

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

**Q1 2023 Trading Update**  
*Further outstanding performance delivered*

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 2023.

**Financial Highlights** (unaudited):

	<b>Q1 2023</b>	Q4 2022	<i>Change %</i>
Revenue	\$207.9m	\$126.7m	64%
EBITDA	\$100.9m	\$46.7m	116%
EBITDA Margin %	49%	37%	32%

**Operational Highlights** (unaudited):

	<b>Q1 2023</b>	Q4 2022	<i>Change %</i>
New Customers <sup>1</sup>	28,201	25,527	10%
Active Customers <sup>2</sup>	137,053	130,865	5%
ARPU <sup>3</sup>	\$1,517	\$968	57%
AUAC <sup>4</sup>	\$1,381	\$1,462	(6%)

**Headlines**

- Another excellent operational and financial performance, with key metrics ahead of Q4 2022, driven by the Group's on-going investments in product innovation to attract and retain higher value customers.
- Significant progress made against the Group's strategic roadmap, continuing to build on Plus500's strong position in the substantial futures market in the US and supported by the Group's best in class technology and its robust financial position.
- Product diversification continued, with the launch of 'Plus500 Futures', the intuitive new generation of the Company's B2C proprietary trading platform, specifically tailored for the sizeable US futures retail trading market.
- New licence obtained in the significant high growth UAE market, further expanding the Group's geographic footprint.
- The Board remains confident about the Group's prospects and continues to expect that Plus500's performance for FY 2023 will be in line with current market expectations.

**Trading overview**

Plus500 produced further outstanding operational and financial results during Q1 2023, building upon the positive momentum of recent consecutive quarters, with key underlying metrics ahead of Q4 2022. This performance was enabled by Plus500's differentiated, market-leading proprietary technology, which supports customer trading activities across an increasingly broad range of geographic markets and products, ensuring the Group continues to attract and retain higher value customers over the long term.

Driven by the scalability and agility of the Group's proprietary technology and its diversified business model, revenue in Q1 2023 was \$207.9m (Q4 2022: \$126.7m). Customer Income<sup>5</sup>, a key measure of the Group's underlying performance, remained consistently strong at \$157.8m in Q1 2023 (Q4 2022: \$150.4m), highlighting continued customer engagement on Plus500's trading platforms, as a direct result of the Group's on-going investments in customer retention, monetisation and activation initiatives. Customer Trading Performance<sup>6</sup> during Q1 2023 stood at \$50.1m, (Q4 2022: (\$23.7m)). The Company continues to expect that the contribution from Customer Trading Performance will be broadly neutral over time.

EBITDA in Q1 2023 was \$100.9m (Q4 2022: \$46.7m) with an EBITDA margin of 49% (Q4 2022: 37%), supported by the Group's lean, flexible cost base which provides a key financial strength in an uncertain and dynamic economic environment.

<sup>1</sup> Customers depositing for the first time

<sup>2</sup> Customers who made at least one real money trade during the period

<sup>3</sup> Average Revenue Per User

<sup>4</sup> Average User Acquisition Cost

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

<sup>6</sup> gains/losses on customers' trading positions

The Group delivered across all key operational metrics, supported by its on-going focus on attracting and retaining high value, long term customers. The Group onboarded 28,201 New Customers in Q1 2023 (Q4 2022: 25,527) and the number of Active Customers reached 137,053 (Q4 2022: 130,865). This performance was supported by continued investment in the Group's diversified marketing approach, which included its sophisticated proprietary marketing technology and a range of strategic initiatives to drive customer retention, monetisation and activation.

The Group's marketing initiatives included the second phase of its major bespoke global advertising campaign, featuring actor Kiefer Sutherland, to build brand awareness in key strategic markets. This second phase, international, multi-channel advertising campaign commenced in Q1 2023 and focused on the launch of '+Insights', Plus500's proprietary big-data, analytical tool designed to provide OTC customers with access to real-time and historical trends, based on Plus500's registered customer base of more than 24 million registered customers.

'+Insights' is an excellent example of the Group's continued focus on innovative ways to drive and deepen customer engagement. This new product was launched during FY 2022 on the Group's OTC trading platform and provides customers with cutting edge knowledge, insights and information when accessing financial opportunities. '+Insights' is already receiving very positive feedback from customers. It also provides strong evidence of the Group's continued investment in its ESG framework, given it was developed by the Company based on feedback received from customers. This new tool therefore demonstrates Plus500's on-going focus on customer care and delivering on customer requirements, to continue providing a best-in-class experience.

ARPU increased significantly in Q1 2023 to a level of \$1,517 (Q4 2022: \$968), and Active Customer levels remained consistent with previous periods.

With continued investment to attract higher value customers, AUAC in Q1 2023 was \$1,381 (Q4 2022: \$1,462). The Group continues to expect that AUAC will rise steadily over time, as the Group's customer profile further shifts to higher value, long term customers.

Client deposits were \$0.6bn in Q1 2023 (Q4 2022: \$0.6bn), highlighting the continued strong level of confidence that customers have in Plus500 and the reliability of the Group's trading platforms.

### **Shareholder returns**

The Company repurchased 2,264,910 shares in Q1 2023, at an average price of £18.11, for a total cash consideration of \$49.6m, as part of its most recent share buyback programme, announced at the Company's FY 2022 preliminary results on 14 February 2023, to purchase up to \$70.0m of the Company's shares, and its previous share buyback programme, announced at the Company's interim results on 17 August 2022 and completed on 27 February 2023, to purchase up to \$60.2m of the Company's shares.

### **Strategic progress**

Plus500 continued to make headway against its strategic roadmap in Q1 2023, with the objective of further developing its position as a diversified, global multi-asset fintech group.

The Group continued to optimise its growing position in the substantial futures market in the US, supported by Plus500's best-in-class technology, its robust financial position and on-going operational investment.

During Q1 2023, Plus500 made progress in developing its B2B line of business and strategic position as a market infrastructure provider, delivering brokerage-execution and clearing services for institutional clients, driven by the Group's operational capabilities, proprietary technology and well-established financial position.

Following the launch of 'TradeSniper' in Q3 2022, Plus500's B2C proprietary trading platform, specifically tailored for the sizeable US futures retail trading market, the Company subsequently launched in Q1 2023, 'Plus500 Futures', a new proprietary trading platform for the US futures retail trading market. 'Plus500 Futures' and 'TradeSniper' uniquely offer US customers a fully holistic solution of onboarding, depositing and trading on futures contracts, and will continue to be developed by Plus500 to ensure a consistent best-in-class experience is delivered for customers.

As part of the Board's strategy to further diversify its geographical footprint, the Group continues to target a number of new potential markets to expand its existing OTC product offering. In February 2023, the Group obtained a licence in the United Arab Emirates, granted by the Dubai Financial Services Authority (DFSA), offering a major potential growth opportunity for Plus500. The Group's operation in the UAE is already fully functioning and the Group has made rapid progress in developing its market position and offering for customers in this significant and high growth market.

Plus500 will continue to invest in future growth, through further organic investments in its proprietary technology as well as actively target additional acquisitions, to drive further growth and value for its shareholders.

### **ESG trading suite**

In Q1 2023, Plus500 introduced a new ESG trading suite to its OTC and share dealing platforms. The suite consists of ESG scores for the Group's wide variety of stocks, and exclusive tradeable ESG Impact Indices, tracking companies that strive for accountability and aligning with customers' ethical investing requirements. The Group's customers can now use its ESG trading suite to make informed trading decisions, factoring in financial implications that are often not included in traditional market analysis.

### **Financial position**

Plus500's reinforced financial position and highly cash generative business model, with cash balances of over \$950m at 31 March 2023 (31 December 2022: \$930.2m), enables the Group to make focused strategic investments as part of its disciplined capital allocation policy, and, ultimately, drives Plus500's strong financial performance.

The Group continues to manage its financial position, balance sheet and cost base in a responsible manner, measuring the performance of its financial position against a range of internal benchmarks and KPIs. The Group continues to hold no debt or loans, has a flexible and lean cost base which is predominantly weighted to variable costs and financial expenses which have a relatively low exposure to the current macro inflationary environment.

Furthermore, the Group continues to closely monitor its direct and indirect relationships with financial institutions and has no exposure to those financial institutions experiencing funding challenges or liquidity issues during Q1 2023.

### **Outlook**

With Plus500 remaining well positioned to access a range of significant opportunities to grow and diversify its revenue streams, geographic footprint and business model, the Board continues to be confident about the Group's future prospects.

To access these growth opportunities in a market with attractive underlying growth drivers, the Group will continue to make on-going investments in developing its position as a global multi-asset fintech group, in particular through further organic investments in technology, marketing and people, as well as by actively targeting additional acquisitions.

For FY 2023, the Board continues to expect that Plus500's performance will be in line with current market expectations<sup>7</sup>, with the Group expected to deliver sustainable growth over the medium to long term.

### **David Zruia, Chief Executive Officer of Plus500, commented:**

"Plus500 produced another strong performance in Q1 2023, again driven by our unique proprietary technology stack proposition, which attracts and retains higher value customers over the long term. We have a range of extremely exciting strategic growth opportunities ahead of us, particularly in the US futures market, enabling us to accelerate our development as a diversified, global multi-asset fintech group with a highly valuable customer base and market leading capabilities. Supported by further organic investments and targeted acquisitions, we remain confident that Plus500 is well-positioned to deliver sustainable growth and strong, consistent returns over the medium to long-term."

### **For further details**

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<sup>7</sup> Market expectations based on compiled analysts' consensus forecasts, which can be found on the Investor Relations section of the Company's website. As at 18 April 2023, consensus forecasts for FY 2023 revenue and EBITDA are \$609.0m and \$267.1m, respectively.

## **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 OTC (“Over-the-Counter” products, namely Contracts for Difference (CFDs)), share dealing, as well as futures and options on futures. The Group retains operating licences and is regulated in the United Kingdom, Australia, Cyprus, Israel, New Zealand, South Africa, Singapore, the Seychelles, the United States, Estonia, Japan and the UAE and through its OTC 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 its OTC products in more than 50 countries and in 30 languages. Plus500 does not permit customers located in the US to trade its OTC products. 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, OTC customers cannot be subject to negative balances. A free demo account is available on an unlimited basis for OTC trading 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](http://www.plus500.com).

*The information contained within this announcement is deemed by the Company to constitute inside information as stipulated under the Market Abuse Regulation (“MAR”). Upon the publication of this announcement via Regulatory Information Service (“RIS”), this inside information is now considered to be in the public domain.*

### **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”, “project”, “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.