design allows for easy integration with other payment infrastructures, making it the first faster payment system globally to go international. This initiative lays the groundwork for broader India–ASEAN and global faster payments collaboration.

As the original architect of India’s UPI system, RS Software played a pivotal role in extending its transformative capabilities beyond national borders through the development and implementation of the International UPI (iUPI) system. The company’s innovation and intellectual foundation created end-to-end design for the iUPI platform, built entirely on open-source technologies. The solution launched with a processing capacity of 2,000 transactions per second, 99.999% availability, zero recovery time objective (RTO), and near-zero recovery point objective (RPO). RS Software addressed complex challenges by extending the proven UPI design for cross-border use, building an adaptor-based model for rapid integration of diverse country payment systems, and delivering a hardware-agnostic architecture.

India's leadership has been well established and demonstrated, with RS Software integrating iUPI with payment systems in over 10 countries, including Singapore, France, Nepal, UAE, Qatar, and Bhutan. The India-Singapore UPI-PayNow linkage, for example, has simplified cross-border remittances for migrant workers and small businesses, while the Nepal integration processed over 100,000 transactions exceeding ₹250 million in value. This achievement reinforces RS Software's leadership in delivering secure, scalable, and inclusive open source digital payment infrastructure — anchoring India's vision of becoming a global hub for fintech innovation.

RS Product Suite: The Engine for Global Payment Connectivity

Our comprehensive product suite is purpose-built to address the next generation of the needs for national and regional payment infrastructures. These products are modular, ISO 20022-native, cloud-ready, and API-first, designed to provide intelligence, flexibility, and control across domestic, cross-border, and multi-rail payment ecosystems. Each product is engineered to be interoperable, modular, and regulatory-ready, positioning RS Software as a trusted technology partner for shaping the future of payments.,

A Strategic Fit for the Future Global Payments

RS Software is aligned with major trends globally, from ISO 20022 (building innovative multilateral hubs for cross-border payments) to AI and innovation in stablecoins. The company is already executing many of these at the national scale. We are all about demonstrated performance with future-ready vision. As real-time and cross-border payments become the foundation of the global economy, RS Software is strategically positioned at the intersection of innovation, infrastructure, and impact. With our proven track record, market-validated product suite, and expanding global relevance, the company is ahead of the curve and incorporating state-of-the-art technologies.

Real-time payments connecting the world

In the recent past, several countries have been making regulatory changes to open up their Real-time payments systems to receive cross-border payments. India has, of course taken a lead here, and RS Software has done a major part of the technology work for the same.

As global trade digitizes and economic blocks seek faster, more transparent financial integration, real-time cross-border payments have emerged as a critical enabler. A new wave of global initiatives is redefining how value moves across borders—with multilateral hubs, CBDC-based networks, and tokenized platforms aiming to replace legacy correspondent banking systems. These efforts share a common goal: faster, cheaper, more compliant, and scalable payment ecosystems.

RS Software is not just participating in the evolution of digital payments; we are actively architecting and transforming the future of digital payments infrastructure. Our deep-rooted innovation culture, proven national-scale deployments like UPI and iUPI, and a comprehensive product suite built with inherent cross-border capabilities, means that we are uniquely positioned to address the complex challenges, and seize the significant opportunities in connecting the world through real-time payments. We are committed to continuing this journey as a trusted strategic partner for central banks, national infrastructures, and regulated financial institutions globally.

The company’s core strength is building payments market infrastructure across real-time payments and cards. We see a global shift to connect real-time, intelligent, sovereign-grade infrastructures, particularly with an open-source technology stack to create high value for consumers and businesses, at the best price-performance. The successful foundation of RS Software is rooted in its hunger, passion, and a vision to build unknown to unforgettable, and this has been demonstrated time and again. The core capabilities of the company across the value chain of payments are intricately woven into the brands of major national and global payment platforms. It is “the power of RS Software inside”, empowering the payments industry to transform people, businesses and global commerce.

An organization's ability to learn and translate that learning into action rapidly, is the ultimate competitive advantage - Jack Welsh

Ladies and gentlemen, the best testimony of RS Software's demonstrated success is when earlier this year, payment transactions volume processed on UPI platform surpassed the volumes processed on Visa platform, the global leader in digital payments for the last 50 years.

To unlock maximum commercial value from the fast-evolving payments ecosystem, RS Software adopts a flexible, multi-model, partner-augmented go-to-market strategy. Our approach combines technology solution licensing, embedded platform partnerships, strategic system integration alliances, and co-creation with regulators and national bodies - the chosen model is aligned to the nature and complexity of each opportunity area. Each opportunity area presents unique market dynamics, and RS Software’s GTM strategy reflect both the maturity of the infrastructure and the level of influence we aim to have on shaping the ecosystem.

Each go-to-market model that RS Software adopts is strategically designed to align with the complexity, influence landscape, and revenue potential of the opportunity area.

Our ability to co-create with central banks, scale with system integrators, embed with cloud and ERP partners, and collaborate with global fintech ecosystems, ensures that we are not just a technology vendor, but a trusted architect and execution partner for the future of digital payments.

RS Software's path to maximizing its growth over the next 3 years is rooted in a deliberate, multi-pronged execution strategy that leverages our people, product leadership, deep domain expertise, trusted delivery record, and ecosystem alliances/partnerships.

RS Software is strategically positioned to grow over the next 3 years by addressing the most critical modernization and innovation priorities of central payment infrastructures, banks, and regulated ecosystem participants across the globe.

Each day of our corporate journey we draw inspiration from our commitment to serve our shareholders to the best of our abilities. Your company is now amongst the few companies globally to qualify to play an important role in this payments modernization journey.

Ladies, and gentlemen, I am pleased to inform you that 49% of global digital payments transactions in 2024 were processed on platforms that RS Software has either helped to build significantly or built exclusively.

Our product suite is demonstrating success in modernizing central digital payment infrastructure, both here in India, Canada, America, and has bits in place in other parts of the world. The powerful combination of digital assets, frameworks, and knowledge repositories of the company is helping the banks to develop a new playbook , to serve their customers with high levels of engagement and trust in payments, and build the foundation to monetize the modernized central payment infrastructure.

RS Software, with its vision of envisioning *Payments at the Speed of Thought* foresees possibilities when payment networks will pay consumers to have their transactions process on their network, to get access to the consumer data. Open banking with Open data is fast becoming a major market demand – creating the most significant way of monetizing modernized payment infrastructure. The new form of partnerships emerging between banks, technology providers, and distributors of financial products via nonfinancial platforms, underpins what has been hailed as the embedded-finance revolution. Sitting at the intersection of commerce, banking, and business services, RS Software delivers payments modernization that is helping new trade flows happen, when the geopolitical system is threatened with tariff burdens unknown to humanity.

In addition to this evolution in consumer payments, there is an emerging revolution in B2B payments globally. Combined, these represent a multi-trillion-dollar opportunity and provide the foundation for new growth for RS Software. Driven by the success of UPI, BBPS, and EFRM in India, which are built by RS Software, many emerging markets are accelerating their initiatives for building payment infrastructure. Emerging markets are expected to grow at a rate three times that of developed economies, in terms of digital payment transaction volumes.

We believe that a fundamental measure of our success will be the shareholder value we create over long term. This value will be a direct result of our ability to extend and solidify our leadership as an industry leader, which has an exclusive focus on the domain of digital payments. Your Company has the financial foundation: been debt-free for ~fifteen years and is coupled with cash reserves to achieve these objectives. We continue to enrich our management bandwidth to execute our new business model. We utilize our Silicon Valley presence to leverage the best practices of the innovation economy and access industry leaders that provide us with payments thought leadership. We have a highly esteemed Board of Directors with a track record of mentoring us with the best management practices.

I offer my sincere thanks to the members of the Board who guide the company with their wise counsel, the management team that continues to put in significant efforts, and of course, every member of the RS family who is working with total commitment to achieve the growing success of the company. The company will continue its commitment to corporate social responsibilities. I would like to thank you for your gracious presence at this meeting and your continued faith and support that you have tendered towards the company. On behalf of the management and employees of your company, I assure you that we will put our best efforts into transforming and scaling the company to new heights of success.

Thanking You,

CEO & MD

R S Software (India) Limited