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Plus500 Ltd.
("Plus500", the "Company" or together with its subsidiaries the "Group")

Q1 2022 Trading Update

Another excellent operational and financial performance, with further strategic progress achieved

Plus500, a global multi-asset fintech group operating proprietary technology-based trading platforms, today announces the following trading update for the three months ended 31 March 2022.

Financial Highlights (unaudited):

	Q1 2022	Q4 2021	<i>Change % (Q1 2022 vs Q4 2021)</i>	Q1 2021	<i>Change % (Q1 2022 vs Q1 2021)</i>
Revenue	\$270.9m	\$161.1m	68%	\$203.2m	33%
EBITDA	\$161.6m	\$70.9m	128%	\$121.7m	33%
EBITDA Margin %	60%	44%	36%	60%	-

Operational Highlights (unaudited):

	Q1 2022	Q4 2021	<i>Change % (Q1 2022 vs Q4 2021)</i>	Q1 2021	<i>Change % (Q1 2022 vs Q1 2021)</i>
New Customers ¹	33,740	33,187	2%	89,406	(62%)
Active Customers ²	176,642	171,922	3%	269,743	(35%)
ARPU ³	\$1,534	\$937	64%	\$753	104%
AUAC ⁴	\$1,416	\$1,502	(6%)	\$473	199%

Key Headlines:

- Substantial progress made against the Group's strategic roadmap:
 - New licence obtained in Estonia, to support the Group's business across European markets in its core product offering
 - Expansion into Japan through acquisition of EZ Invest Securities, Co., Ltd., providing access to the substantial Japanese retail trading market
 - Integration of US acquisitions is well underway, driven by continued investment in technology and people, with the Group obtaining all the clearing membership privileges required to clear exchange-traded futures and options on futures on the CME Group's exchanges
 - Further roll-out of 'Plus500 Invest', the Group's proprietary share dealing platform, remains on track, with iOS and Android releases during the period
- Another excellent performance, with all key operating and financial metrics ahead of Q4 2021:
 - Driven by consistently robust levels of Customer Income⁵, highlighting the quality of the Group's earnings
 - Strong EBITDA and EBITDA margin performance, supported by the Group's lean and flexible cost base, drove further high levels of cash conversion and generation, with cash balances of \$886.6m as at 31 March 2022
- Customer engagement remained strong:
 - Driven by Plus500's on-going investments in innovation and product development to help the Group further leverage its latent base of over 22 million registered customers
 - Supported the continued shift of Plus500's customer profile towards higher value customers

¹ New Customers - Customers depositing for the first time

² Active Customers - Customers who made at least one real money trade during the period

³ ARPU - Average Revenue Per User

⁴ AUAC - Average User Acquisition Cost

⁵ Customer Income - Revenue from CFD Customer Income (customer spreads and overnight charges) and Non-CFD Customer Income (commissions from the Group's futures and options on futures operation and from 'Plus500 Invest', the Group's share dealing platform)

- Further shareholder returns delivered as part of the Company's most recent share buyback programme, with 771,409 shares repurchased by the Company in Q1 2022, at an average price of £14.32, for cash consideration of \$14.8m
- Appointment of Prof. Varda Liberman as an Independent Non-Executive Director, further expanding the experience, expertise and gender diversity of the Company's Board of Directors ("Board")
- The Board remains confident about the Group's prospects and, at the current time, anticipates that revenue for FY 2022 will be ahead of current market expectations⁶

Trading overview

Plus500 delivered continued strong momentum during Q1 2022, with all key operational and financial metrics ahead of Q4 2021. This performance was driven by the consistent strength and increasing scale of Plus500's market-leading technology to enable customers' trading activities across a wide range of geographic markets, products and financial instruments.

Revenue in Q1 2022 was \$270.9m (Q4 2021: \$161.1m, Q1 2021: \$203.2m), highlighting the unparalleled ability of Plus500's proprietary technology to meet customer feedback and requirements.

Customer Income, a key measure of the Group's underlying performance, was again robust at \$188.0m in the quarter (Q4 2021: \$166.7m, Q1 2021: \$221.5m). This consistent performance is evidence of continued customer engagement on Plus500's trading platforms, as a result of on-going investments in customer attraction, retention, monetisation and activation initiatives.

Customer Trading Performance⁷ during Q1 2022 stood at \$82.9m, (Q4 2021: (\$5.6m), Q1 2021: (\$18.3m)). The Company continues to expect that the contribution from Customer Trading Performance will be broadly neutral over time.

EBITDA in Q1 2022 was \$161.6m (Q4 2021: \$70.9m, Q1 2021: \$121.7m) with EBITDA margin of 60% (Q4 2021: 44%, Q1 2021: 60%). This EBITDA performance was supported by the Company's lean, flexible cost base and efficient business model.

The numbers of New Customers and Active Customers on the Group's trading platforms remained strong during Q1 2022, but were below the particularly elevated levels of Q1 2021. Despite this, the Group's financial performance was robust, highlighting the success of the Group's efforts to further deepen customer engagement, which helped to drive the continued shift of Plus500's customer profile towards higher value customers.

The Group on-boarded 33,740 New Customers in Q1 2022 (Q4 2021: 33,187, Q1 2021: 89,406), driven by continued investments in its marketing technology.

Active Customers during Q1 2022 were ahead of the sequential quarter at 176,642 (Q4 2021: 171,922, Q1 2021: 269,743) driven by the Company's investments in innovation and product development, which helped to deliver a range of initiatives aimed at deepening engagement with the Group's customers. As a result of these initiatives, ARPU was resilient at \$1,534 in Q1 2022 (Q4 2021: \$937, Q1 2021: \$753).

AUAC in Q1 2022 improved from the sequential quarter at \$1,416 (Q4 2021: \$1,502, Q1 2021: \$473), driven by on-going investments in strategic markets to attract high value customers. The Group continues to expect that AUAC will rise steadily over time, as the Group invests in attracting customers to the new trading products in its portfolio and targeting customers in strategic geographies.

Client deposits remained heightened at \$0.6bn in Q1 2022 (Q4 2021: \$0.5bn, Q1 2021: \$0.7bn), reflecting customers' on-going confidence in Plus500's technology and growing product portfolio.

The Group maintains an appropriate level of cash on its balance sheet, which takes into account its required regulatory capital, business continuity priorities, growth prospects, investment plans and shareholder returns. Cash balances as at 31 March 2022 were \$886.6m (31 December 2021: \$749.5m) reflecting continued strong cash generation during the quarter.

⁶ Market expectations based on compiled analysts' consensus forecasts, which can be found on the Investor Relations section of the Company's website

⁷ Customer Trading Performance - gains/losses on customers' trading positions

The Company repurchased 771,409 shares in the quarter, at an average price of £14.32, for a total cash consideration of \$14.8m, as part of its most recent share buyback programme, announced at the Group's FY 2021 preliminary results on 15 February 2022, to purchase up to \$55.0m of the Company's shares.

Strategic progress

The Group achieved success in Q1 2022 in further developing its position as a global multi-asset fintech group. This progress continued to drive diversification of the Group's revenue streams, product range and geographic footprint, based on its strategic roadmap of expanding its core product offering in new and existing markets, launching new trading and financial products and deepening engagement with customers.

In February 2022, the Company announced that the Group's portfolio of operating licences was further strengthened with the addition of a new licence in Estonia, granted by the Estonian Financial Supervision Authority. This new licence, supported by the establishment of a new local operating subsidiary, will act as an additional foundation to the Group's business across European markets in its core product offering.

In March 2022, the Company announced the completion of the acquisition of EZ Invest Securities, Co., Ltd., a regulated entity licenced as a Type 1 Financial Instruments Business Operator, offering CFDs and OTC Foreign Exchange in Japan. This acquisition expands the Company's geographic footprint into the substantial Japanese retail trading market, where Plus500 will apply its financial and technological strength to scale and develop the acquired business over time.

The integration of the acquisitions made in the US futures market last year is on track, with good progress made in leveraging Plus500's best-in-class technology to optimise the acquired businesses. This will help to deliver market access to the millions of potential customers looking for new trading opportunities and solutions in the futures and options on futures market.

During Q1 2022, the Group became a full Clearing Firm Member of the CME Group, having successfully obtained all the clearing membership privileges required to clear exchange-traded futures and options on futures on the CME Group's exchanges. This offers an additional potential revenue opportunity for Plus500.

The Group's proprietary share dealing platform, 'Plus500 Invest', was rolled out in additional countries, with new equities and ETFs added to the product offering during the period, and is now available as a native application on the Android and iOS operating systems.

During the period, the Company continued to invest in technology innovation and product development, to help further drive engagement with customers, including the on-going recruitment at the Company's R&D centres in Israel. With these investments in technology and people, the Group will continue leveraging the latent base of over 22 million customers registered on its platforms since inception, through retention, activation and monetisation initiatives, including a premium account offering, launched in FY 2021, which continues to be rolled out to additional customers.

The Group will continue to invest in future growth, through further organic investments and by actively targeting additional acquisitions, as well as by initiating potential strategic partnerships, to further drive its strategic position as a global multi-asset fintech group and in line with its purpose of enabling trusted and intuitive access to financial opportunities.

Board appointment

In March 2022, the Company announced that Prof. Varda Liberman had been appointed as an Independent Non-Executive Director.

Prof. Liberman is an international renowned expert in the field of decision-making and behavioural economics. In this capacity, she provides consulting and workshops in key elements of managerial decision-making and risk management to senior management of organisations across a range of sectors, including healthcare, banking, investment and technology. Prof. Liberman holds a B.Sc., an M.Sc. and a Ph.D. in Mathematics from Tel Aviv University. Her appointment further expands the Board's expertise and skill sets and increases its gender diversity.

Outlook

With another strong performance delivered in Q1 2022, the Board remains confident about the Group's prospects. This confidence is supported by the significant operational and financial momentum achieved by Plus500 over recent years, as the Group continues to make further progress on its strategic roadmap.

At the current time, the Board anticipates that revenue for FY 2022 will be ahead of current market expectations and continues to expect that Plus500 will deliver sustainable growth from all of the Group's product offerings over the medium to long term.

David Zruia, Chief Executive Officer of Plus500, commented:

"Plus500 has produced excellent results for Q1 2022, continuing our significant operational and financial momentum over recent years, and validating our clear strategic roadmap. Our on-going investments in developing our position as a global multi-asset fintech group will enable future growth. In particular, we continue to make organic investments in technology, marketing and our people, as well as actively targeting additional acquisitions and initiating potential strategic partnerships."

For further details

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About Plus500

Plus500 is a global multi-asset fintech group operating proprietary technology-based trading platforms. Plus500 offers customers a range of trading products, including Contracts for Difference ("CFDs") and share dealing, as well as futures and options on futures.

The Group retains operating licenses and is regulated in the United Kingdom, Australia, Cyprus, Israel, Japan, New Zealand, South Africa, Singapore, the United States, Estonia and the Seychelles and through its CFDs product portfolio, offers more than 2,500 different underlying global financial instruments, comprising equities, indices, commodities, options, ETFs, foreign exchange and cryptocurrencies. Customers of the Group can trade CFDs in more than 50 countries and in 30 languages. Plus500 does not permit customers located in the US to trade CFDs.

Plus500 does not utilise cold calling techniques and does not offer binary options. Plus500's trading platforms are accessible from multiple operating systems (Windows, iOS and Android) and web browsers. Customer care is and has always been integral to Plus500, as such, CFD customers cannot be subject to negative balances. A free demo account is available on an unlimited basis for CFD platform users and sophisticated risk management tools are provided free of charge to manage leveraged exposure, and stop losses to help customers protect profits, while limiting capital losses.

Plus500 shares have a premium listing on the Main Market of the London Stock Exchange (symbol: PLUS) and are a constituent of the FTSE 250 index. www.plus500.com

Forward looking statements

This announcement contains statements that are or may be forward-looking statements. All statements other than statements of historical facts included in this announcement may be forward-looking statements, including statements that relate to the Group's future prospects, developments and strategies. The Company does not accept any responsibility for the accuracy or completeness of any information reported by the press or other media, nor the fairness or appropriateness of any forecasts, views or opinions expressed by the press or other

media regarding the Group. The Company makes no representation as to the appropriateness, accuracy, completeness or reliability of any such information or publication.

Forward-looking statements are identified by their use of terms and phrases such as "believe", "targets", "expects", "aim", "anticipate", "projects", "would", "could", "envisage", "estimate", "intend", "may", "plan", "will" or the negative of those, variations or comparable expressions, including references to assumptions. The forward-looking statements in this announcement are based on current expectations and are subject to known and unknown risks and uncertainties that could cause actual results, performance and achievements to differ materially from any results, performance or achievements expressed or implied by such forward-looking statements. Factors that may cause actual results to differ materially from those expressed or implied by such forward looking statements include, but are not limited to, those described in the Risk Management Framework section of the Company's most recent Annual Report. These forward-looking statements are based on numerous assumptions regarding the present and future business strategies of the Group and the environment in which it is and will operate in the future. All subsequent oral or written forward-looking statements attributed to the Company or any persons acting on its behalf are expressly qualified in their entirety by the cautionary statement above. Each forward-looking statement speaks only as at the date of this announcement. Except as required by law, regulatory requirement, the Listing Rules and the Disclosure Guidance and Transparency Rules, neither the Company nor any other party intends to update or revise these forward-looking statements, whether as a result of new information, future events or otherwise.