

11 October 2022

Plus500 Ltd.
("Plus500", the "Company" or together with its subsidiaries the "Group")
Q3 2022 Trading Update

Further outstanding financial and operational performance, with on-going strategic progress delivered

Plus500, a global multi-asset fintech group operating proprietary technology-based trading platforms, issues the following trading update for the nine months ended 30 September 2022¹.

Financial Highlights (unaudited):

	YTD ² 2022	YTD 2021	Change %
Revenue	\$705.9m	\$557.6m	27%
EBITDA	\$407.1m	\$316.2m	29%
EBITDA Margin %	58%	57%	2%

	Q3 2022	Q3 2021	Change %
Revenue	\$194.5m	\$211.4m	(8%)
EBITDA	\$101.8m	\$128.6m	(21%)
EBITDA Margin %	52%	61%	(15%)

Operational Highlights (unaudited):

	YTD 2022	YTD 2021	Change %
ARPU ³	\$2,817	\$1,517	86%
AUAC ⁴	\$1,487	\$750	98%
New Customers ⁵	81,022	163,149	(50%)
Active Customers ⁶	250,553	367,573	(32%)

	Q3 2022	Q3 2021	Change %
ARPU	\$1,445	\$1,271	14%
AUAC	\$1,598	\$1,416	13%
New Customers	23,747	26,169	(9%)
Active Customers	134,657	166,310	(19%)

Key Headlines:

- Outstanding results achieved during the first nine months of FY 2022:
 - Strong levels of Customer Income⁷ helped to drive an excellent revenue performance
 - The Group's lean and flexible cost base supported a robust EBITDA performance
 - Plus500 remains in an extremely strong financial position, with cash balances above \$950m as at 30 September 2022
- Continued success in attracting and retaining high value, long-term customers:
 - Driven by the Group's on-going focus on customer engagement and further investment in customer retention, activation initiatives and product development
 - Customer confidence in Plus500 evidenced by consistently high levels of customer deposits
- Further progress made in entering new markets and launching new products, in line with the Group's strategic roadmap:
 - Excellent traction achieved in the US Futures market:

¹ All figures for the period ended 30 September 2022 and 30 September 2021 included in this announcement are unaudited

² YTD - "Year to Date" refers to first nine months of the year, from 1 January to 30 September

³ ARPU – Average Revenue Per User

⁴ AUAC – Average User Acquisition Cost

⁵ New Customers – Customers depositing for the first time

⁶ Active Customers – Customers who made at least one real money trade during the period

⁷ Customer Income – 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)

- To activate the significant retail trading opportunity, TradeSniper, Plus500's intuitive new proprietary Futures trading platform tailored for US retail market, launched on iOS and Android
 - Strategic position further developed as a market infrastructure provider, supporting institutional clients with brokerage-execution and clearing services
 - Additional investment in building Plus500's brand globally, including the new sponsorship partnership signed with the NBA Chicago Bulls
 - Integration plans for the acquisition in Japan, which took place earlier in 2022 to enable the Group's offering within the Japanese market, are progressing well and remain on track
- The Board remains confident about the Group's prospects in FY 2022 and beyond:
 - The Board anticipates that revenue and EBITDA for FY 2022 will be ahead of current market expectations⁸
 - Plus500 expects to produce sustainable growth over the medium to long term

Trading overview

Plus500 achieved continued outstanding financial and operational performance during the first nine months of FY 2022, driven by the power of the Group's market-leading proprietary technology and its consistent ability to attract and retain higher value customers over the long term, across a diverse range of geographic markets, products and financial instruments.

As a result, revenue during the first nine months of FY 2022 was \$705.9m (YTD 2021: \$557.6m) including \$194.5m in Q3 2022 (Q3 2021: \$211.4m).

Customer Income, a key measure of the Group's underlying performance, remained robust at \$489.2m in the first nine months of FY 2022 (YTD 2021: \$536.1m) including \$149.4m in Q3 2022 (Q3 2021: \$156.9m). This consistent performance highlights the Group's on-going focus on customer engagement and its continued investment in product development.

Customer Trading Performance⁹ in the first nine months of FY 2022 stood at \$216.7m (YTD 2021: \$21.5m) including \$45.1m in Q3 2022 (Q3 2021: \$54.5m). The Company continues to expect that the contribution from Customer Trading Performance will be broadly neutral over time.

Despite continued significant investments by the Group in various marketing initiatives during the period, EBITDA in the first nine months of FY 2022 was \$407.1m, with EBITDA margin of 58% (YTD 2021: \$316.2m and 57%, respectively). This included EBITDA of \$101.8m and EBITDA margin of 52% in Q3 2022 (Q3 2021: \$128.6m and 61%, respectively).

The levels of customer engagement and activity on Plus500's trading platforms remained strong, supported by the Group's on-going investments in its proprietary technological solutions for customer retention, monetisation and activation.

As evidence of the success of these initiatives and the Group's on-going customer-centric approach, the longevity of customer usage on Plus500's trading platforms remained strong, with the Group also on-boarding 81,022 New Customers during the first nine months of FY 2022 (YTD 2021: 163,149), including 23,747 New Customers on-boarded during Q3 2022 (Q3 2021: 26,169). This was driven by the Group's diversified marketing approach and targeted technological marketing investment strategy.

The number of Active Customers remained robust during the first nine months of FY 2022 at 250,553 (YTD 2021: 367,573), driven by the Plus500's focus on customer engagement initiatives and investments in product development. ARPU was very strong at \$2,817 during the first nine months of FY 2022 (YTD 2021: \$1,517), driven by the Group's excellent revenue performance.

AUAC during the first nine months of FY 2022 was \$1,487 (YTD 2021: \$750), driven by the Group's continued significant investments to attract high value, long term customers, through various marketing and retention initiatives. With further investments expected to be made going forward, to help deliver consistent future returns, the Group continues to expect that AUAC will rise steadily over time.

⁸ Market expectations based on compiled analysts' consensus forecasts, which can be found on the Investor Relations section of the Company's website

⁹ Customer Trading Performance – gains/losses on customers' trading positions

Average client deposits increased significantly by 58% to a level of approximately \$6,800 during the first nine months of FY 2022 (YTD 2021: approximately \$4,300) and approximately \$3,900 in Q3 2022 (Q3 2021: approximately \$2,750), highlighting customers' on-going loyalty and confidence in Plus500's technology and diverse product portfolio.

The Group remains in a very strong financial position, with cash balances above \$950m as at 30 September 2022 (31 December 2021: \$749.5m).

Strategic progress

Plus500 made further strategic progress in entering new markets and launching new products during the first nine months of FY 2022, thereby further diversifying the Group's revenue streams and business model.

During the period, excellent traction was made in the substantial US Futures market where the Group targets a number of major growth opportunities.

To activate the significant retail trading opportunity, Plus500 recently launched TradeSniper, an intuitive new proprietary Futures trading platform specifically tailored for the US retail market, both on iOS and Android. This will enable the Group to benefit from the continued increase in accessibility to the Futures market for the retail trading community.

In addition, the Group continued to develop its strategic position in the US as a market infrastructure provider during the period, supporting institutional clients with brokerage-execution and clearing services. This will be driven by the Group's healthy balance sheet, its highly differentiated technological capabilities and its position as a full clearing member of the CME Group exchanges.

The Group's strategic positioning in the US was further developed by continued investment in Plus500's global brand, in particular through a new sponsorship partnership signed recently with the NBA Chicago Bulls.

Integration plans for the regulated entity acquired in Japan earlier this year, are progressing well and remain on track. This will broaden the Group's geographic footprint into the substantial Japanese trading market, where Plus500 will apply its financial and technological strength to scale and develop its market position over time.

The Company continues to invest in product development to further deepen customer engagement, including through the on-going recruitment at the Company's R&D centres in Israel. With these investments in technology and people, the Group will continue to leverage the latent base of over 23 million customers registered on its platforms since inception.

On Tuesday 20 September, the Group held its first ever Capital Markets Day, hosted by Plus500's management team. The event was attended by a wide range of analysts and investors and has received positive feedback from shareholders, who appreciated the details disclosed at the event on the key elements of Plus500's investment case, business model and major growth opportunities for the Group. A recording of the event is available on the Group's Investor Relations site: <https://investors.plus500.com/Reports/Presentation>.

Plus500 will continue to pursue additional growth opportunities, through organic investments and by actively targeting acquisitions, in order to further develop its strategic position as a global multi-asset fintech group.

Outlook

The Board remains confident about the Group's prospects for FY 2022 and beyond, as a result of the significant operational progress and financial momentum achieved by Plus500 over recent years.

The Board anticipates that revenue and EBITDA for FY 2022 will be ahead of current market expectations and continues to expect that Plus500 will deliver sustainable growth over the medium to long term.

David Zruia, Chief Executive Officer of Plus500, commented:

"Plus500 has continued to outperform in 2022, driven by the power of our market-leading proprietary technology and our on-going ability to attract and retain higher value, long-term customers. We have made further traction in delivering against our strategic priorities, in particular in starting to access the major growth opportunities available in the US. Supported by continued investment in growth, we continue to diversify and develop the business as a global multi-asset fintech group, ensuring Plus500 remains well-positioned to deliver sustainable growth over the medium to long-term."

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 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 and Japan 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.

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.