



Plus500 2021 Annual General Meeting

Tuesday, 4th May 2021

2021 Annual General Meeting

Penny Judd

Chairman, Plus 500

Welcome

Good morning and welcome. I am Penny Judd, Chairman of Plus500 and on behalf of the Board I welcome you to our 2021 Annual General Meeting. As previously advised, in light of Covid-19 restrictions and related public health guidance issued by the UK government, this Annual General Meeting is being held virtually as a closed meeting. As they are not able to attend in person, we have arranged for shareholders to listen to the business of the AGM via this audiocast. All shareholders will be able to ask questions during this call through the audiocast facility and by emailing our Investor Relations email address. It will not be possible to vote and all votes will be cast by proxy. This meeting is being recorded and a full transcript of the meeting will be available on our website in due course.

Meeting Convened

It is now 10.00, the time appointed for the meeting. I am advised by our Council that there is a quorum of members present in person or by proxy and the Notice of the Annual General Meeting has been circulated for the requisite period. Therefore this meeting is now duly convened in accordance with Israeli law and the Articles of Association of Plus500. We can therefore proceed with the meeting. I will take the Notice of the Annual General Meeting as read.

Resolutions

I would like to start the formal proceedings by moving on to the resolutions and considering Report and Accounts. As advised in the Notice of the meeting, shareholders and depository interest holders were requested to submit their votes in advance of the meeting. There are 16 resolutions on our agenda this morning. Resolutions 1-7 are proposed as ordinary resolutions and the resolutions 8-16 are proposed as special resolutions. The required vote for each resolution is described on notes 15 and 16 of the AGM Notice.

Resolutions 11, 13 and 14

Before going through each of the resolutions, I wanted to comment on resolutions 11, 13 and 14 which relate to the Company's new Remuneration Policy and packages for Executive Directors. Our Remuneration Policy is reapproved and updated by shareholders every three years having last been updated and approved as a whole in 2018. The Board understands that shareholders have had historic concerns about Executive Director remuneration and therefore undertook a thorough and comprehensive review of the Remuneration Policy and operation over the last few months with the support of external advisors Korn Ferry and based on a clear understanding of market practice in the UK and Israel and investor expectations. This was followed by a period of consultation with a substantial number of our shareholders and shareholder advisory bodies.

Following this comprehensive process, led by Daniel King, Chair of the Remuneration Committee, a renewed Remuneration Policy for Directors and Officers is being proposed. This new policy is based on a reweighting of the Company's Executive Remuneration Scheme towards a long-term, share-based approach and additionally including a number of corporate

governance and best practice remuneration features. The board believes that adoption of the Remuneration Policy [inaudible] benefit of the Company and its shareholders and that proposed Remuneration Policy provides an appropriate balance between the standard for a UK-listed company and the requirement under the Israeli companies law and market [inaudible] in Israel. I will now go through each of the resolutions in more detail

Ordinary Resolutions 1-7

Resolutions 1-4 are to re-elect four of our current Directors: David Zruia, Elad Even-Chen, Steven Baldwin and Sigalia Heifetz to serve until the 2022 Annual Meeting. Resolution 5 is to elect Professor Jacob A. Frenkel as an Independent Non-Executive Director. If elected Professor Frenkel will serve as Chair of the Company's Board of Directors following this AGM. Resolution 6 and 7 are to reappoint Kesselman & Kesselman, a member firm of Pricewaterhouse Coopers International Limited, as auditor of the Company and to approve its remuneration.

Resolution 1. Mr Zruia retires and being eligible offers himself for re-election. I propose therefore that Mr Zruia be re-elected as a Director of the Company.

Resolution 2. Mr Even-Chen retires and being eligible offers himself for re-election. I propose therefore that Mr Even-Chen be re-elected as a Director of the Company.

Resolution 3. Mr Baldwin retires and being eligible offers himself for re-election. I propose therefore that Mr Baldwin be re-elected as an Independent Non-Executive Director of the Company.

Resolution 4. Ms Heifetz retires and being eligible offers herself for re-election. I propose therefore that Ms Heifetz be re-elected as an Independent Non-Executive Director of the Company.

Resolution 5. Professor Frenkel being eligible offers himself for election to the Board as an Independent Non-Executive Director. I propose therefore that Professor Frenkel be elected as an Independent Non-Executive Director of the Company.

Resolution 6 proposes the re-appointment of Kesselman & Kesselman, a member firm of PricewaterhouseCoopers International Limited, as auditor of the Company.

Resolution 7 proposes to authorise the Directors to accept the remuneration of Kesselman & Kesselman, a member firm of PricewaterhouseCoopers International Limited as auditor of the Company.

Special Resolutions 8-16

As in prior years, the Board has approved and recommended that the shareholders approve in Resolutions 8 and 9 that this application offers[?] some[?] Pre-Emptive Rights for one year and in Resolution 10 to authorise the purchase by the Company of its ordinary shares.

In Resolution 8 the Board is recommending to authorise the Directors pursuant to the Articles of Association to allot and issue up to 5% of the Company's issued share capital for cash with such allotment being subject to Pre-Emptive Rights under the Articles of Association.

Resolution 9 will give the Directors authority to allot additional shares for cash without first offering the to existing shareholders in proportion to their existing holding of shares of up to 5% of the current issued share capital. However, these shares may only be used in

connection with an acquisition or a specified capital investment or to reduce any debt service costs the Company may incur in the future. This authority will expire at the next Annual General Meeting or if earlier on 4th August 2022.

Resolution 10 proposed to authorise the Company to make purchases of its own ordinary shares. If passed the Resolution gives authority for the Company to purchase up to 10% of the Company's issued ordinary share capital. This authority will expire at next year's Annual General Meeting or if earlier on 4th August 2022.

Resolution 11 proposes to renew the Company's Remuneration Policy for Directors and Executives as required by Israeli companies law.

Resolution 12 proposes to set the annual fees payable to Professor Frenkel for his services as an Independent Non-Executive Director of NIS 1.605 million, approximately £350,000, plus Israeli VAT gross per annum which shall be paid to Professor Frenkel as follows. NIS 1.26 million, approximately £275,000, plus VAT in cash and NIS 345,000, approximately £75,000 by the allotment of ordinary shares of the Company.

Resolution 13 proposes to approve the remuneration terms of our Executive Director and Chief Executive Officer David Zruia as outlined in our new proposed Remuneration Policy.

Resolution 14 proposes to approve the remuneration terms of our Executive Director and Chief Financial Officer Elad Even-Chen as outlined in our new proposed Remuneration Policy.

Resolution 15 proposes to approve a tax bonus payment to Mr Even-Chen of NIS 4.25 million plus Israeli VAT equivalent to approximately £927,000 for his extraordinary contribution and commitment in obtaining a highly beneficial approval from the Israeli Tax Authority and the Israel Innovation Authority.

Resolution 16 proposes as an advisory vote to approve the Directors' Remuneration Report in the form set out in the Company's Annual Report for the financial year ended 31st December 2020.

Voting

As usual voting on all the resolutions will be by poll. The Directors present at the meeting will complete poll cards for their own shares and for any shares in respect of which they have been appointed proxy. These poll cards will be totalled at the end of the meeting and the results announcement published on our website as soon as possible.

Thanks

Before moving the question-and-answer session, I would like to take the opportunity to thank Charles Fairbairn, who is today stepping down from his position as an External and Non-Executive Director of the Company, for his significant and valuable contribution to the development of Plus500 since our IPO in 2013. The Board is extremely grateful to Charles for his advice and guidance over the years and we wish him the very best for the future.

Welcome

I would also like to formally welcome Professor Frenkel as the Company's new Chairman. Given Professor Frenkel's distinguished career and outstanding track record and experience, I know he will bring a huge amount of value to the Company and its stakeholders over the coming years.

Farewell

As you are aware, this is also my final AGM as Plus500's Chairman. Since that time, the Company has successfully navigated a period of significant and challenging regulatory changes and has moved from AIM to become a constituent of the FTSE 250 with a premium listing on the main market of the London Stock Exchange. With a strong governance framework and a newly-enhanced Board, Plus500 delivered record results last year with further momentum already achieved in 2021 in an unprecedented market. As a result, the Company is strongly positioned to execute its new strategy and I look forward very much to following its further success.

Q&A

Penny Judd: As advised in the Notice of Meeting and in our announcement last week, shareholders were invited to submit questions in advance of or during this meeting via email. We will now address these questions. One shareholder has asked if we would consider giving shareholders the option of receiving dividends in sterling as well as US dollars, the currency in which dividends are currently paid. In response to this question, I can say that we have assessed the situation previously. The US dollar has been particularly resilient over the year to the benefit of our shareholders. In addition, paying dividends in this particular currency have been an optimal solution for Plus500 given the currency's universal appeal to our shareholders who are located in various regions around the world. For the moment we will continue to pay dividends in US dollars only but will assess the situation on an ongoing basis, paying particularly close attention to shareholder demand. We will of course notify shareholders if the Board decides to take an alternative approach.

We have also received a few additional questions from shareholders during this call asking why we are not buying other companies to widen our commercial operations beyond CFDs. I will ask our CEO David Zruia to answer this question please.

David Zruia (CEO, Plus500): Hi everyone. Thank you for the question. Just two weeks ago we have announced our first acquisition, Cunningham Commodities, a futures commission merchant, and CTS, a technology trading platform provider operating in the US futures and options on US futures market. This acquisition will enable us to operate in the US futures and options on the futures market and will help to diversify our revenue by product and geography. In addition we will also start to gradually release our new Plus [Inaudible] invest platform which will enable customers in selected countries to trade the real underlying assets through Plus500 in a simple and reliable way. I believe that these are important steps towards the achievement of our new vision to transition from being a pure CFD provider into a global multi-asset fintech group. As shared by us recently, we aim to achieve this through organic investment in our technology and targeted acquisitions in the coming years. Specifically, we aim to expand our CFD offering geographically in new and existing markets, launch new trading products in addition to CFDs, such as the Plus [Inaudible] invest in selected markets, introduce new financial products apart from trading and deepen engagement with customers. As I mentioned earlier, we will continue to invest in further growth. I hope this answered your question.

Penny Judd: Thank you very much, David. We have received no further questions during the meeting, so that concludes the formal business of this meeting. The meeting is now closed. I would like to thank you all for taking the time to join us this morning. Thank you.

[END OF TRANSCRIPT]