

‘eToro’

# **Next Generation Social Investment Platform**



# Disclaimer

## Cautionary Statement Regarding Forward-Looking Statements

This presentation contains certain forward-looking statements within the meaning of the federal securities laws with respect to the proposed business combination between FinTech V and eToro. Forward-looking statements may be identified by the use of the words such as “estimate,” “plan,” “project,” “forecast,” “intend,” “expect,” “anticipate,” “believe,” “seek,” “strategy,” “future,” “opportunity,” “may,” “target,” “should,” “will,” “would,” “will be,” “will continue,” “will likely result,” or similar expressions that predict or indicate future events or trends or that are not statements of historical matters. These forward-looking statements include, but are not limited to, statements as to the expected timing, completion and effects of the proposed business combination, are based on various assumptions, whether or not identified in this presentation, and on the current expectations of eToro’s and FinTech V’s management, are not predictions of actual performance, and are subject to risks and uncertainties. These forward-looking statements are subject to a number of risks and uncertainties, including but not limited to: the risk that the proposed business combination may not be completed in a timely manner or at all; the failure to satisfy the conditions to the consummation of the proposed business combination; the inability to complete the PIPE investment; the occurrence of any event, change or other circumstance that could give rise to the termination of the proposed merger agreement; the amount of redemption requests made by FinTech V’s public stockholders; the effect of the announcement or pendency of the proposed business combination on eToro’s business; risks that the proposed business combination disrupts current plans and operations of eToro; potential difficulties in retaining eToro customers and employees; eToro’s estimates of its financial performance; changes in general economic or political conditions; changes in the markets in which the eToro competes; slowdowns in securities trading or shifting demand for security trading product; the impact of natural disasters or health epidemics, including the ongoing COVID-19 pandemic; legislative or regulatory changes; the evolving digital asset market, including the regulation thereof; competition; conditions related to eToro’s operations in Israel; risks related to data security and privacy; changes to accounting principles and guidelines; potential litigation relating to the proposed business combination; the ability to maintain the listing of eToro’s securities on the Nasdaq Capital Market; the price of eToro’s securities may be volatile; the ability to implement business plans, and other expectations after the completion of the proposed business combination; and unexpected costs or expenses. The foregoing list of factors is not exhaustive. You should carefully consider the foregoing factors and the other risks and uncertainties described in the “Risk Factors” section of FinTech V’s registration statement on Form S-1 (File No. 333-249646) (the “Form S-1”), eToro’s registration statement on Form F-4 (when available) and other documents if and when filed by eToro or FinTech V from time to time with the U.S. Securities and Exchange Commission (the “SEC”). If any of these risks materialize or our assumptions prove incorrect, actual events and results could differ materially from those contained in the forward-looking statements. There may be additional risks that neither eToro nor FinTech V presently know or that eToro and FinTech V currently believe are immaterial that could also cause actual events and results to differ. In addition, forward-looking statements reflect eToro’s and FinTech V’s expectations, plans or forecasts of future events and views as of the date of this presentation. eToro and FinTech V anticipate that subsequent events and developments will cause eToro’s and FinTech V’s assessments to change. While eToro and FinTech V may elect to update these forward-looking statements at some point in the future, eToro and FinTech V specifically disclaim any obligation to do so, unless required by applicable law.

Any financial information or projections in this presentation are forward-looking statements that are based on assumptions that are inherently subject to significant uncertainties and contingencies, many of which are beyond eToro’s and FinTech V’s control. The inclusion of financial information or projections in this communication should not be regarded as an indication that eToro or FinTech V, or their respective representatives and advisors, considered or consider the information or projections to be a reliable prediction of future events.



# Disclaimer

The financial information included in this presentation has been taken from or prepared based on eToro's historical financial statements. eToro's historical financial statements have been audited by Ernst & Young in accordance with generally accepted auditing standards in Israel and prepared in conformity with International Financial Reporting Standards. eToro's historical financial statements have not been audited in accordance with the Public Company Oversight Board ("PCAOB") standards or prepared in accordance with Regulation S-X promulgated under the Securities Act of 1933, as amended. eToro cannot assure you that, had the historical financial information included in this presentation been compliant with Regulation S-X and audited in accordance with PCAOB standards, there would not be differences, and such differences could be material. An audit of eToro's financial statements in accordance with PCAOB standards is currently in process and will be included in the proxy statement/prospectus with respect to the business combination. Accordingly, there may be material differences between the presentation of eToro's historical financial statements included in this presentation and in the proxy statement/prospectus, including with respect to, among others, the method of accounting for assets held by eToro's customers on eToro's platforms, the method of accounting for revenue attributable to trading in asset classes and jurisdictions where we are not registered as a broker-dealer, off balance sheet items, timing of revenue recognition and asset classification.

## **No Offer or Solicitation**

This presentation is not a proxy statement or solicitation or a proxy, consent or authorization with respect to any securities or in respect of the proposed business combination and shall not constitute an offer to sell or exchange, or a solicitation of an offer to buy or exchange, the securities of eToro, FinTech V or the combined company, nor shall there be any sale of securities in any jurisdiction in which such offer, solicitation, sale or exchange would be unlawful prior to registration or qualification under the securities laws of any such jurisdiction.

## **Additional Information about the Business Combination and Where to Find It**

eToro intends to file a registration statement on Form F-4 with the SEC, which will include a preliminary proxy statement to be distributed to FinTech V's stockholders in connection with FinTech V's solicitation of proxies for the vote by FinTech V's stockholders with respect to the proposed business combination. After the registration statement has been filed and declared effective, FinTech V will mail a definitive proxy statement / prospectus to its stockholders as of the record date established for voting on the proposed business combination and the other proposals regarding the proposed business combination set forth in the proxy statement. eToro or FinTech V may also file other documents with the SEC regarding the proposed business combination.

Before making any voting or investment decision, investors and security holders are urged to carefully read the entire registration statement and proxy statement / prospectus and any other relevant documents filed with the SEC, and the definitive versions thereof (when they become available and including all amendments and supplements thereto). Investors and security holders will be able to obtain free copies of the registration statement, the proxy statement/prospectus and all other relevant documents filed or that will be filed with the SEC by eToro or FinTech V through the website maintained by the SEC at [www.sec.gov](http://www.sec.gov).

## **Participants in the Solicitation**

eToro and FinTech V and their respective directors and executive officers may be deemed to be participants in the solicitation of proxies from stockholders of FinTech V in connection with the proposed business combination under the rules of the SEC. FinTech V's stockholders, eToro's shareholders and other interested persons may obtain, without charge, more detailed information regarding the names, affiliations and interests of directors and executive officers of eToro and FinTech V in FinTech V's final prospectus filed with the SEC on December 7, 2020 or eToro's Form F-4 (when available), as applicable, as well as their other filings with the SEC. Other information regarding persons who may, under the rules of the SEC, be deemed the participants in the proxy solicitation of FinTech V's stockholders in connection with the proposed business combination and a description of their direct and indirect interests, by security holdings or otherwise, will be included in the preliminary proxy statement / prospectus and will be contained in other relevant materials to be filed with the SEC regarding the proposed business combination (if and when they become available). You may obtain free copies of these documents at the SEC's website at [www.sec.gov](http://www.sec.gov).

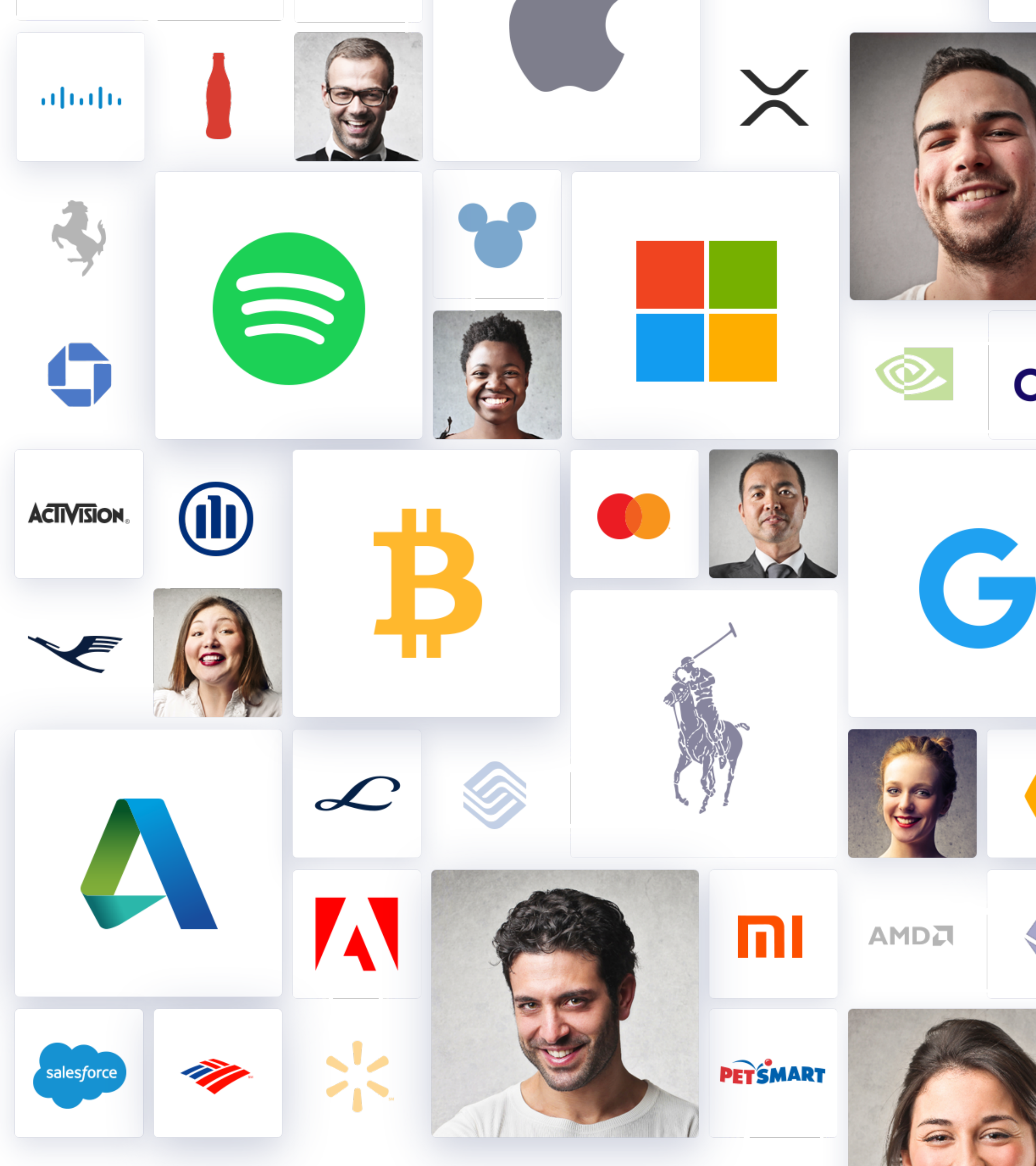


## Our vision

Opening the global markets for everyone to trade and invest in a simple and transparent way

## Our mission

Building the world's largest social trading network to empower people to trade and invest in stocks, crypto and global markets, copy top traders and get copied





## eToro at a glance

# \$605M

2020 revenue (147% YoY growth)

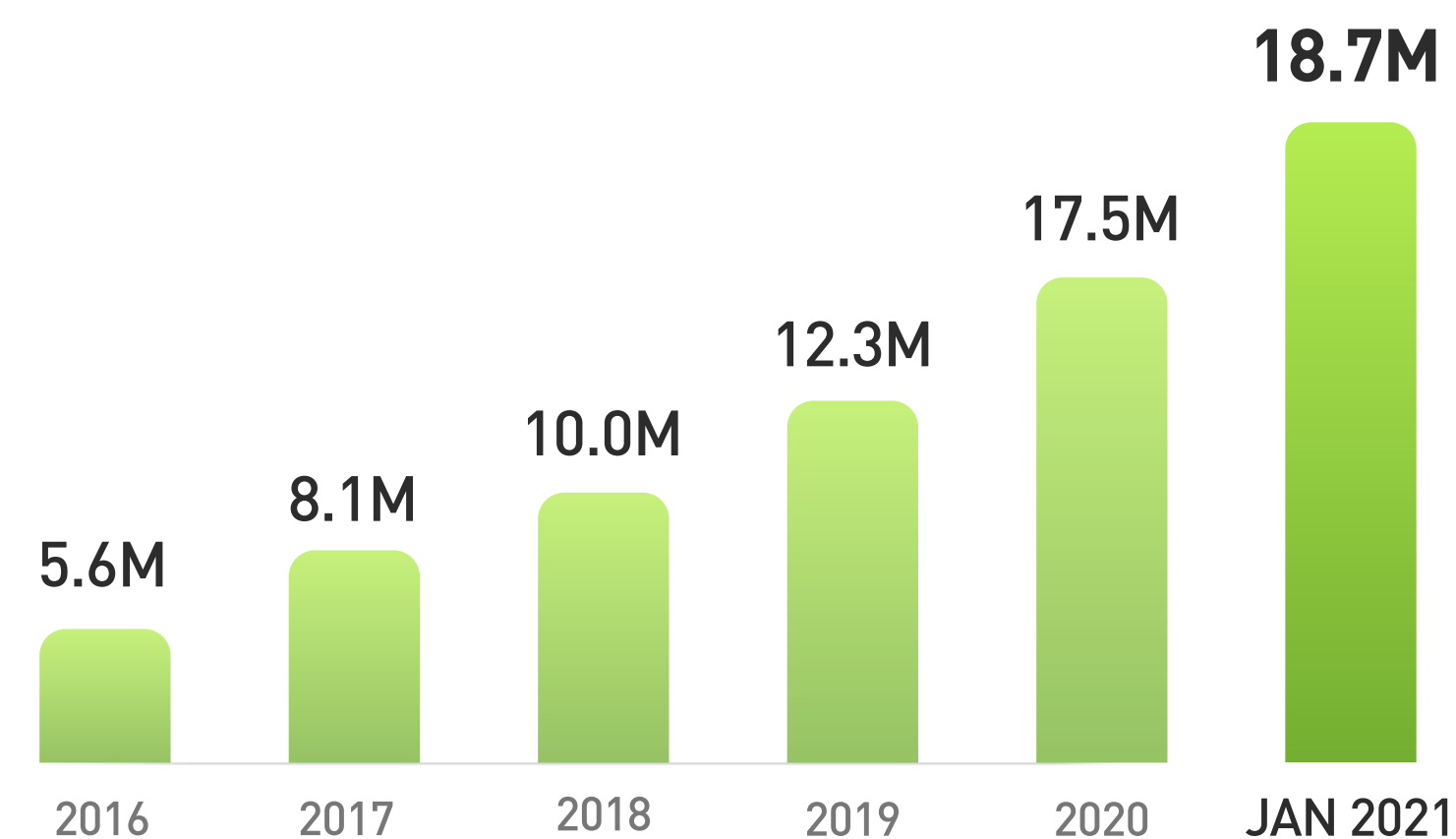
# 1.2M

Funded accounts

# 1,100

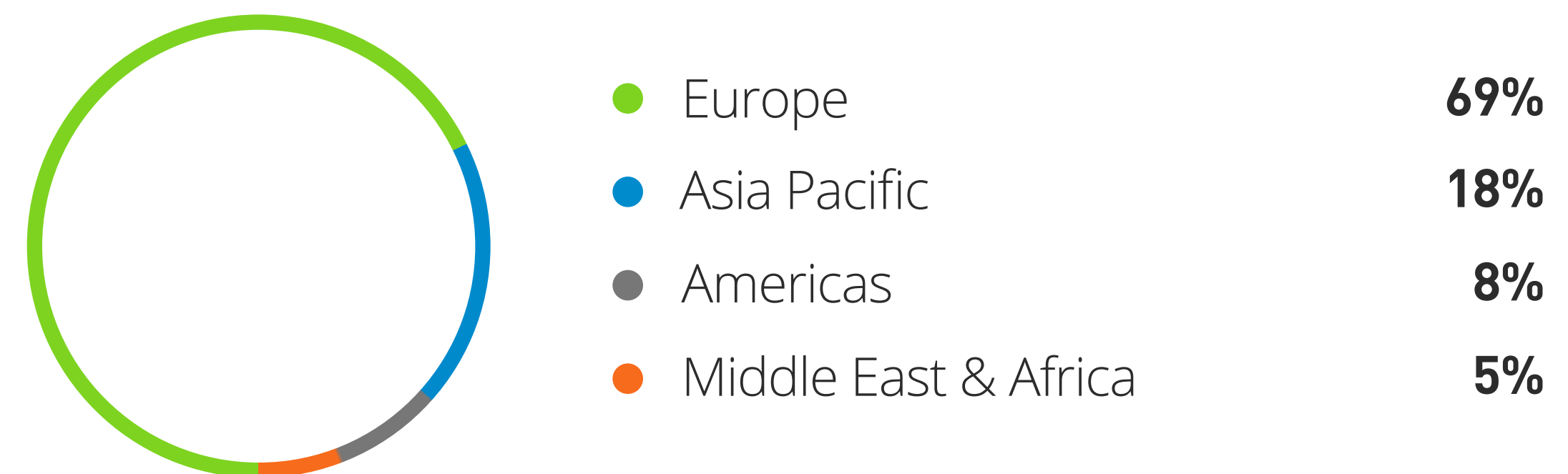
Employees

### Registered users



Registered users - number of users at the end of the period

### Funded accounts by region



Funded accounts as of January 31, 2021

# Transaction Overview



# Today's Presenters

## FinTech Acquisition Corp. V



### Betsy Z. Cohen

Chairman of the Board | **40+ years experience**

Chairman of FinTech Acquisition Corp IV and V

Previously Chairman of FinTech Acquisition Corp I, II, and III

Previously CEO and Founder of The Bancorp Bank



### Daniel G. Cohen

Chief Executive Officer | **20+ years experience**

CEO of FinTech V, prior CEO of FinTech II, III, IV

Chairman of The Bancorp since its inception



### James McEntee III

President | **25+ years experience**

President of FinTech IV and V

Previously President of FinTech I, II and III

Director of The Bancorp



### Yoni Assia

Co-founder and Chief Executive Officer

Founded eToro in 2007

Fortune 40 under 40



### Ronen Assia

Co-founder and Executive Director

Founded eToro in 2007

Previously Head of Product and Engineering at eToro



### Shalom Berkovitz

Deputy CEO and Chief Financial Officer

Joined eToro in 2016

Heading the Finance and Legal teams and leading eToro UK, Asia and US

Previously CEO of DSNR Media Group and CFO of Golden Pages



# Overview of FinTech Acquisition Corp. V

## Strong strategic partner

- Sponsor team brings deep expertise in FinTech and financial services sectors

## Leader in the SPAC market

- A pioneer in the evolution of the SPAC structure since 2015 to unlock significant value in partnership with attractive companies seeking to become public

## Experienced leadership team

- Team with operational and financial experience with an investor lens to complement eToro's

## Impressive track record

- Consistent track record of impressive shareholder returns across CardConnect, Intermex, and Paya with Perella Weinberg Partners recently announced
- Stellar reputation with institutions for quality asset selection

**cardconnect**

**+90% return** <sup>①</sup>  
from IPO to sale to First  
Data in Jul-2017

**intermex**  
International Money Express

**+65% return** <sup>②</sup>  
since IPO

**paya**  
Services

**+\$250M**  
Upsized PIPE

**P / W / P**  
PERELLA WEINBERG  
PARTNERS

**\$125M**  
Upsized PIPE

**metromile**

**\$170M**  
Upsized PIPE

**Payoneer**

**\$300M**  
Upsized PIPE

<sup>①</sup> Return on units based on acquisition consideration paid by First Data of \$15 per share of CCN common stock and \$3.99 per CCN warrant (assumes warrants were issued within 30 days of acquisition closing), per tender offer statements filed by CCN and First Data with the SEC on 07-Jun-2020.

<sup>②</sup> Return based on IMXI common stock closing price as of February 1, 2021. For each whole warrant, reflects 0.201 shares of IMXI common stock and \$1.12 in cash issued to warrant holders pursuant to IMXI's Offer to Exchange Warrants filed on Form S-4 with the SEC on 28-Mar-2019.





# Transaction summary

<b>Transaction structure</b>	<ul style="list-style-type: none"> <li>eToro to merge with FTV through a reverse subsidiary merger; FTV to become wholly-owned subsidiary of eToro and eToro to become a publicly-traded company</li> <li>\$650M PIPE investment into eToro in connection with the business combination <sup>①</sup></li> </ul>
<b>Valuation</b>	<ul style="list-style-type: none"> <li>Pro-forma implied enterprise value of \$9.6bn, which equates to 9.7x 2022E net revenues of \$990M</li> </ul>
<b>Pro forma combined cash</b>	<ul style="list-style-type: none"> <li>\$796M of net cash held on the pro forma balance sheet <sup>②</sup></li> </ul>
<b>Adjustment Shares <sup>③</sup></b>	<ul style="list-style-type: none"> <li>Exercisable for up to 40M eToro shares</li> <li>50% become exercisable if closing share price above \$15.00 within first 30 months <sup>③</sup></li> <li>50% become exercisable if closing share price above \$17.50 within first 60 months <sup>③</sup></li> </ul>

## Capitalization (\$M)

Implied market capitalization <sup>④</sup>	\$10,391
Net cash <sup>⑤</sup>	\$(796)*
Pro Forma enterprise value	\$9,595

\*Does not include counterparties in the amount of \$285M as of 31-Dec-2020

## Implied sources & uses (\$M)

### SOURCES

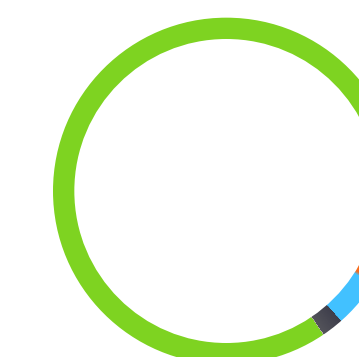
Existing eToro shareholder equity <sup>⑥</sup>	\$9,466
Cash held in trust	\$250
Proceeds from PIPE	\$650
<b>Total sources</b>	<b>\$10,366</b>

### USES

Existing eToro shareholder equity	\$9,466
Cash consideration <sup>⑦</sup>	\$300
Cash to eToro balance sheet	\$525
Estimated transaction expenses <sup>⑧</sup>	\$75
<b>Total uses</b>	<b>\$10,366</b>

### Pro-Forma ownership <sup>⑨</sup>

- 90.6%** Existing eToro shareholders equity
- 6.2%** PIPE shareholders
- 2.4%** SPAC shareholders
- 0.8%** SPAC sponsor shares



Note: figures above subject to final tax / legal review. Assumes no redemptions (1) PIPE investors will not be subject to a lock-up and will receive registration rights. (2) Assuming no redemptions and full subscription of existing eToro shareholders for cash consideration. (3) Additional consideration for pre-closing eToro shareholders. Closing share price for 20 days within any 30-trading day period. (4) Reflects the forfeiture of 1.28M SPAC sponsor shares in connection with the transaction. Includes (i) 640k private placement shares and (ii) 1.82M SPAC sponsor shares (25% of the retained 7.26M SPAC sponsor shares) that are not subject to price based transfer restrictions following closing. The remaining 5.45M SPAC sponsor shares are divided into three equal tranches and cannot be sold or transferred until closing stock price meets or exceeds \$12.50, \$15.00, and \$17.50 respectively, for any 20 trading days within a 30-day trading period following the business combination. A portion of such shares may be released from such restriction in certain circumstances. Excludes 40M Adjustment Shares which are subject to vesting as described above. (5) Net cash includes \$50M of outstanding loans, \$71M of cash on balance sheet as of December 31, 2020 (unaudited), \$250M of Simple Agreement for Future Equity ("SAFE") cash proceeds and \$525M of cash to eToro balance sheet following the transaction. (6) Total equity consideration to eToro includes any shares to be issued in respect of (i) eToro options and (ii) SAFE that converts into equity at \$5.38/share. Excludes Adjustment Shares. (7) Cash consideration to eToro equityholders of up to \$300M determined based on a Self-Tender Offer. If the Self-Tender Offer is undersubscribed, the balance of the Cash Consideration shall be retained by Merged eToro. (8) Represents an estimate of transaction expenses. Actual amounts may vary and may include expenses unknown at this time. (9) Excludes 8.33M public warrants and 40M of Adjustment Shares. Includes SPAC sponsor shares subject to price-based transfer restrictions. Sponsor warrants will be forfeited in connection with the transaction.



# Company Overview



# eToro team management & board

## Founders



**Yoni Assia**  
CEO & Board Member



**Ronen Assia**  
Executive Director

Founder-led, multi-disciplinary management team with an average of seven years tenure at eToro

## Management



**Shalom Berkovitz**  
CFO & Deputy CEO



**Avi Sela**  
COO



**Tuval Chomut**  
Chief Solutions Officer



**Etay Cohen**  
VP Customer Facing



**Nir Smulewicz**  
VP Marketing



**Jonathan Dayan**  
VP Trading



**Miri Kedem**  
VP Human Resources

## Board Members



**Santo Politi**



**Avner Stepak**



**Eddy Shalev**



**Debbie Kahal**  
General Counsel



**Israel Kalush**  
VP Engineering



**Tal Ben-Simon**  
VP Product



**Meron Shani**  
VP Finance



**Elad Lavi**  
VP Corporate Development



**Doron Rosenblum**  
VP Business Solutions

## Senior Advisory Board



**J. Christopher Giancarlo**  
Former chairman of the CFTC



**Prof. Shmuel Hauser**  
Former chairman of ISA (Israel)



**Salomon Sredni**  
Former CEO of TradeStation



**Dr. Hedva Ber**  
Former supervisor of banks (Israel)

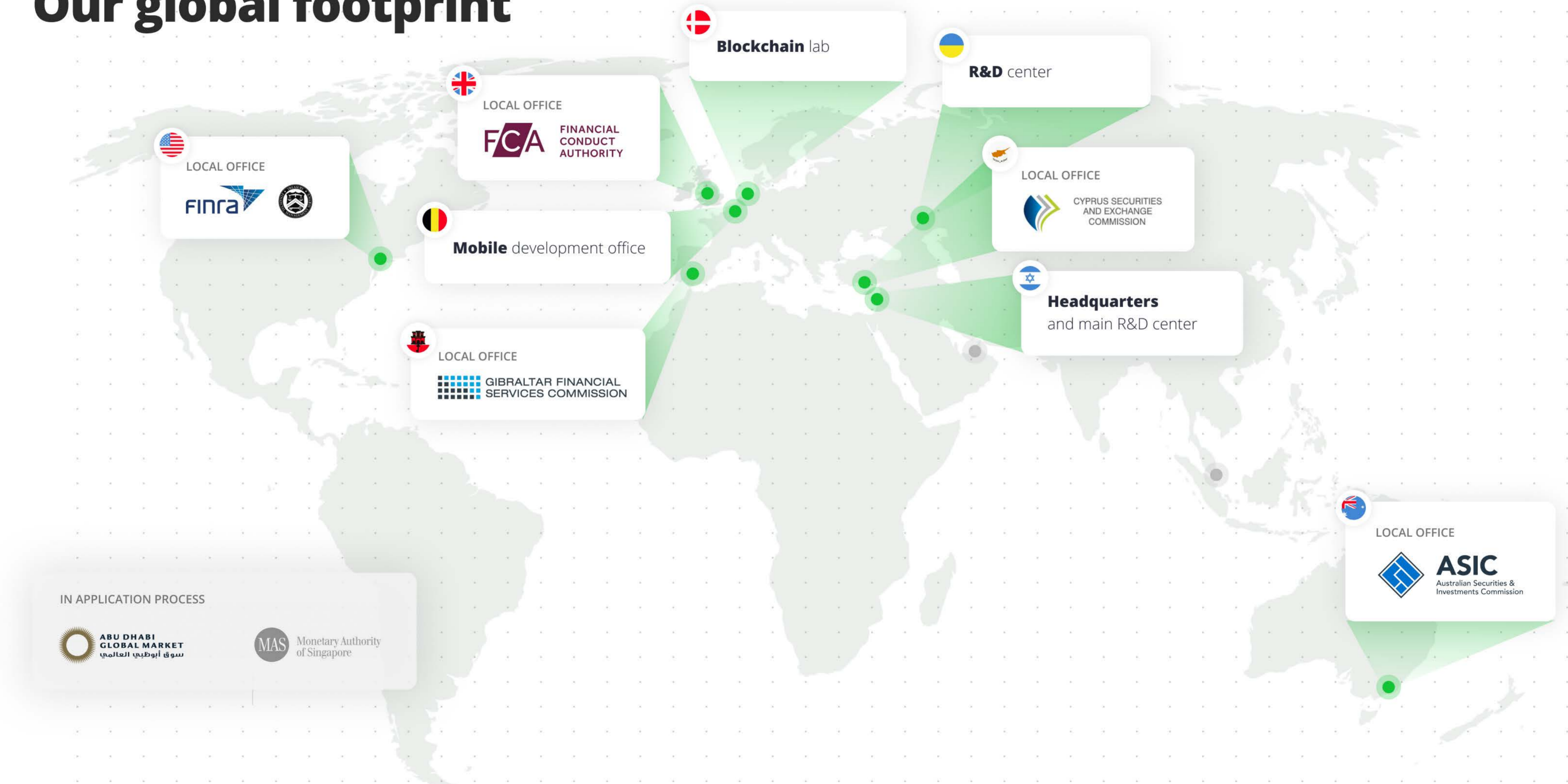


# We created a new category and we're dominating it



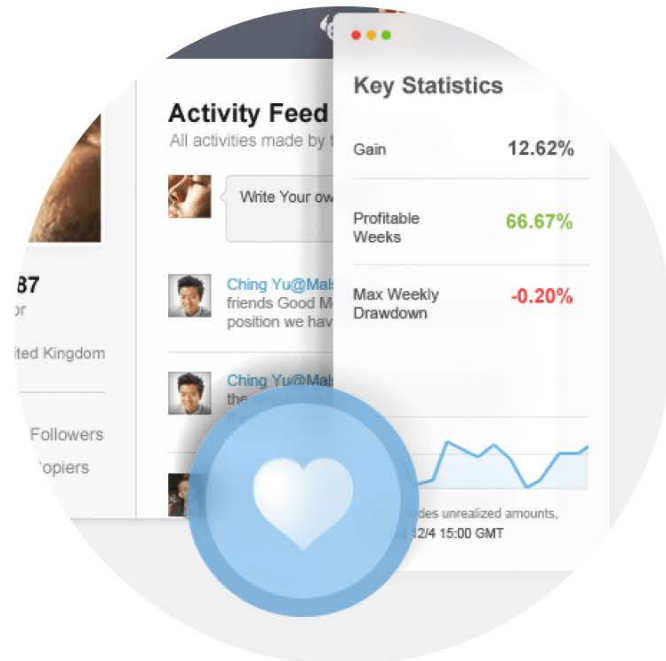
**“The next generation of retail and social trading platforms offer effective means for individuals to share or sell their investment expertise, directly competing with traditional investment managers.”**

# Our global footprint





# Driven by a passion for finance and technology



2007

eToro is founded

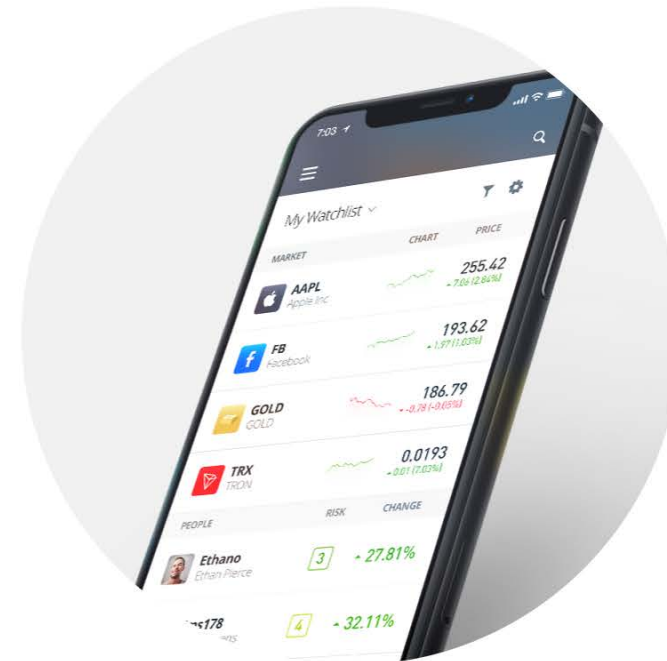
2010

Launched the **social trading** network and **CopyTrader™**



2013

Introduced **Bitcoin** on the platform



2015

Converging the eToro experience into **a single cross device application**



2017

Launched **Smart Portfolios** and additional **cryptoassets**



2019

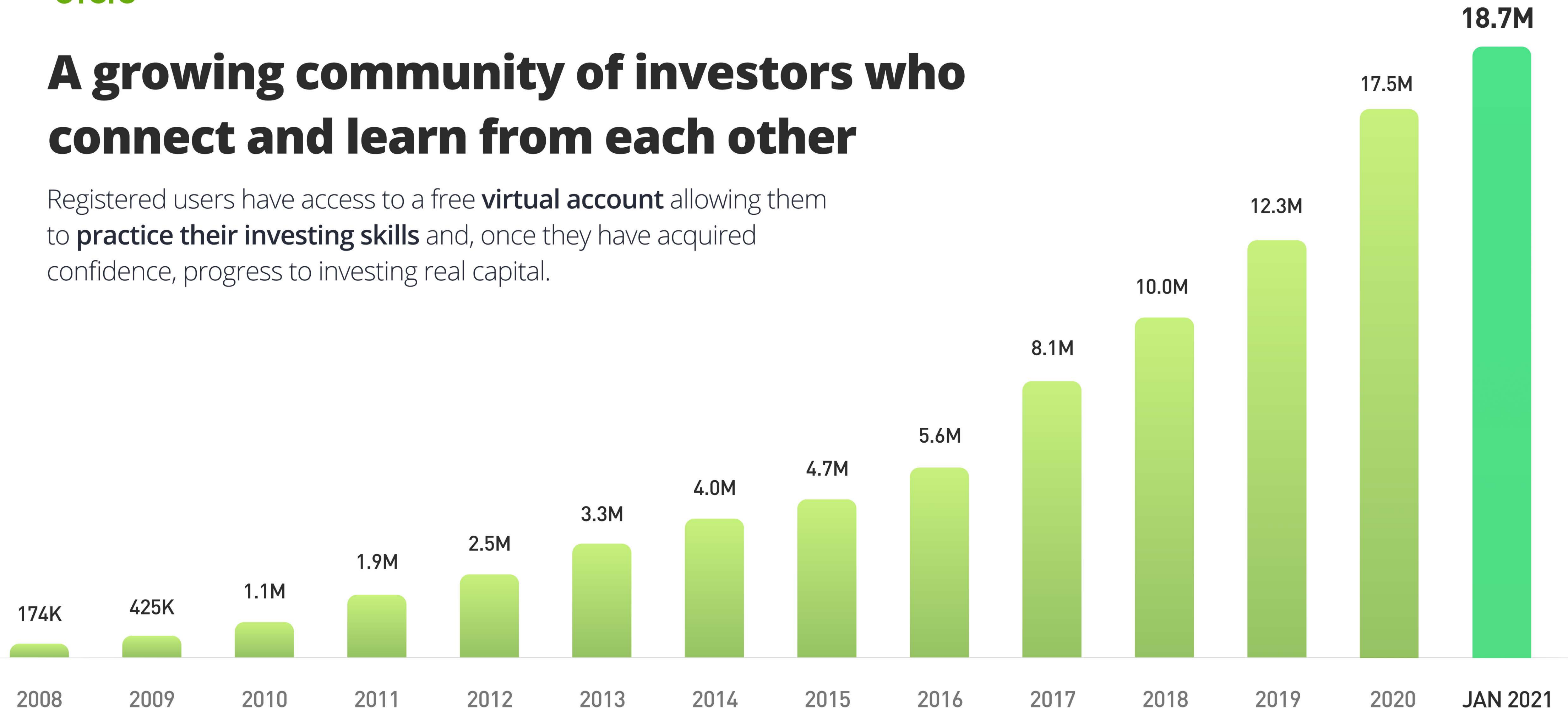
Launched **zero commission** stocks and expanded to the **US**

2020



# A growing community of investors who connect and learn from each other

Registered users have access to a free **virtual account** allowing them to **practice their investing skills** and, once they have acquired confidence, progress to investing real capital.



Registered users

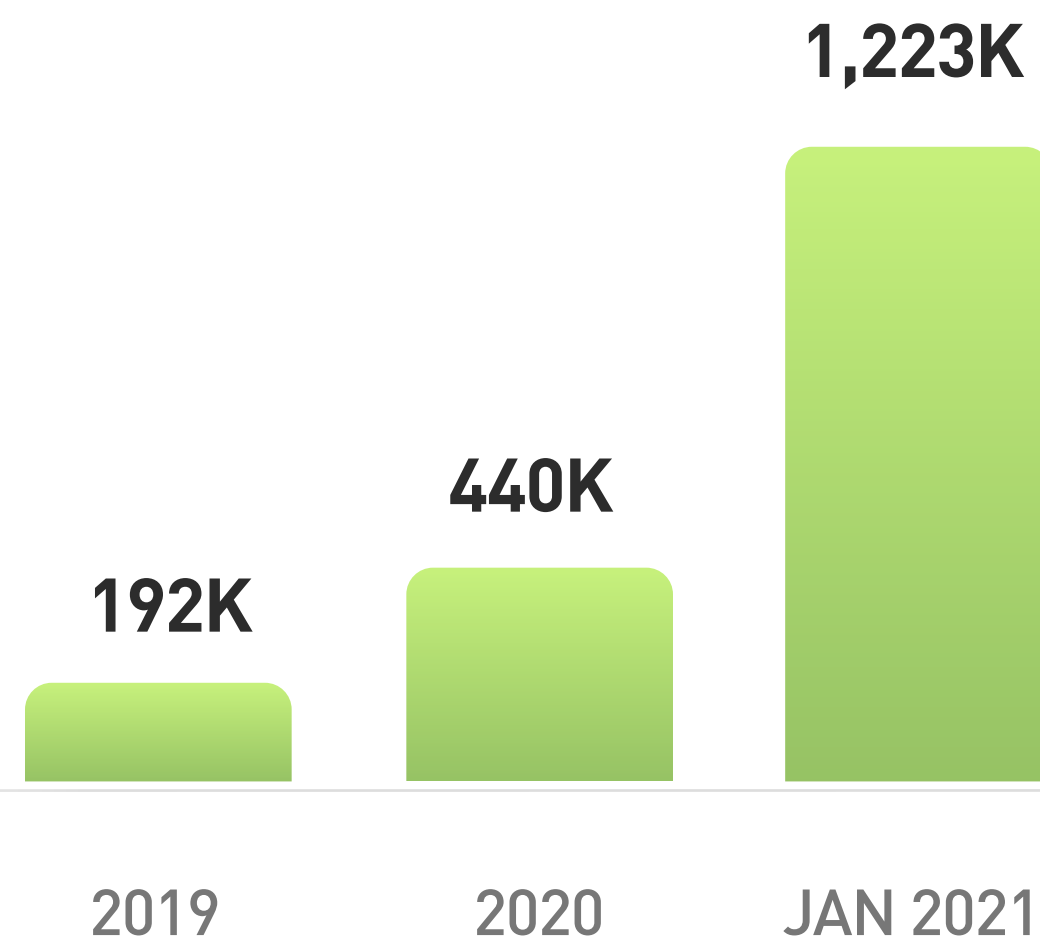
Number of users for the end of the period



# The strong momentum continues in 2021

## Monthly registrations

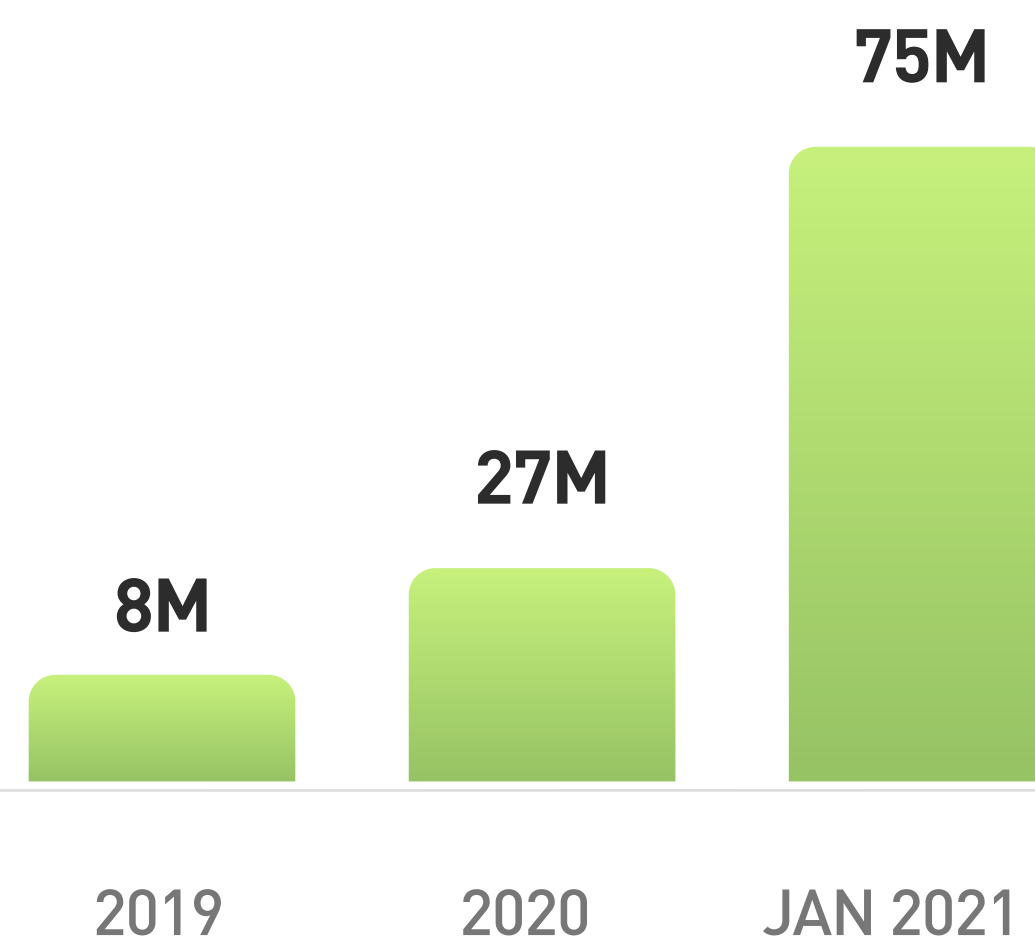
(Average)



Monthly registrations: Jan 2020 - 296K; Jan 2019 - 129K

## Monthly trades

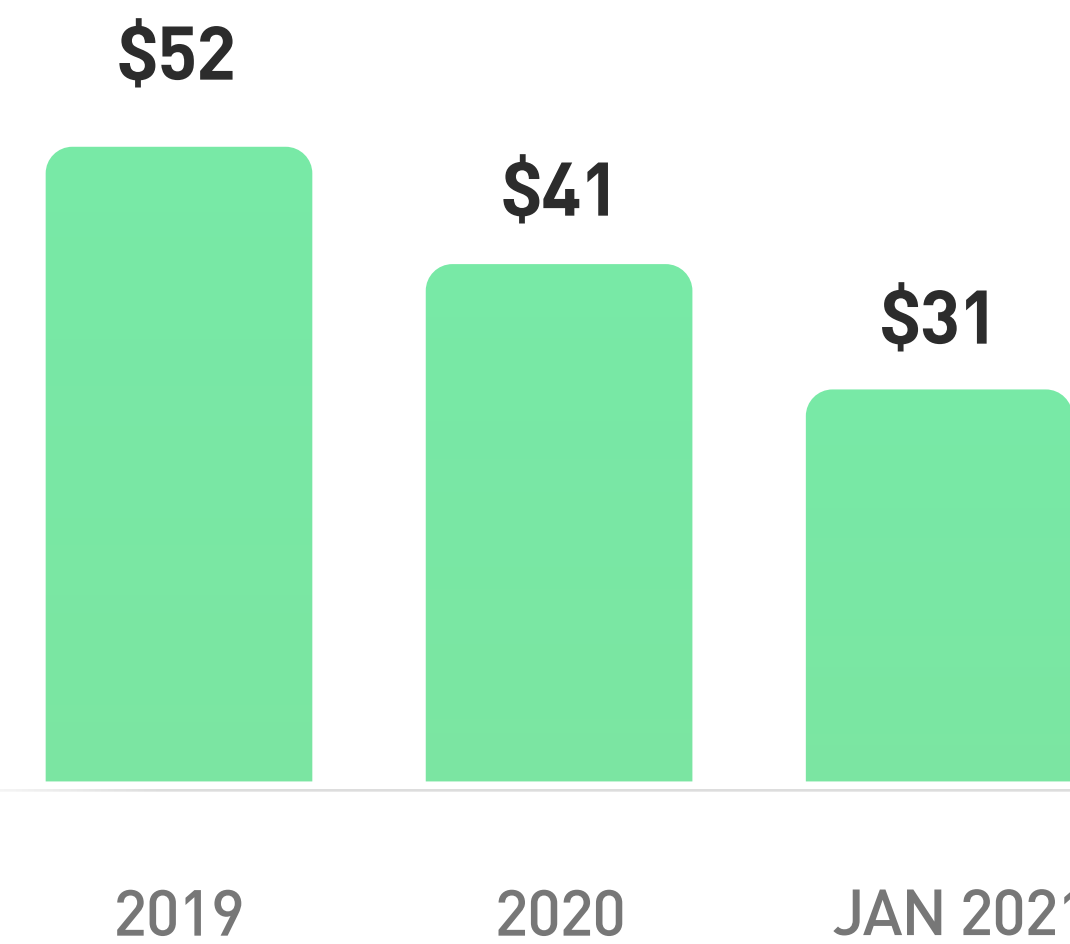
(Average)



Monthly trades: Jan 2020 - 17M; Jan 2019 - 7M

## Cost per registration

(Average)



Average cost per registration: Jan 2020 - \$41; Jan 2019 - \$46



‘etoro’

# The Opportunity



# Huge and growing TAM supported by secular trends

## Digital platforms increase market share

- Acceleration of digital transformation
- **72M** millennials – the largest generation in US history
- **\$30T** will pass from US boomers to heirs

Sources: BGC: Global Wealth Report 2020; Accenture: The “Greater” Wealth Transfer Report 2015; US Census Bureau, 2019; 20% market share for digital platform is based on aggregation of various researches

TAM - Total Addressable Market

Total world wealth invested in equities

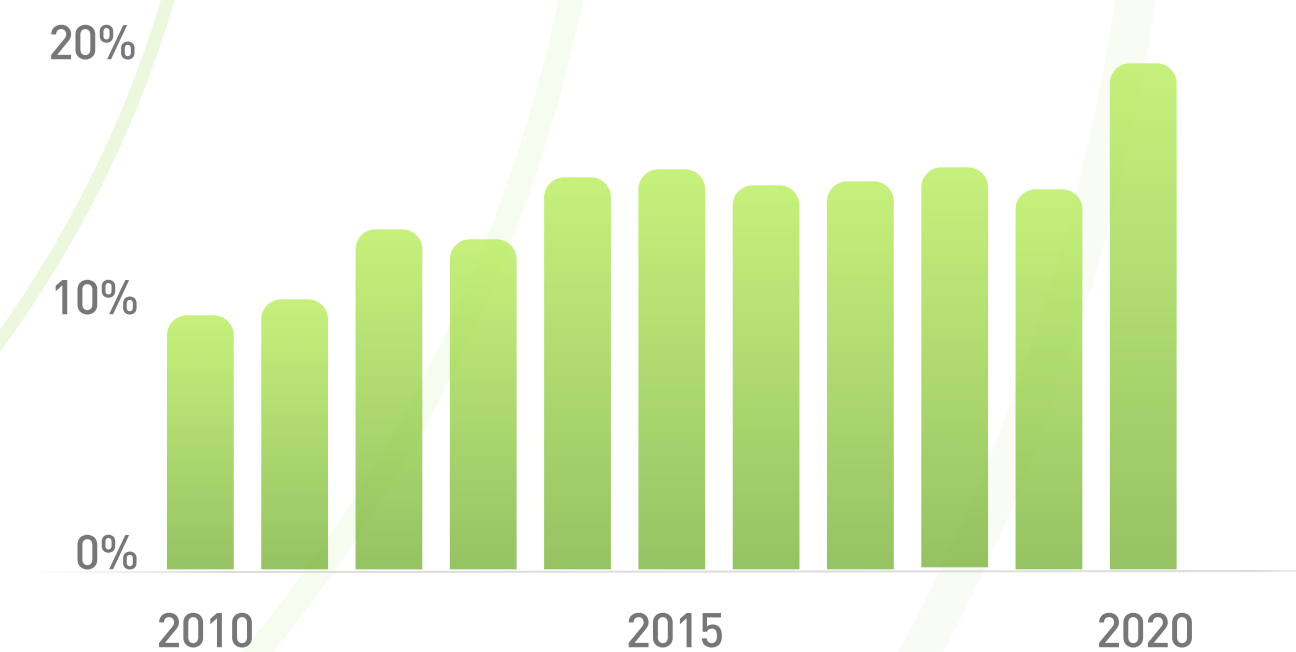
# \$78T

~20% market share for digital platforms

## TAM growth driven by:

- Growing retail participation
- Zero interest rates
- Democratization of investing

## Individual investors' estimated share of U.S. equities trading volume

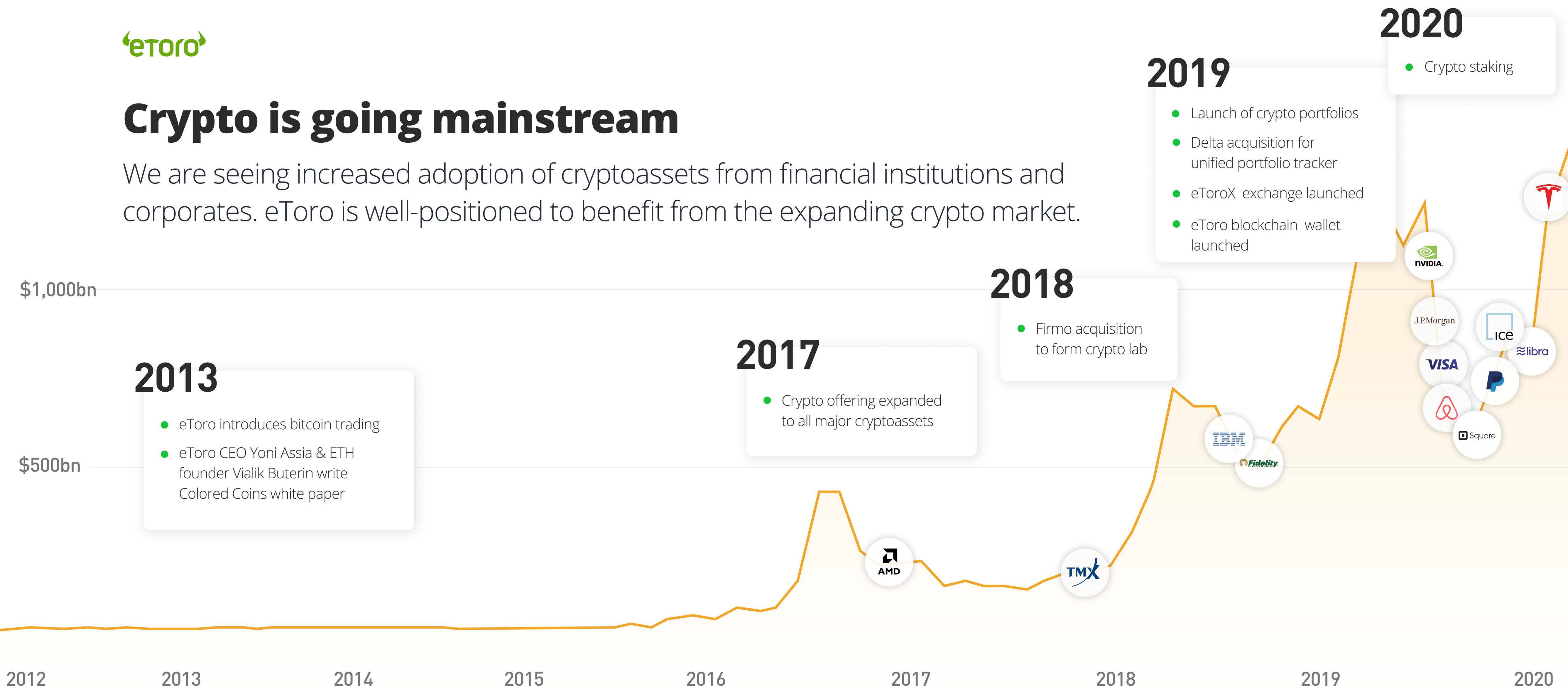


Source: WSJ quoting Bloomberg Intelligence;



# Crypto is going mainstream


We are seeing increased adoption of cryptoassets from financial institutions and corporates. eToro is well-positioned to benefit from the expanding crypto market.





## Our community

**34** Median age

  
**79%**

Of our users invest in crypto, stocks or copy as their first action

  
**62%**

Of our users trade across more than one product type



**9 min**  
Session duration



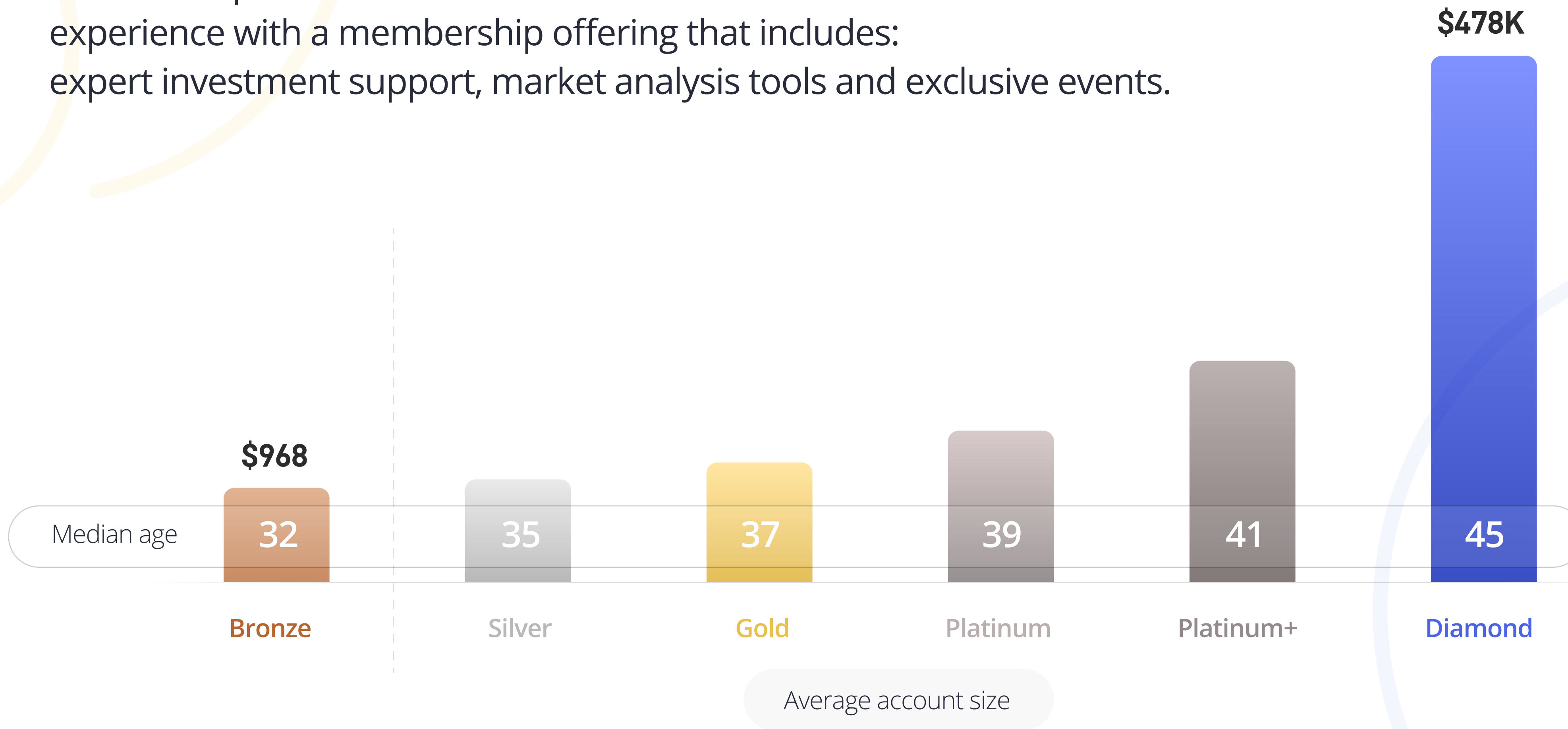
**4 Logins**  
per day





## Signing up in their early 30s and growing into our club program

eToro Club provides an enhanced investment experience with a membership offering that includes: expert investment support, market analysis tools and exclusive events.



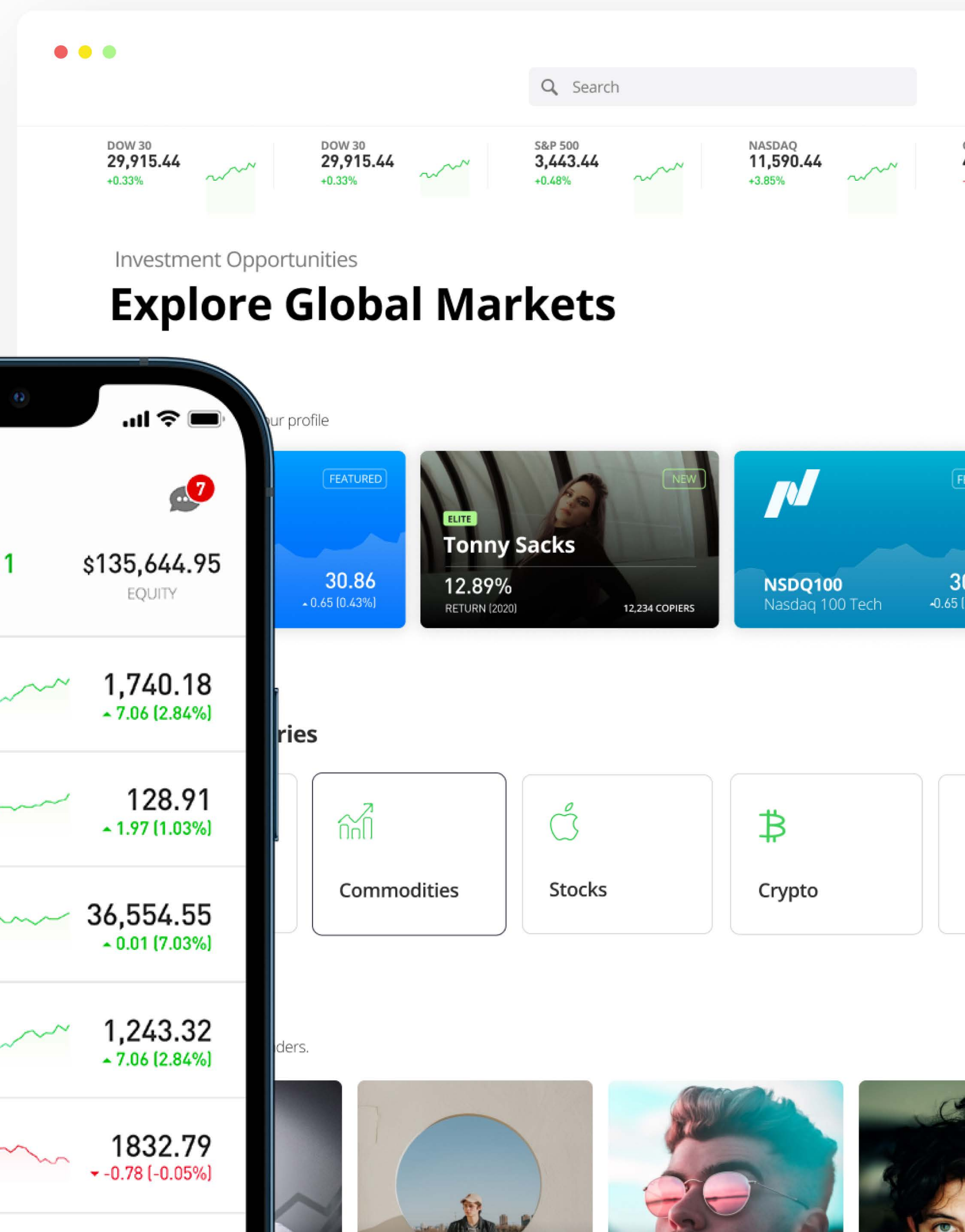
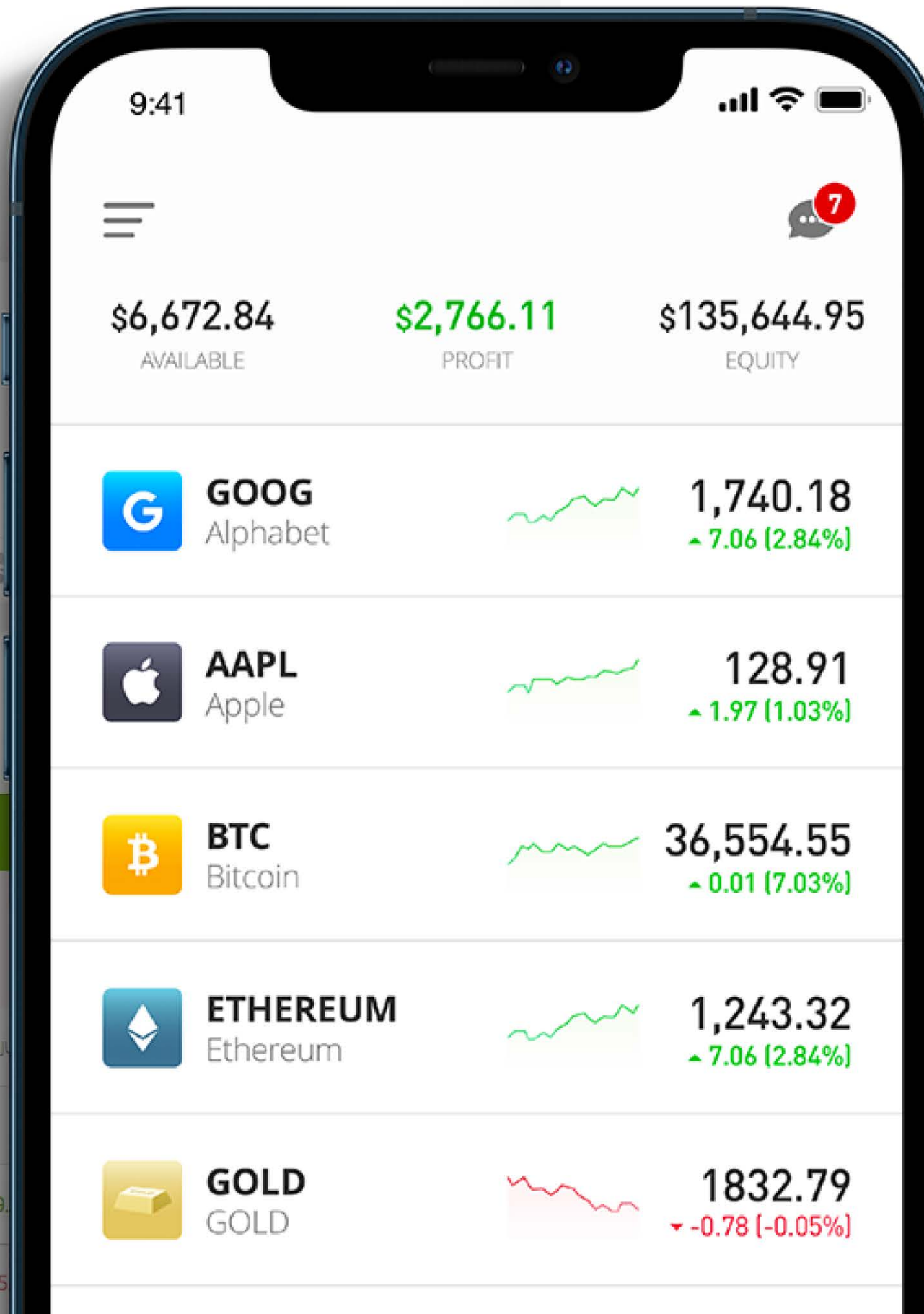


# Product Overview



# Our product

On eToro you can trade by yourself, copy other successful investors or invest in a Smart Portfolio.



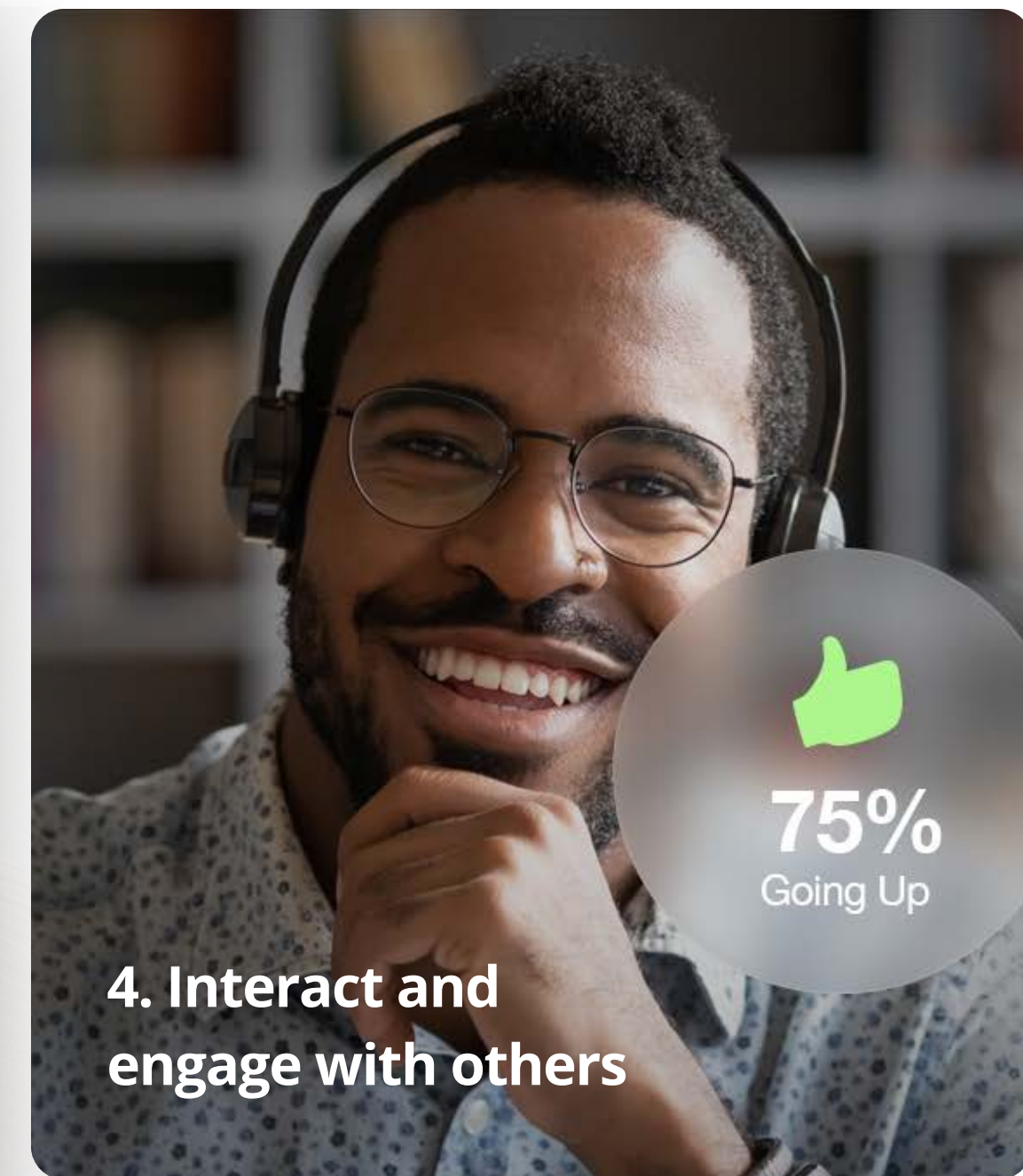
eToro

# Magical moments delivered by our product offering

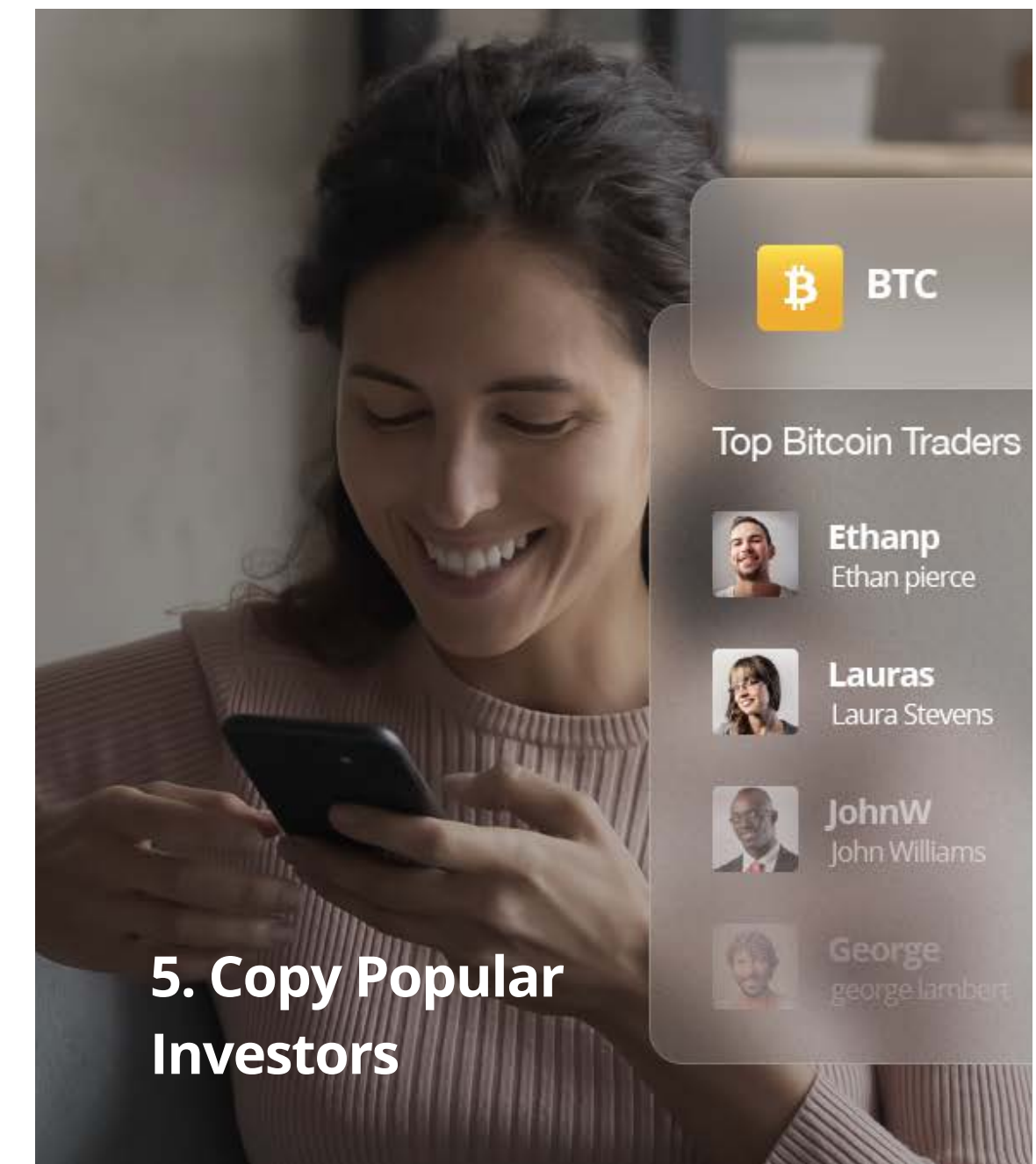
1. Fast & frictionless onboarding



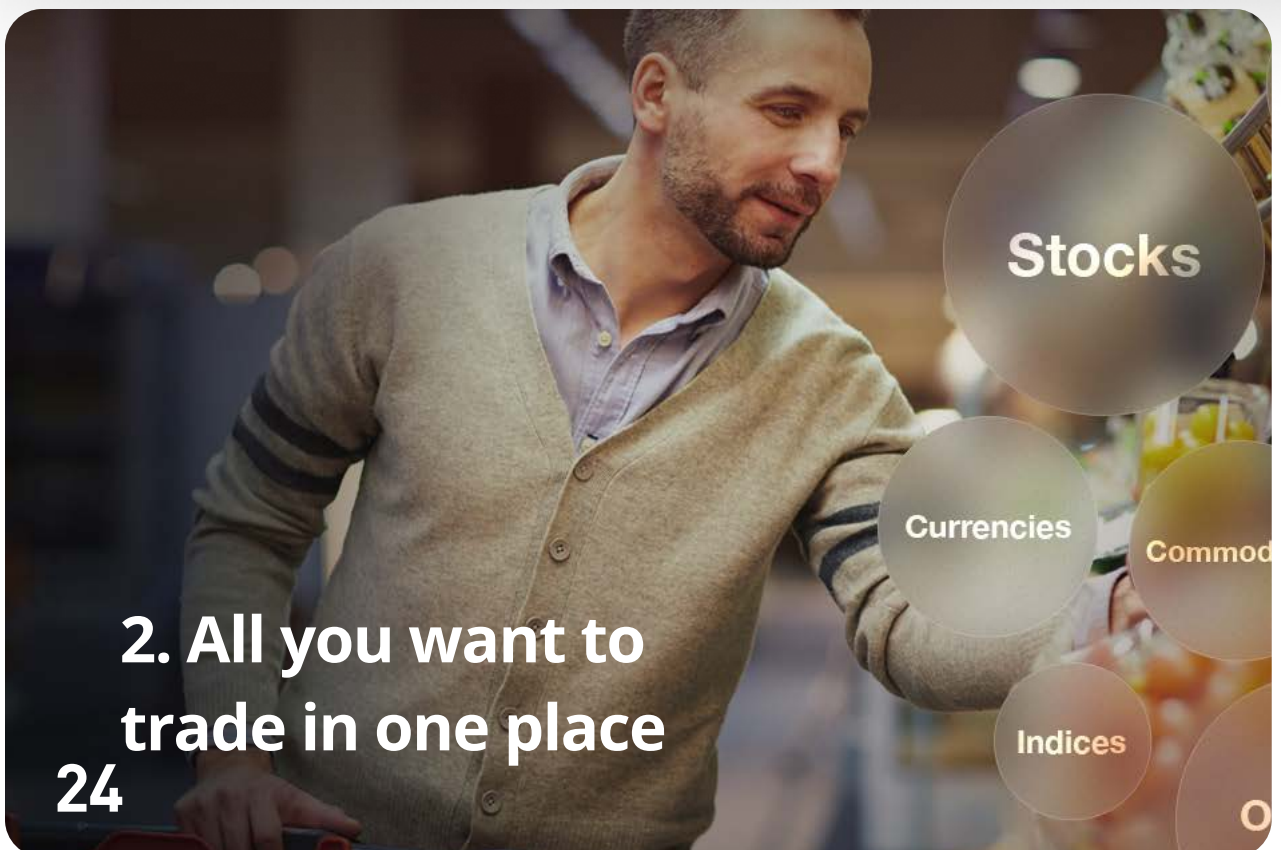
4. Interact and engage with others



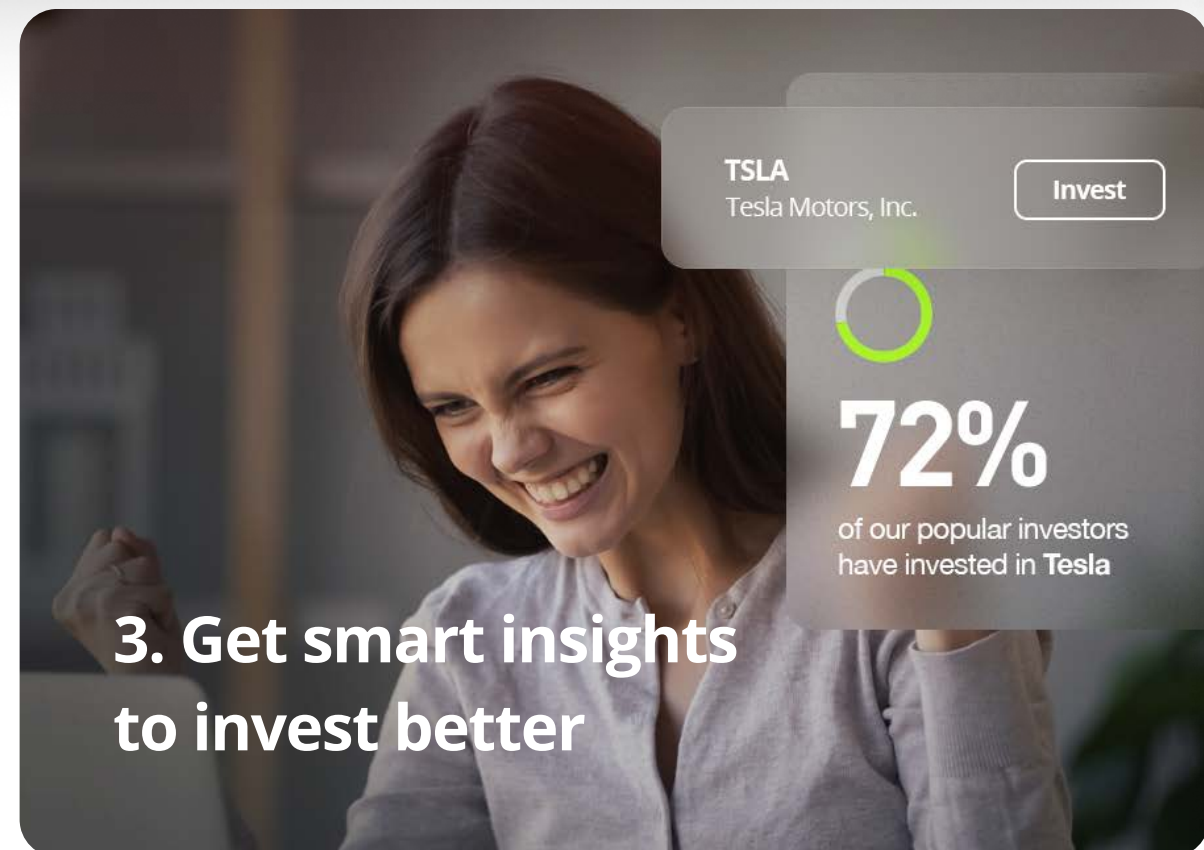
5. Copy Popular Investors



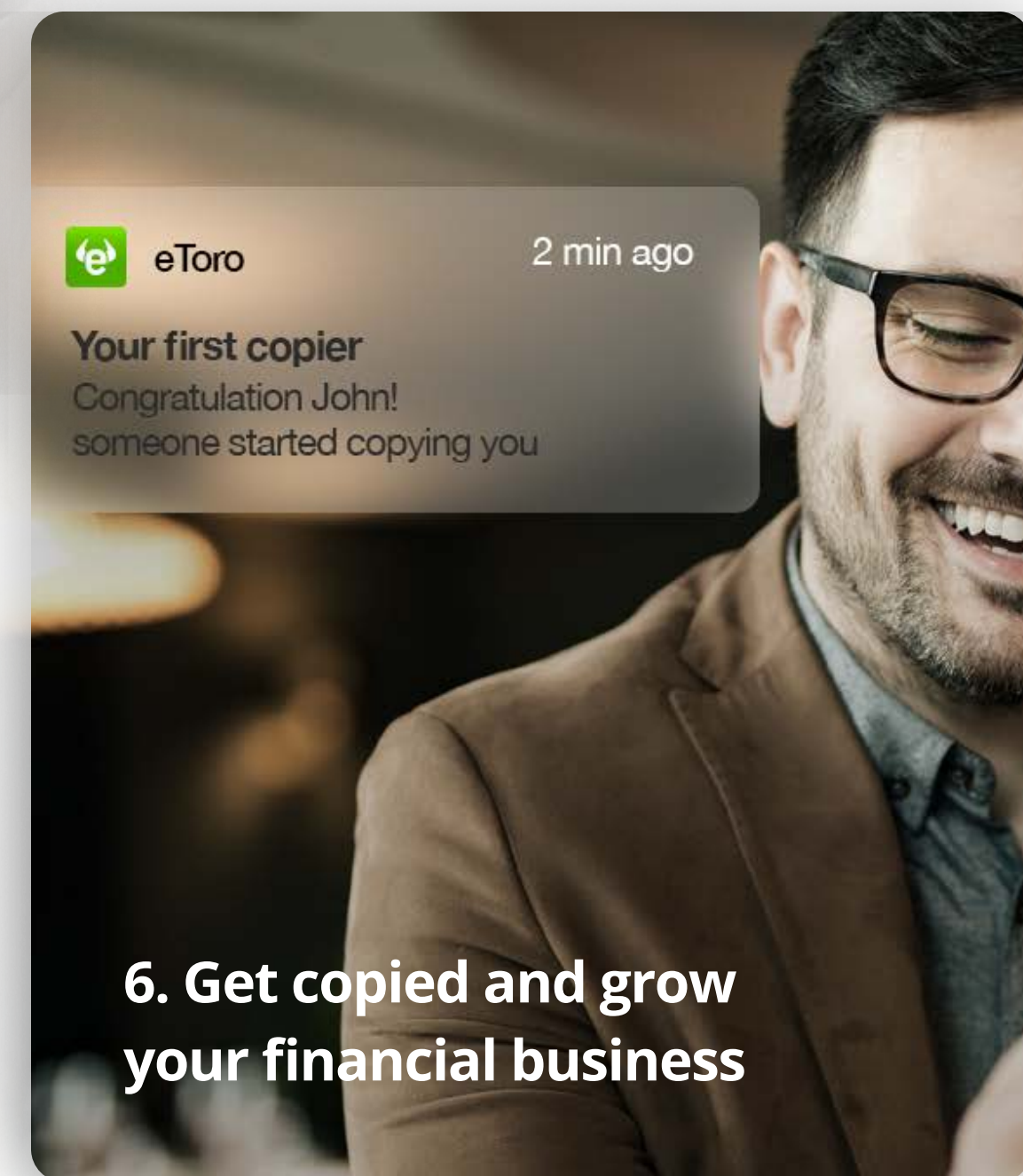
2. All you want to trade in one place



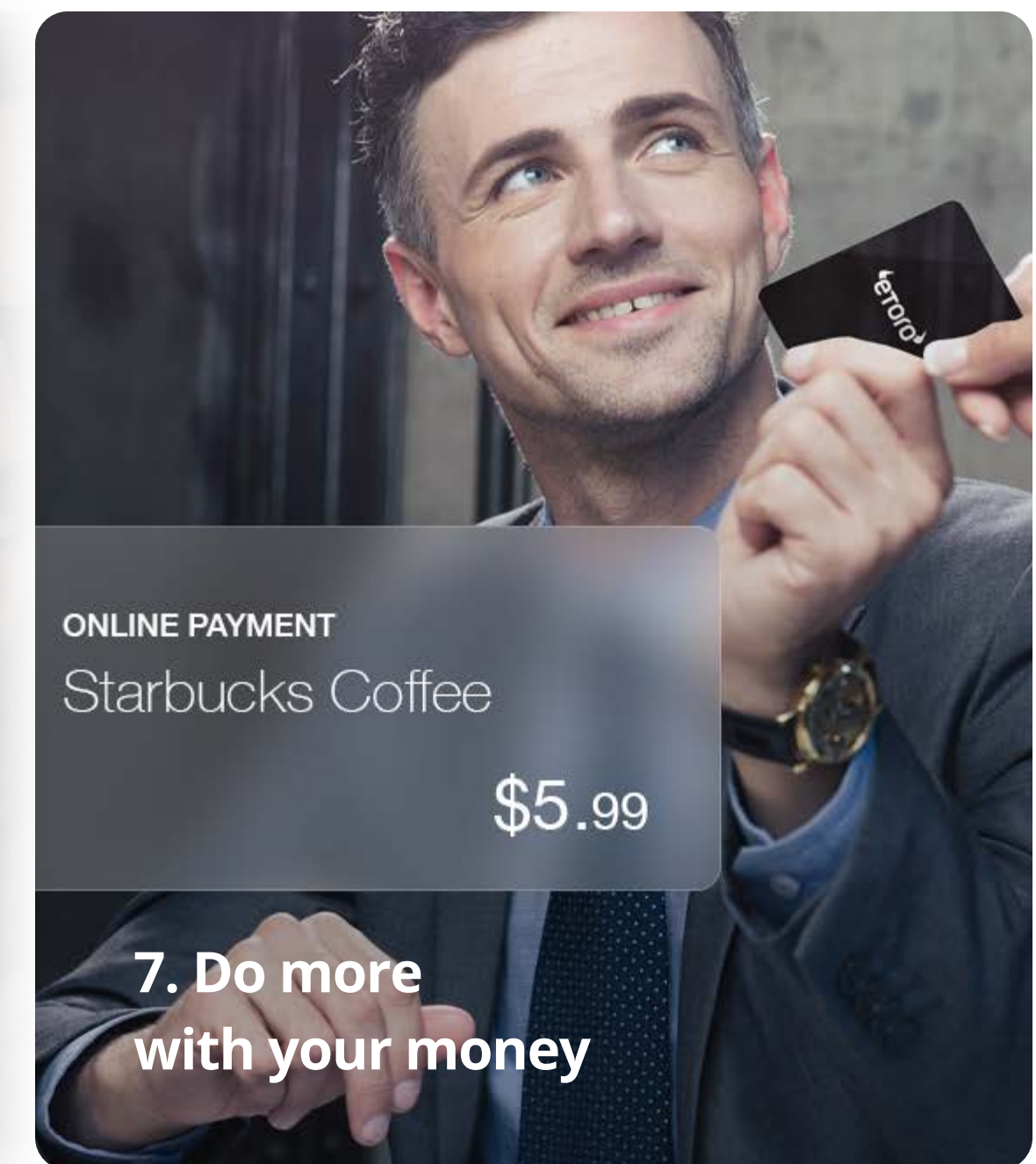
3. Get smart insights to invest better



6. Get copied and grow your financial business



7. Do more with your money







**John**

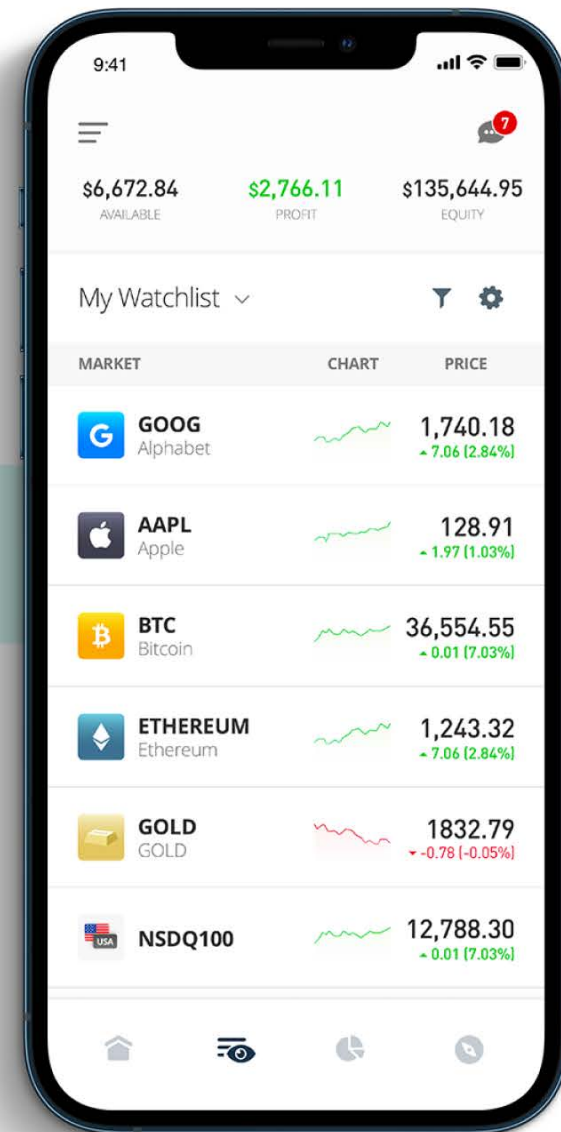
Trading experience



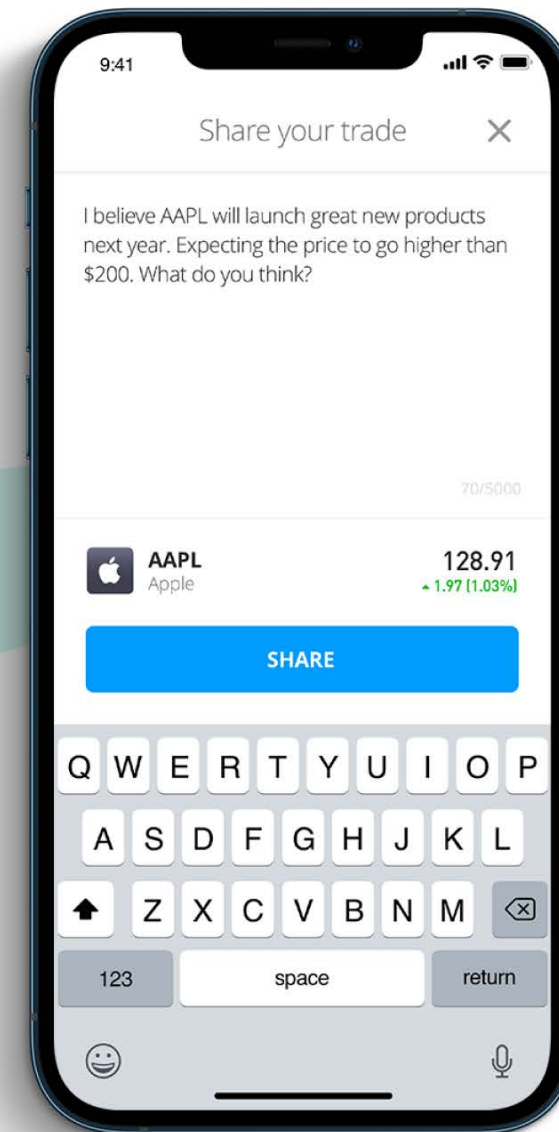
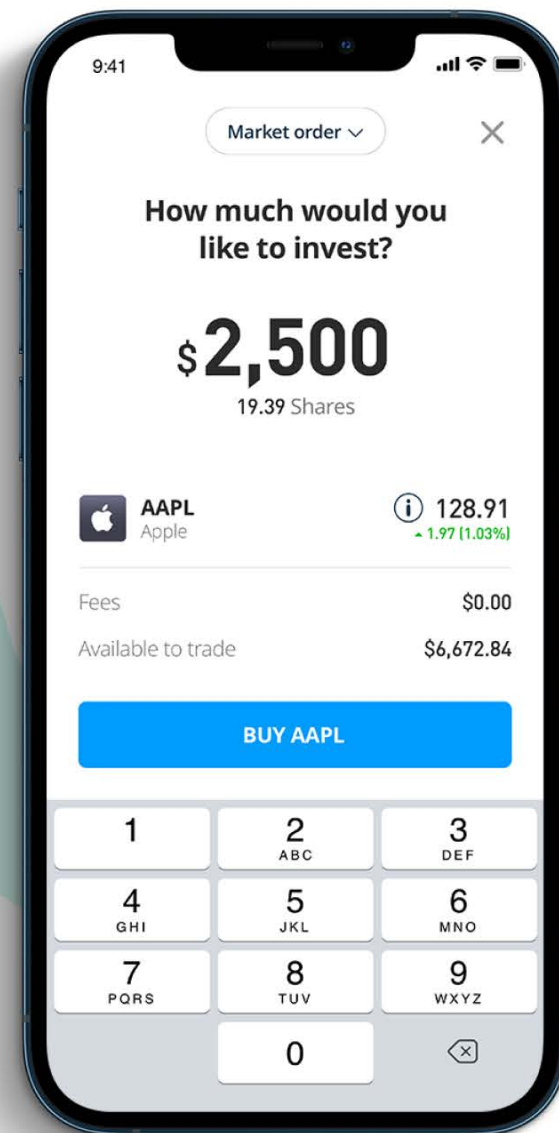
**Amy**

Social & CopyTrading experience

Offering a basic and advanced experience but **always simple**

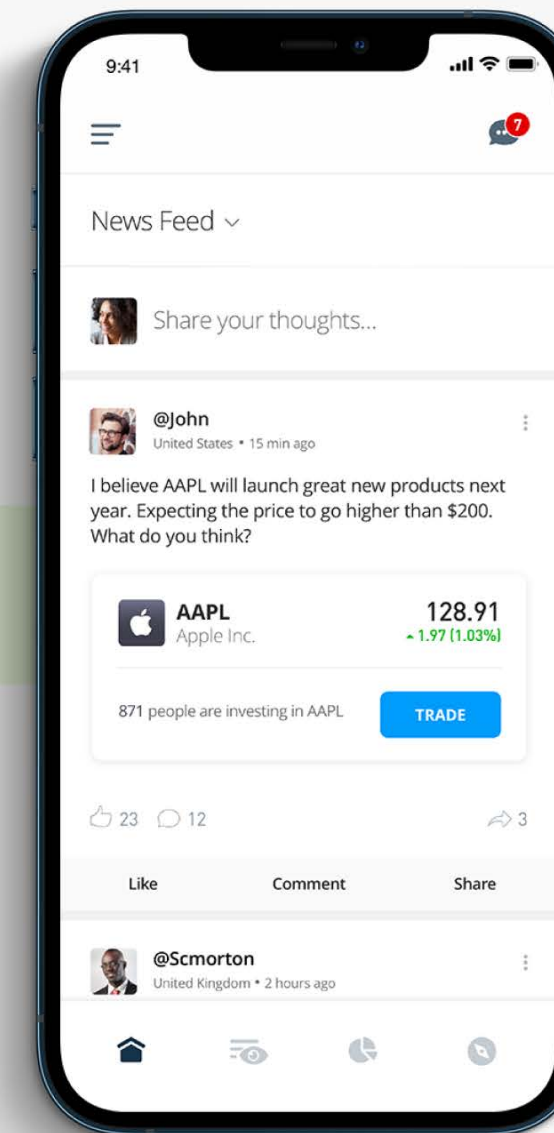


Multi asset experience  
**Invest in everything, everywhere**



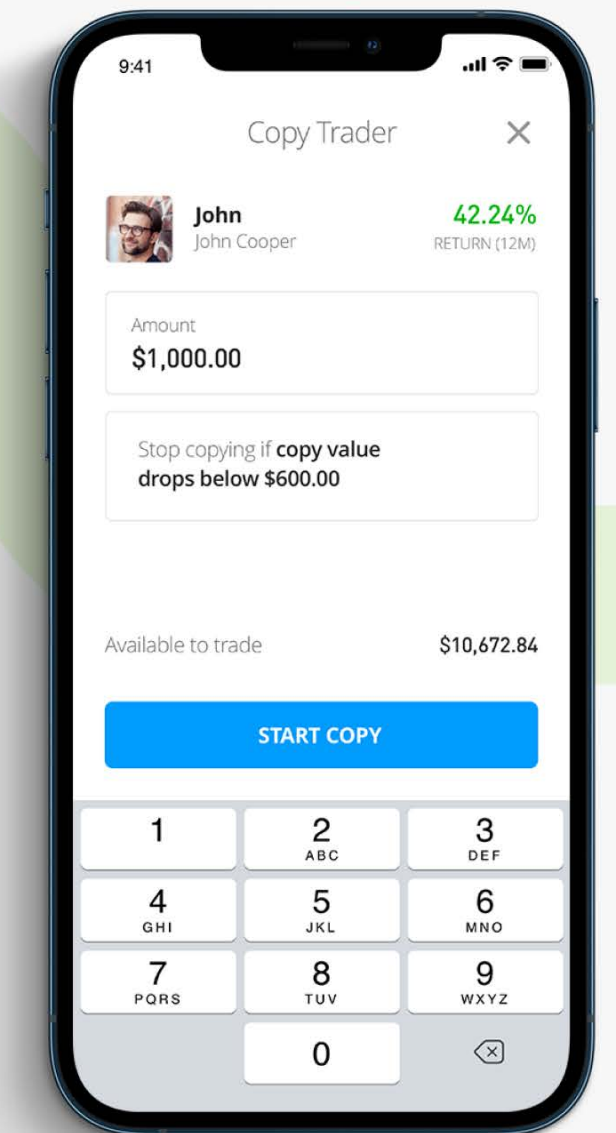
Share your trading ideas with the **community**

Read the real time news feed to get the **wisdom of the crowd**



View each trader's **profile, portfolio and stats**

**Copy Popular Investors**





### John's portfolio

Viewing and managing all assets and positions

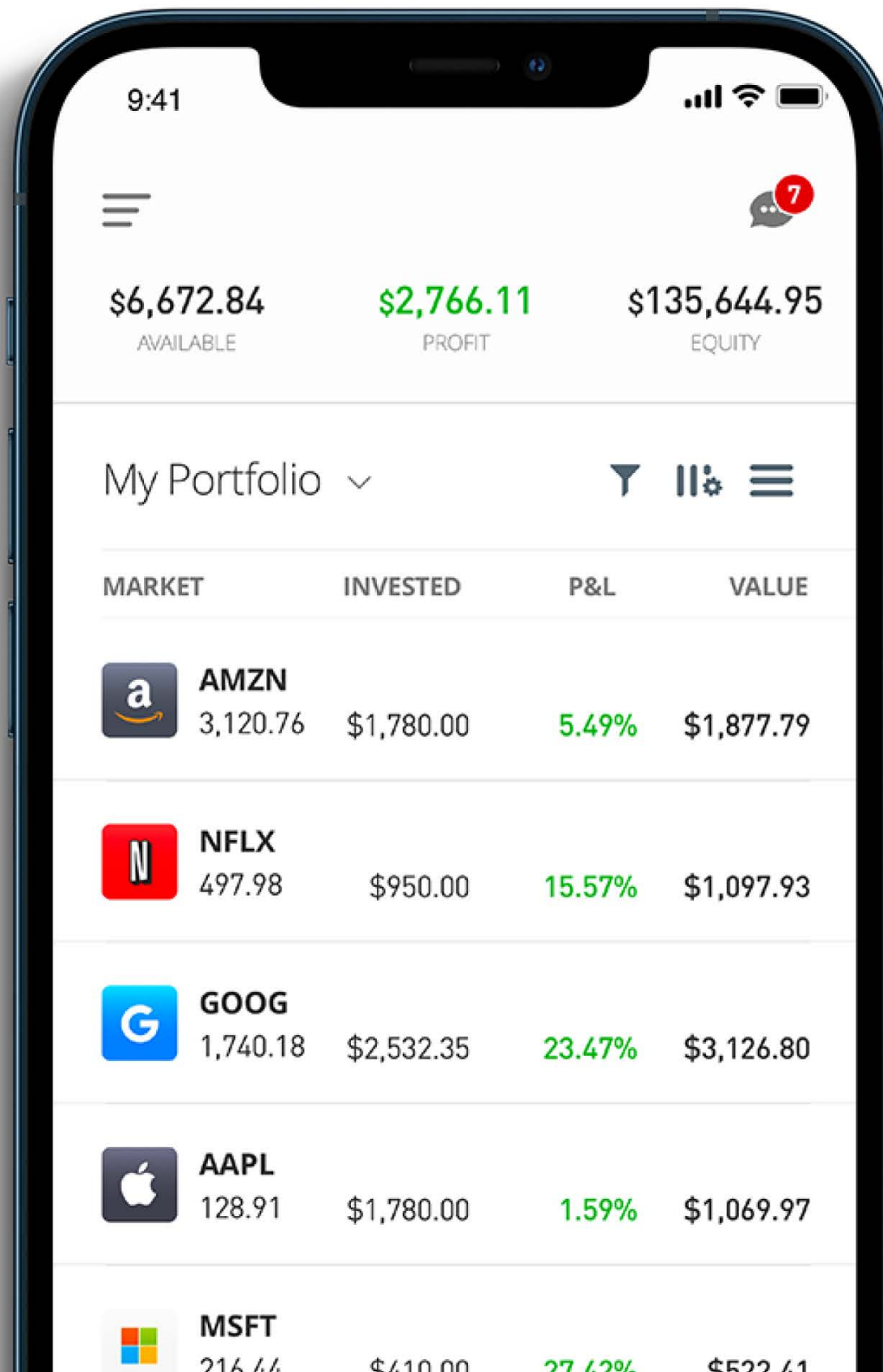
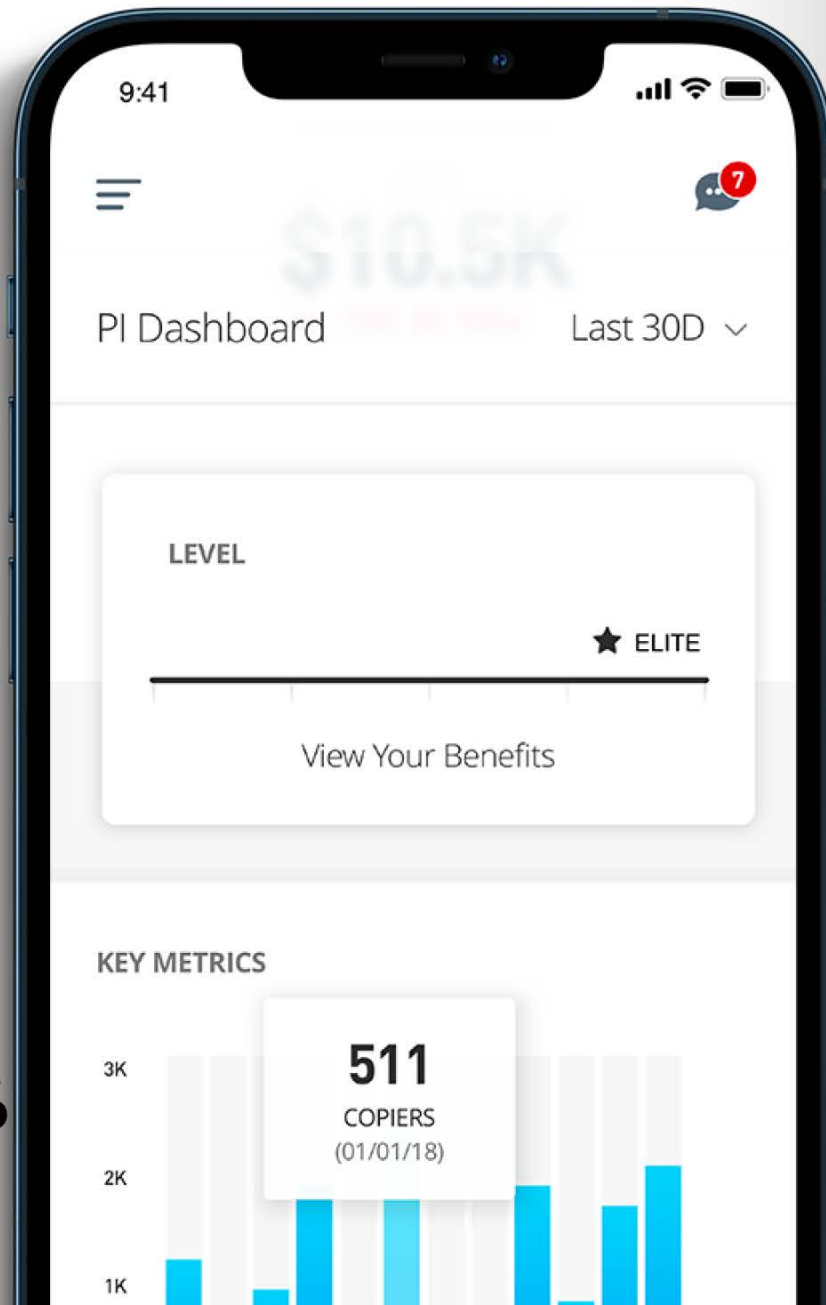


### Amy's portfolio

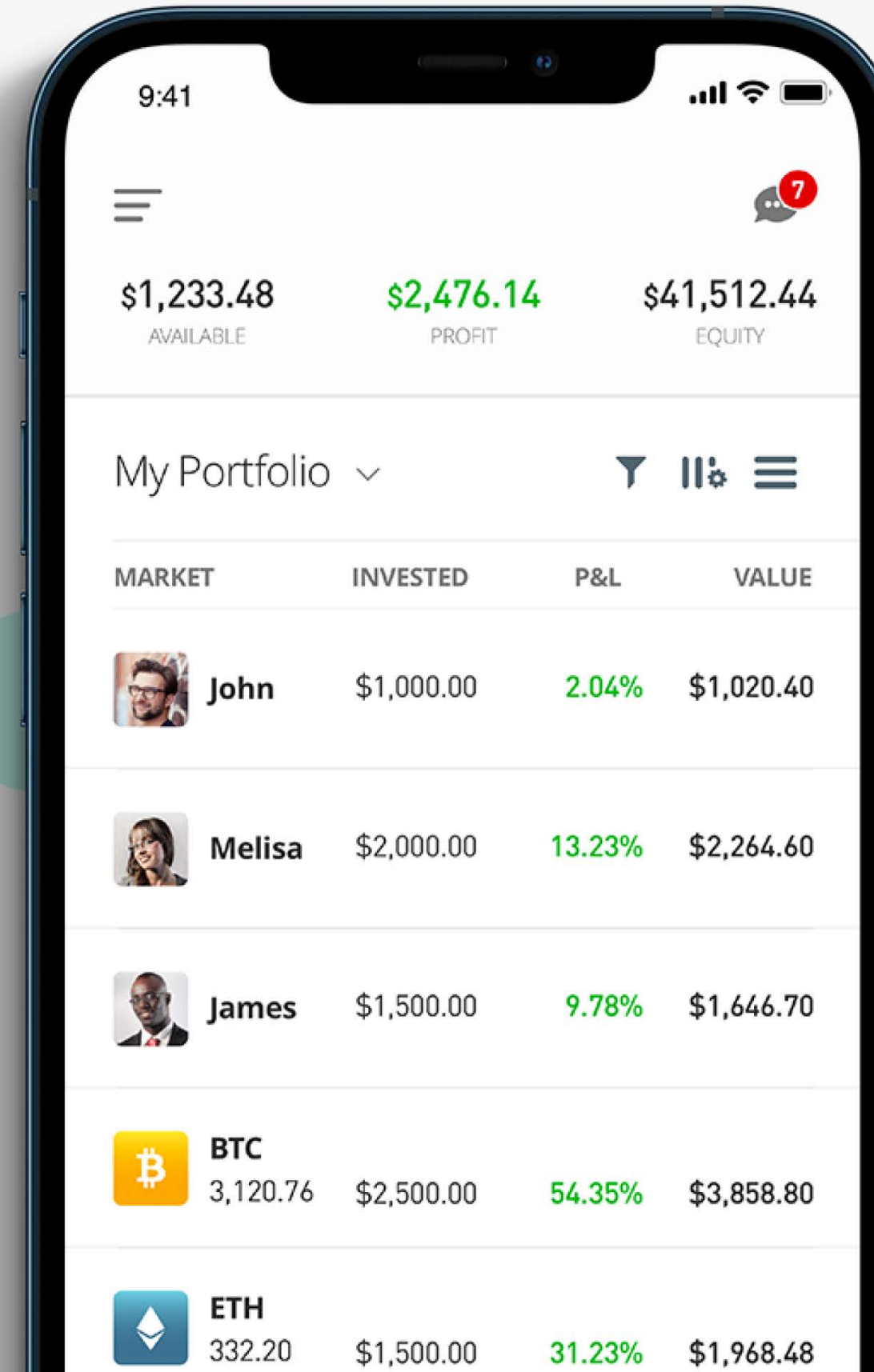
Viewing and managing also the CopyTrading investments

### Popular investor dashboard

Stats and tools to grow the audience of copiers and AUM

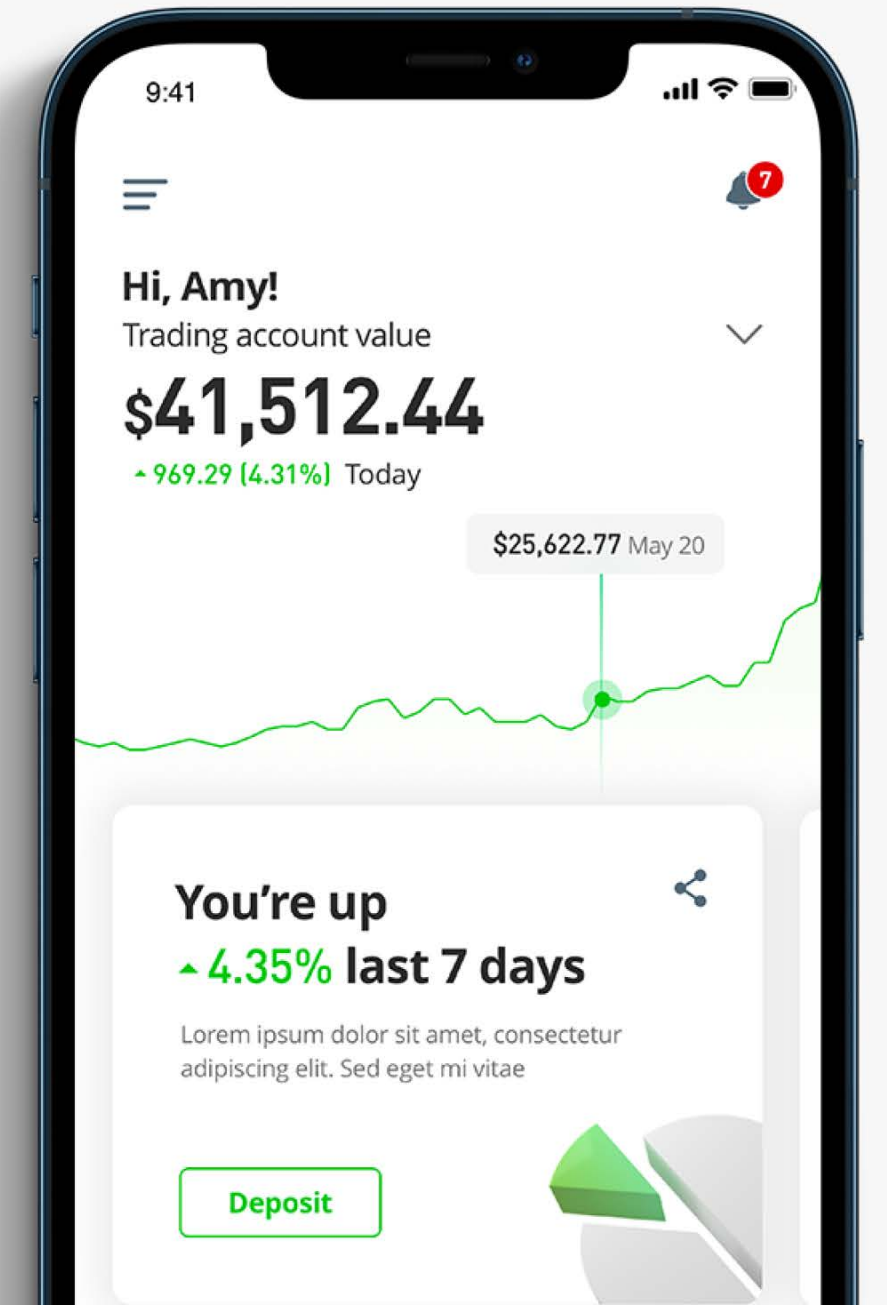


COPY



### Home screen

Personalized insights and news feed





## Our Popular Investors

With eToro's CopyTrader technology, users can automatically replicate other investors' actions in real time.

### Value for the Popular Investor:

- Earn as you attract more copiers and gather more assets
- Global exposure and reputation building
- Dedicated performance monitoring tools

### Value for The Copier:

- Copy top performing investors
- No management fee
- Performance and risk is monitored by eToro

**51%** Average return of Popular Investors in 2020

Source: Company data

**ELITE PRO**  
**Mariano Daniel Pardo**  
79.59%  
RETURN (2020)

**ELITE PRO**  
**Jay Edward Smith**  
103.51%  
RETURN (2020)

**ELITE**  
**Lena Birse**  
101.45%  
RETURN (2020)

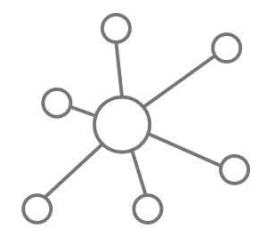
**ELITE**  
**Heloise Greeff**  
45.24%  
RETURN (2020)



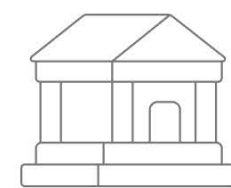
# Smart Portfolios

Today, people want to invest in ideas they feel passionate about. eToro has developed a one-of-a-kind investment product to support this demand: **Smart Portfolios**.

These ready-made strategic portfolios make it easy for anyone, from active traders to passive investors, to buy into thoroughly researched, diversified, smart market opportunities.



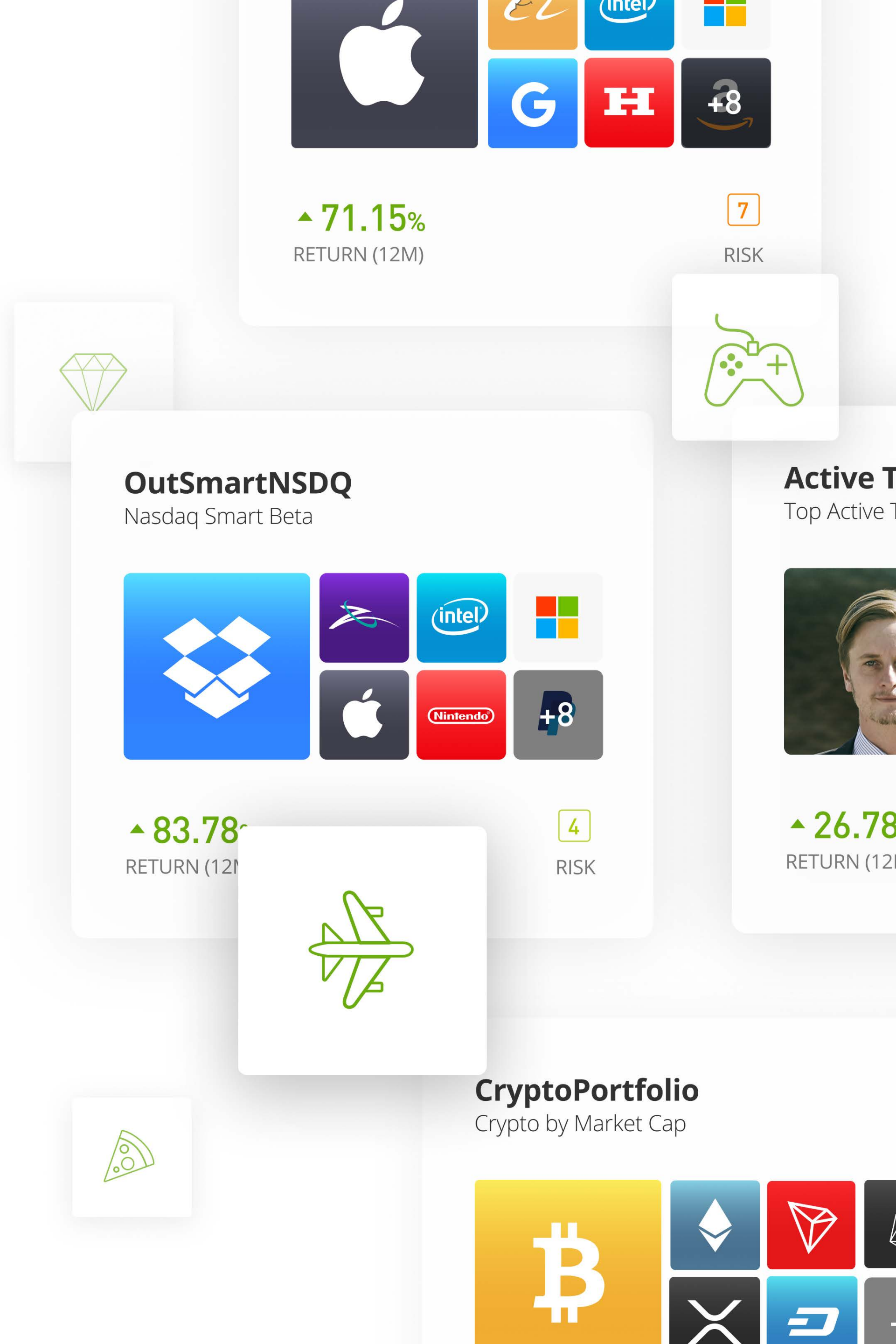
Diversified ready-made portfolios



Professionally managed and curated



No management fees





## eToro Money

In line with our goal of creating a holistic customer experience, in 2021 we plan to introduce an eToro debit card, which will connect directly to a customer's account, and enable instant deposit and withdrawal, along with additional services.



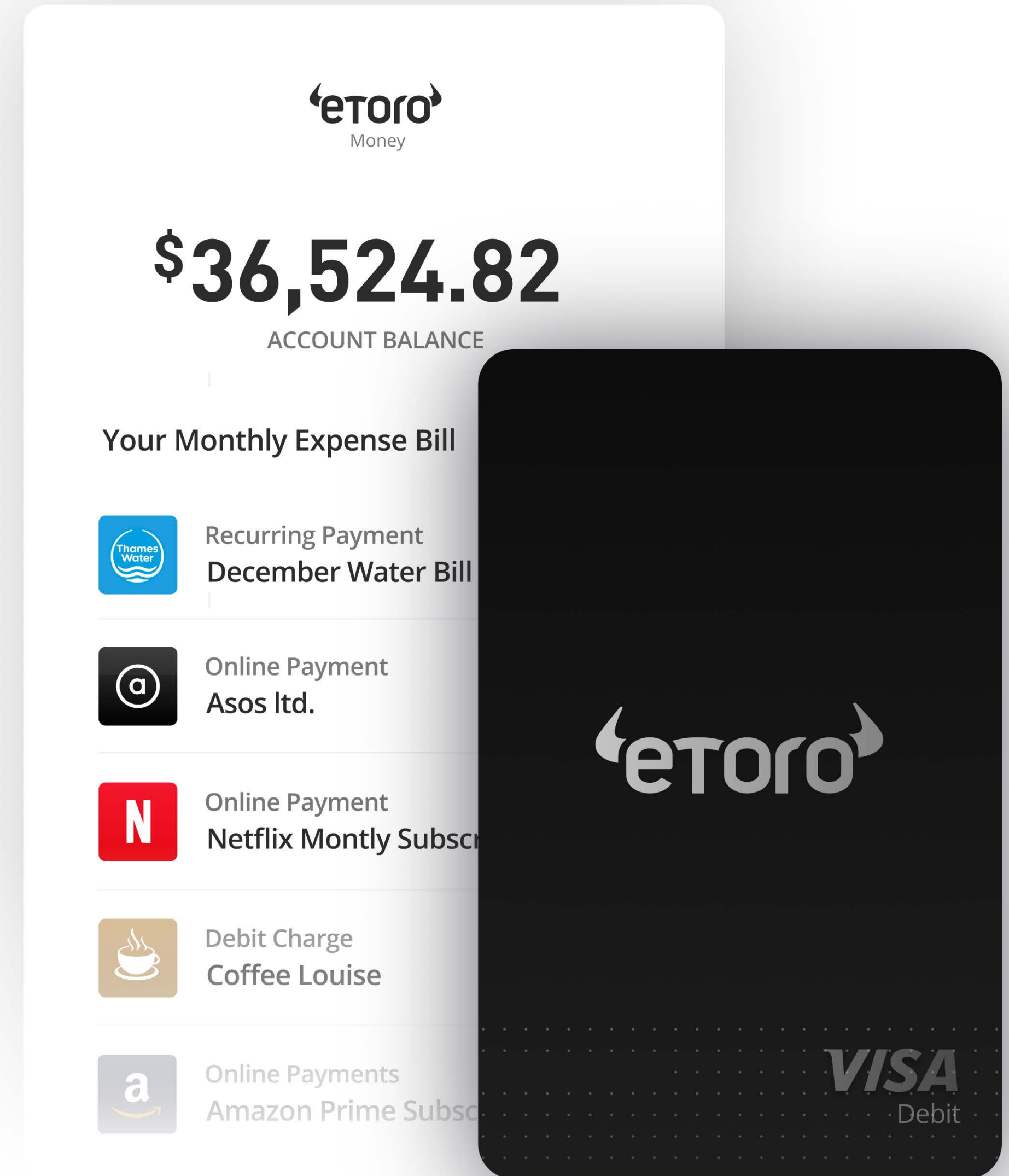
Instant deposit/  
withdrawal



Competitive  
currency  
conversion rates

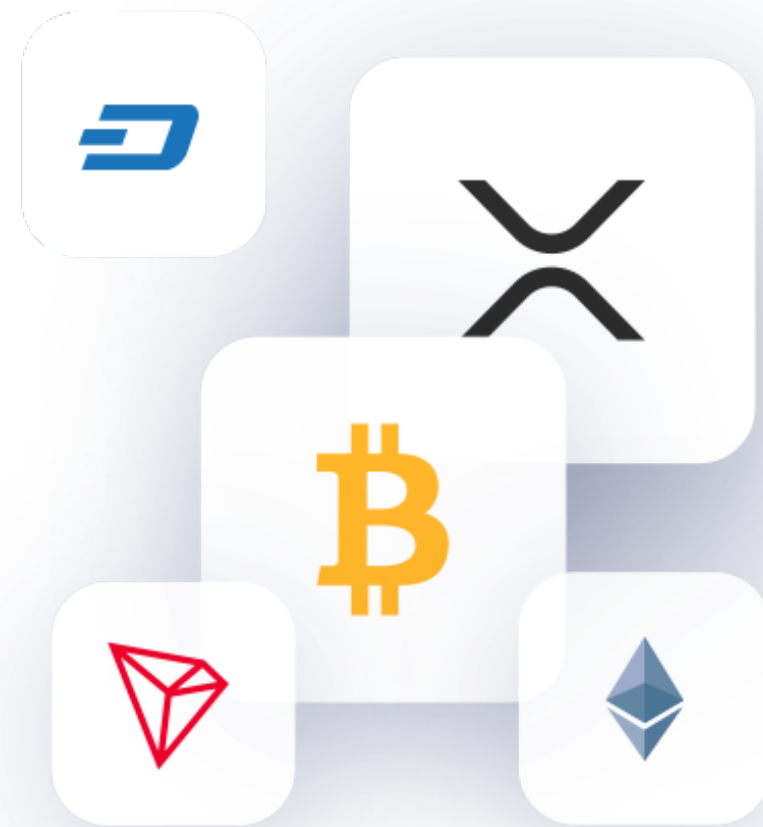


No withdrawal  
fees





## Expanding eToro in the US



**2019**

Launched our social network and cryptoassets



**2020**

Received FINRA broker dealer license



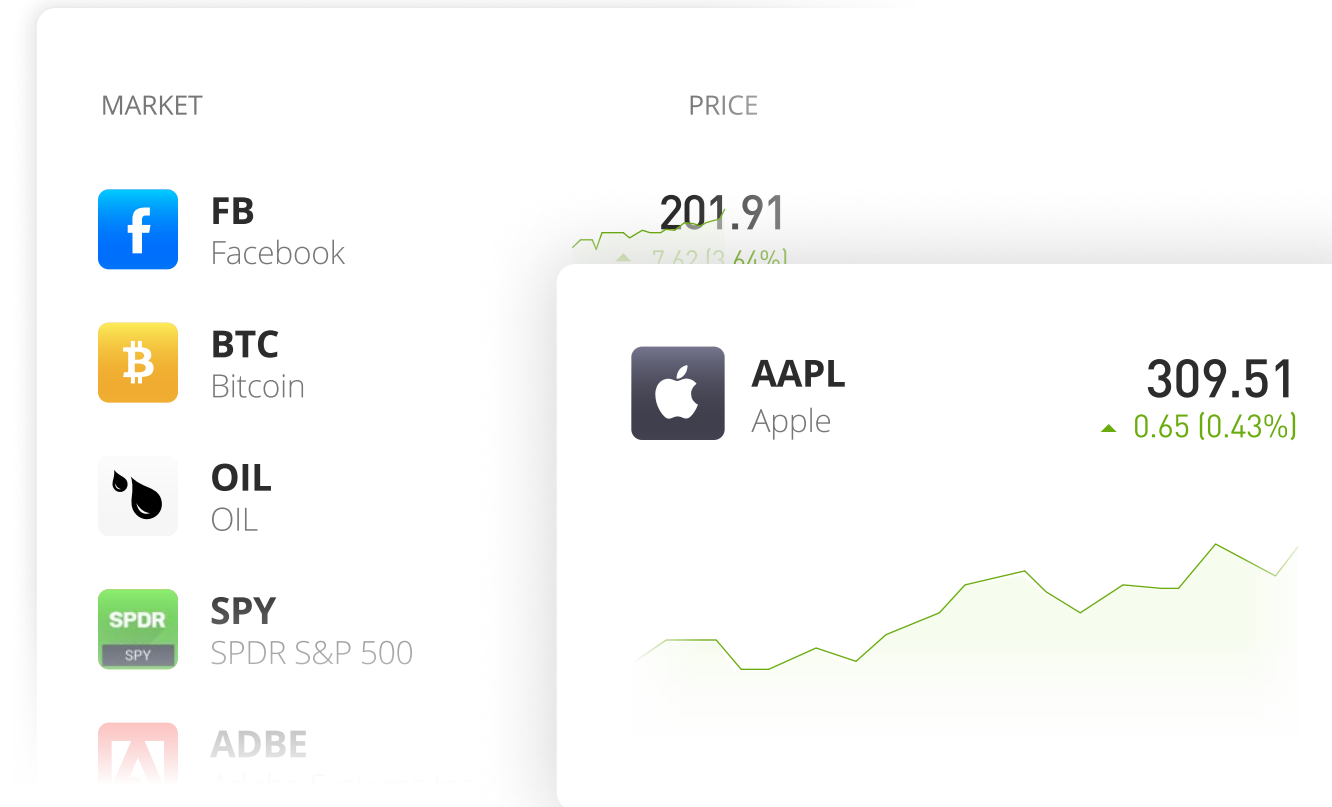
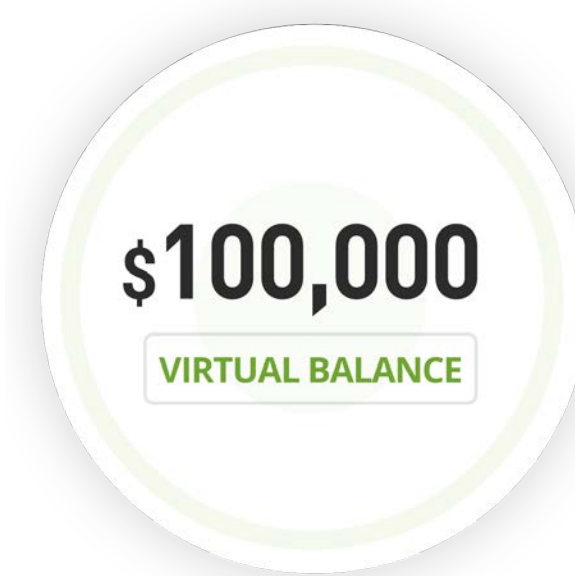
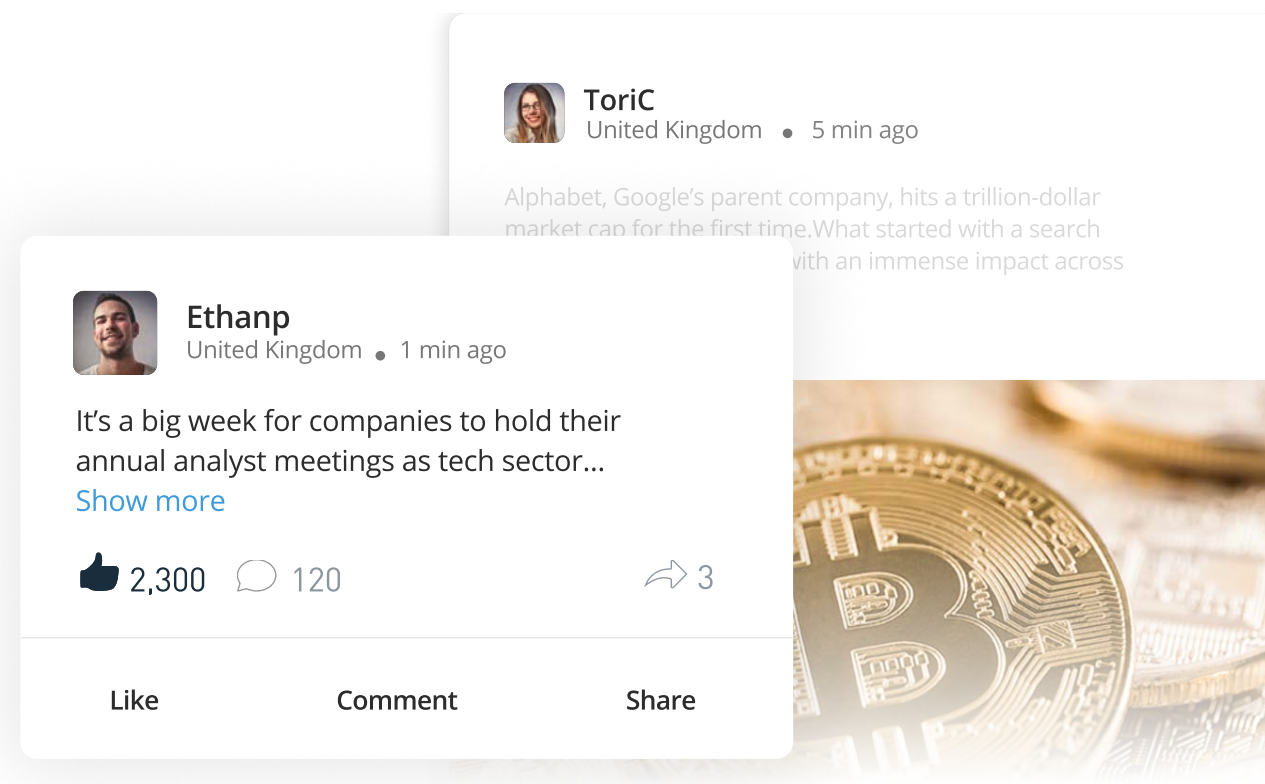
**2021**

Launching stocks and CopyTrading

# **Multi Channel Marketing Strategy**

# Our customer journey

From onboarding to engaging and learning from other investors in the social network, to activating a funded brokerage account.



Full trading and investing experience

Registration to the social network

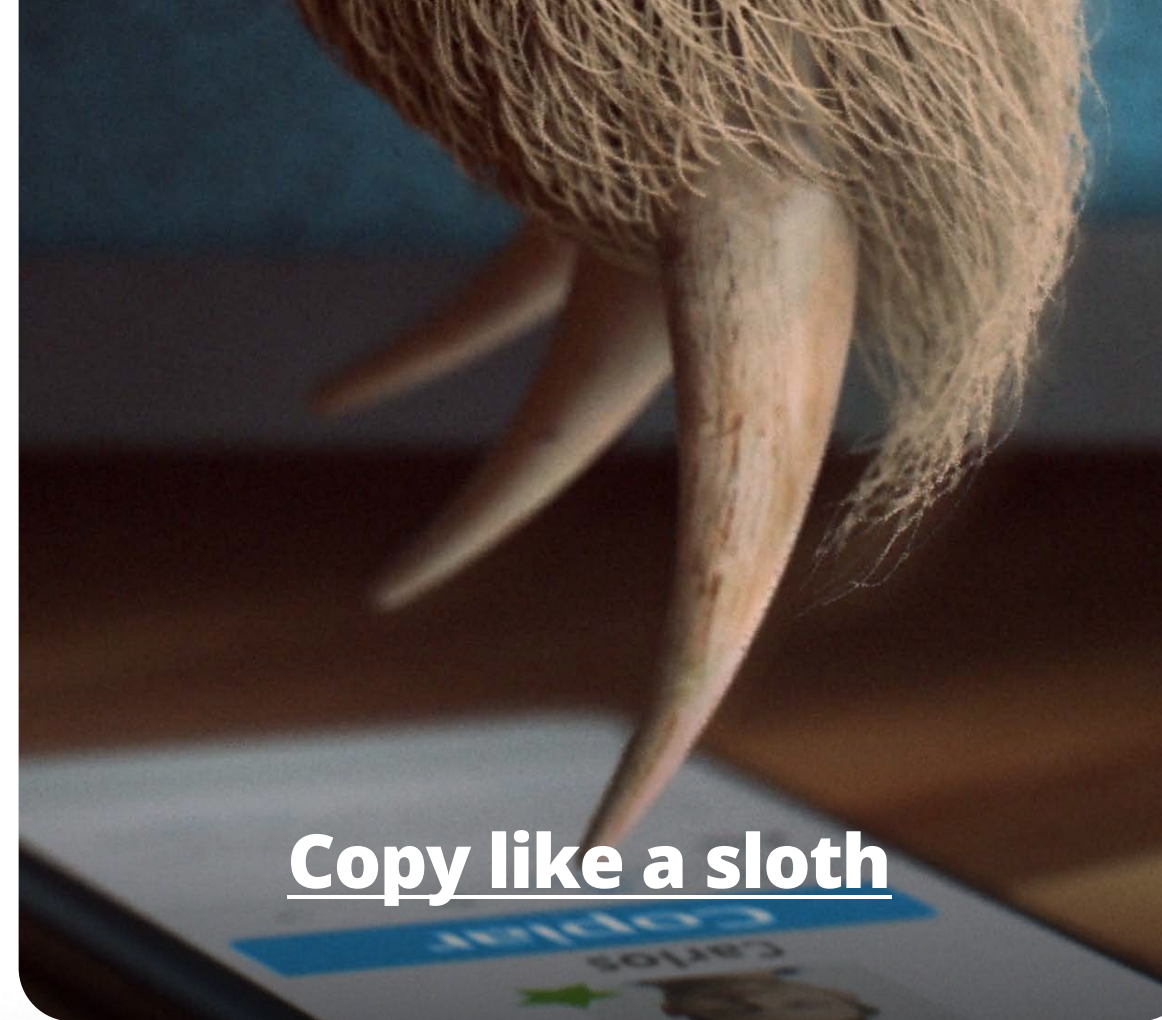
Trading with virtual money

Activation of brokerage account





# Building the eToro global brand



Copy like a sloth



Zero commission



HODL



We build a holistic brand strategy by actively investing in **sport sponsorships**, **outdoor** media, vast **digital channels**, main **social media** sites and our own **partner network**.



Trade like Steve

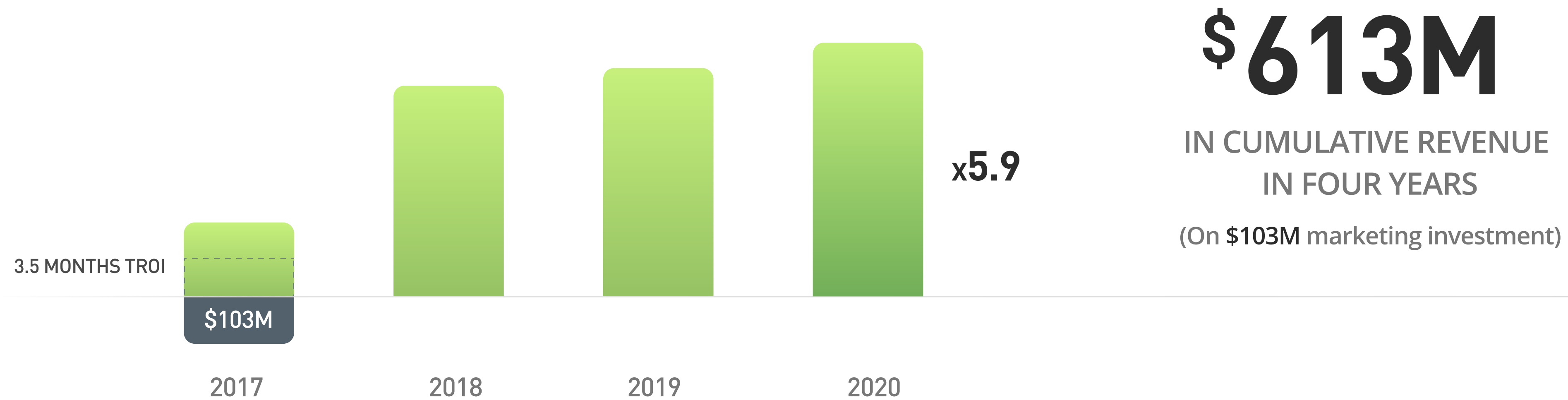




# Marketing investment returned in 3.5 months

## 2017 cohort

- Cumulative cohort revenue
- Marketing expense

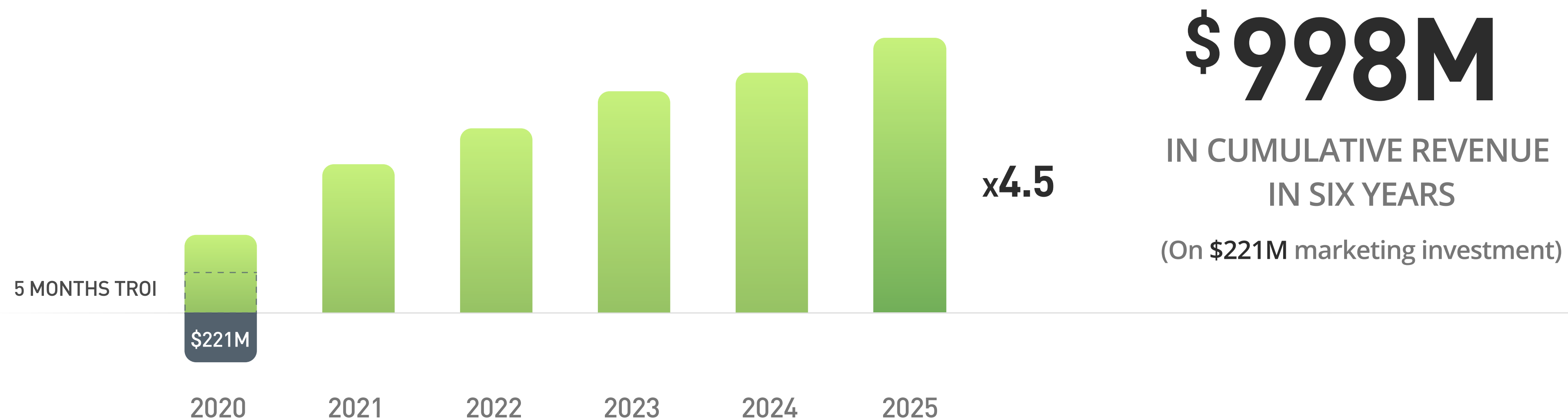




# 2020 marketing spend is expected to return more than 4.5x in revenue

## 2020 cohort

- Cumulative cohort revenue
- Marketing expense





# Business Overview

# How we generate revenue

## ● Trading revenue

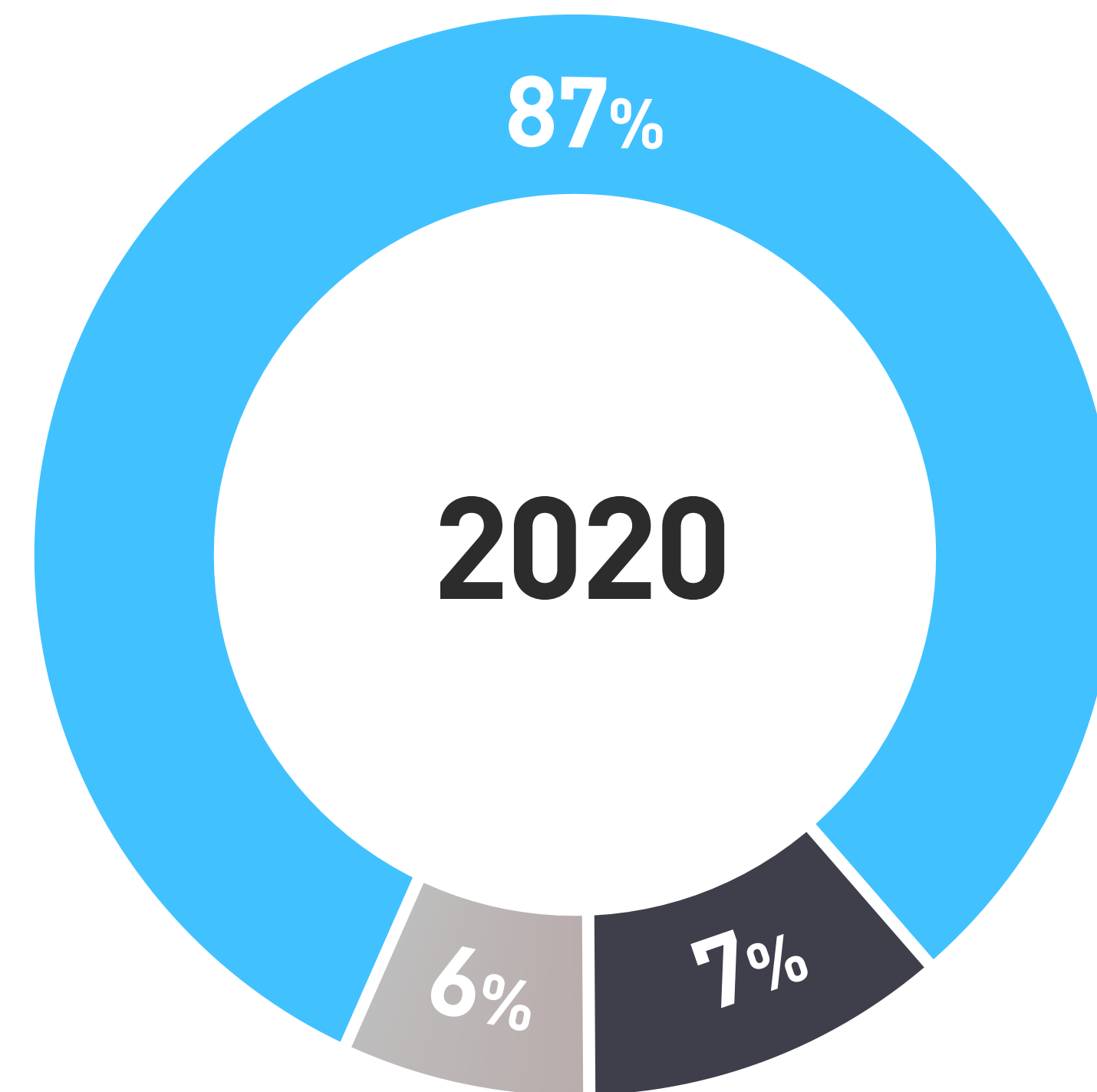
The trading revenue includes the spread, which is the difference between the Buy and Sell prices of a certain asset, and it is charged when a new trade is opened.

Trading revenues derived from equities, crypto and contracts for difference.

## ● Interest income

Margined positions that stay open overnight incur a small fee, relative to the value of the position. This is essentially an interest payment to cover the cost of the margin used overnight.

## ● Currency conversion and other income



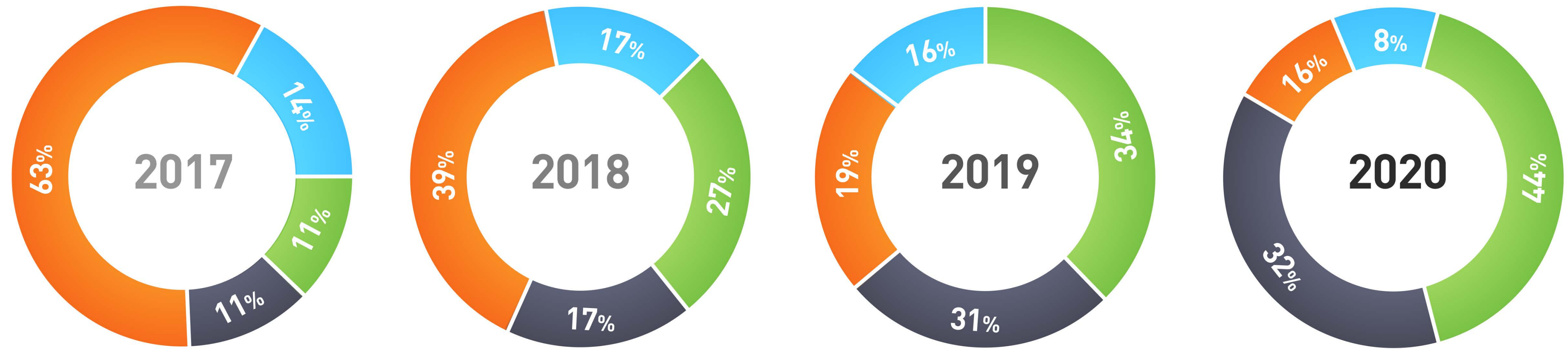
Margined positions - leveraged or short positions

2020 figures (unaudited)

eToro products and fees page: <https://www.etoro.com/trading/fees/>

# A true multi-asset investment platform

Revenue split by asset class 2017-2020



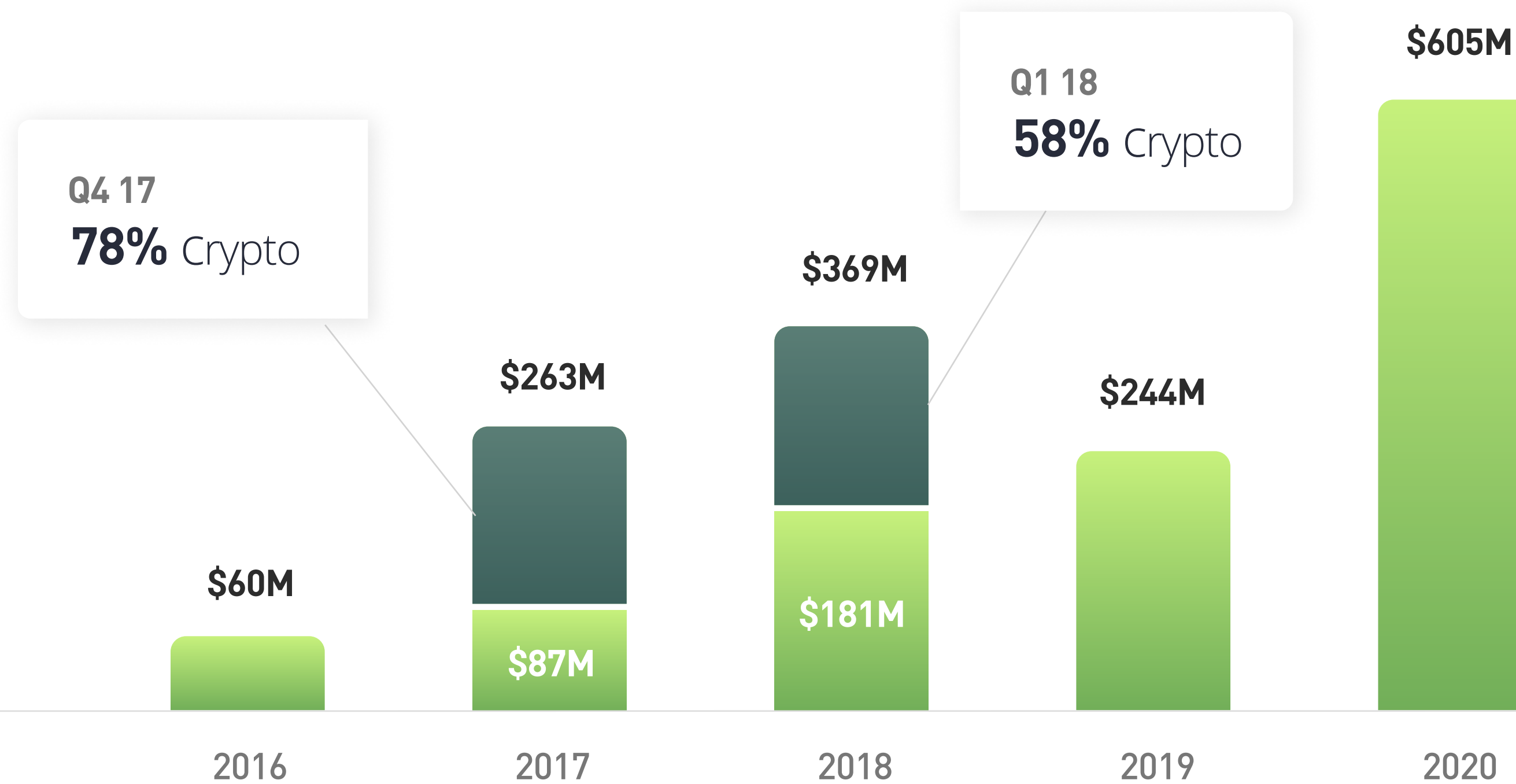
● Equities ● Commodities ● Cryptoassets ● Currencies

Equities include stocks and indices. Revenue includes trading revenue and interest income.



## 78% revenue CAGR (2016-2020)

2017 and 2018 were boosted by strong crypto demand





## Annual P&L 2016 – 2020

Profit & Loss Highlights (\$M)	2016	2017	2018	2019	2020
<b>Revenue</b>	<b>60</b>	<b>263</b>	<b>369</b>	<b>244</b>	<b>605</b>
Growth (%)	29.5%	338%	40%	-34%	147%
Trading income (cost)	-12	22	19	8	-61
<b>Net revenue</b>	<b>48</b>	<b>285</b>	<b>389</b>	<b>252</b>	<b>544</b>
Marketing cost	17	103	96	120	229
<b>Revenue net of marketing</b>	<b>31</b>	<b>182</b>	<b>293</b>	<b>132</b>	<b>315</b>
Salary	26	33	49	67	99
Overheads	10	18	27	38	56
Payment processing fees	2	17	23	16	65
<b>Total operating expenses</b>	<b>38</b>	<b>68</b>	<b>100</b>	<b>121</b>	<b>220</b>
<b>EBITDA</b>	<b>-8</b>	<b>114</b>	<b>193</b>	<b>11</b>	<b>95</b>





# 2020-2025 PLAN



# Data driven methodology

## Revenue

- ARPU and retention rates are **based on historical client behavior**.
- **Growth in equities and crypto** as portion of average portfolio similar to recent years' trend.
- US broker dealer - **conservative market penetration** assumed with gradual rollout of products.
- Revenues from new business lines are not embedded into the model.

## Expenses

- Account acquisition costs based on actual figures, and include **all marketing expenses, both online and offline**.
- Operating expenses ramp up to **fully support projected growth**.
- Gradual decrease in payment processing fees, not taking into account full impact of **eToro Money**.

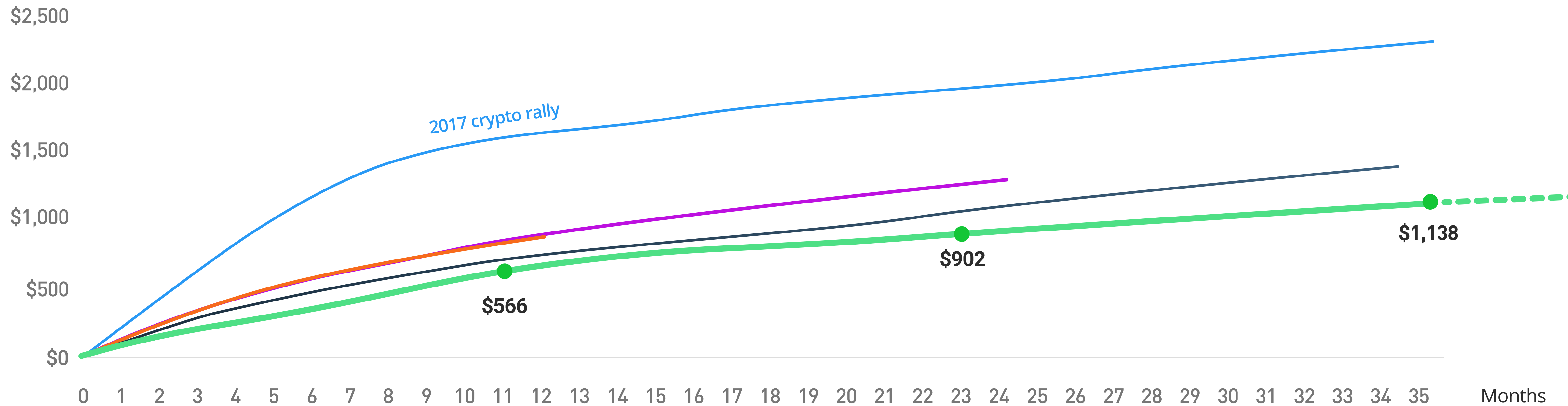


# Stable ARPU and retention over time

Accumulated average revenue over time

● 2017 ● 2018 ● 2019 ● 2020 ● Model

Average monthly churn				
2017	2018	2019	2020	2021-2025
2.8%	1.5%	1.5%	1.5%	1.5%



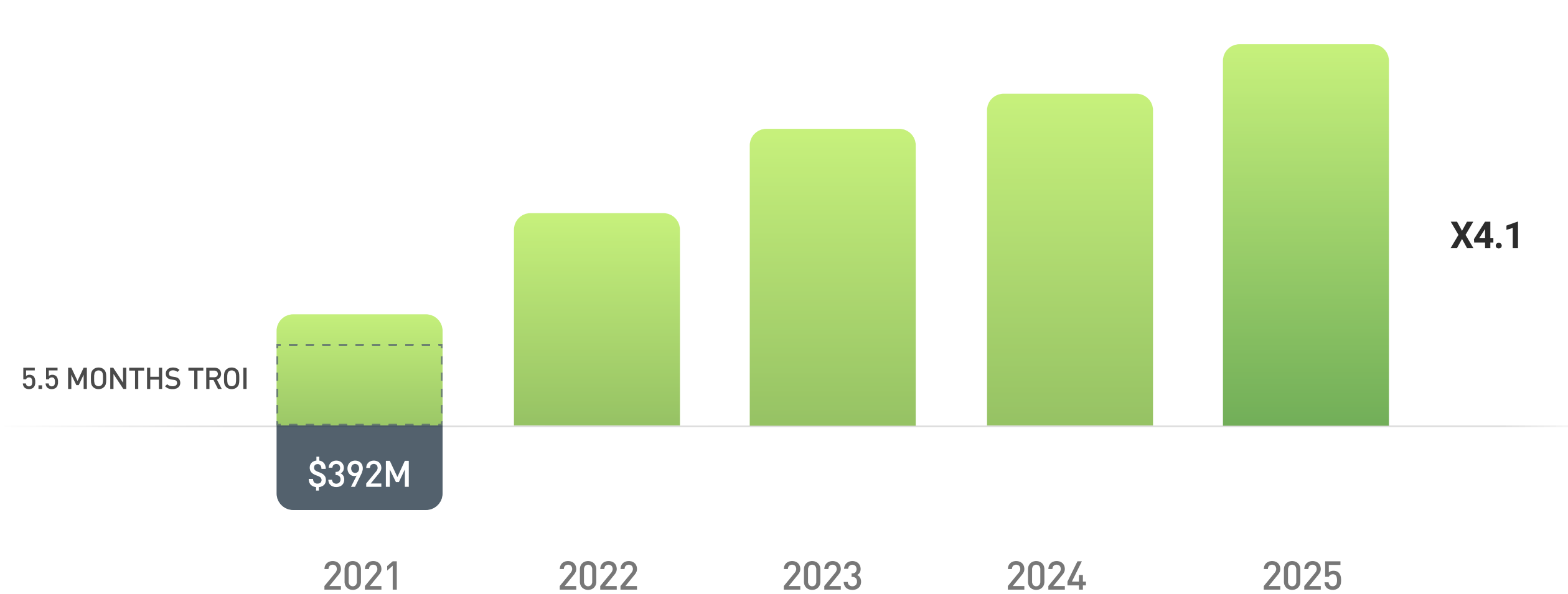
Accumulated average revenue over time - the accumulated average revenue of new funded accounts opened in a certain year.  
Average monthly churn - the annual monthly average of:  $\frac{\text{funded accounts (T+1)}}{[\text{Funded Accounts (T)} + \text{new funded accounts (T+1)}]} - 1$



# Marketing investment is expected to return in two quarters...

## 2021 cohort

- Cumulative cohort revenue
- Marketing expense



**\$1,626M**

IN CUMULATIVE REVENUE  
IN FIVE YEARS

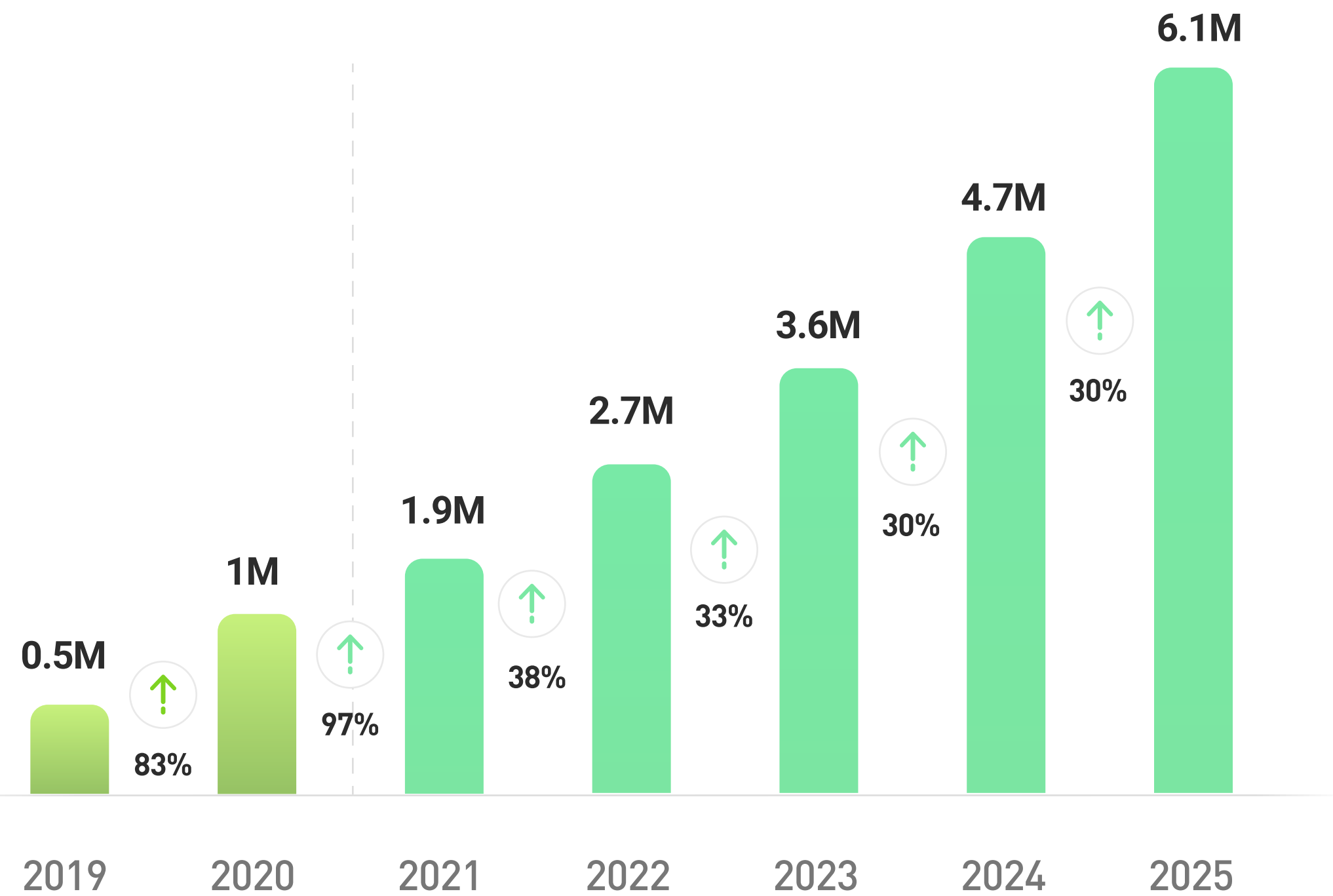
(On \$392M Marketing Investment)

**...and to continue generating more revenue in the longer term.**

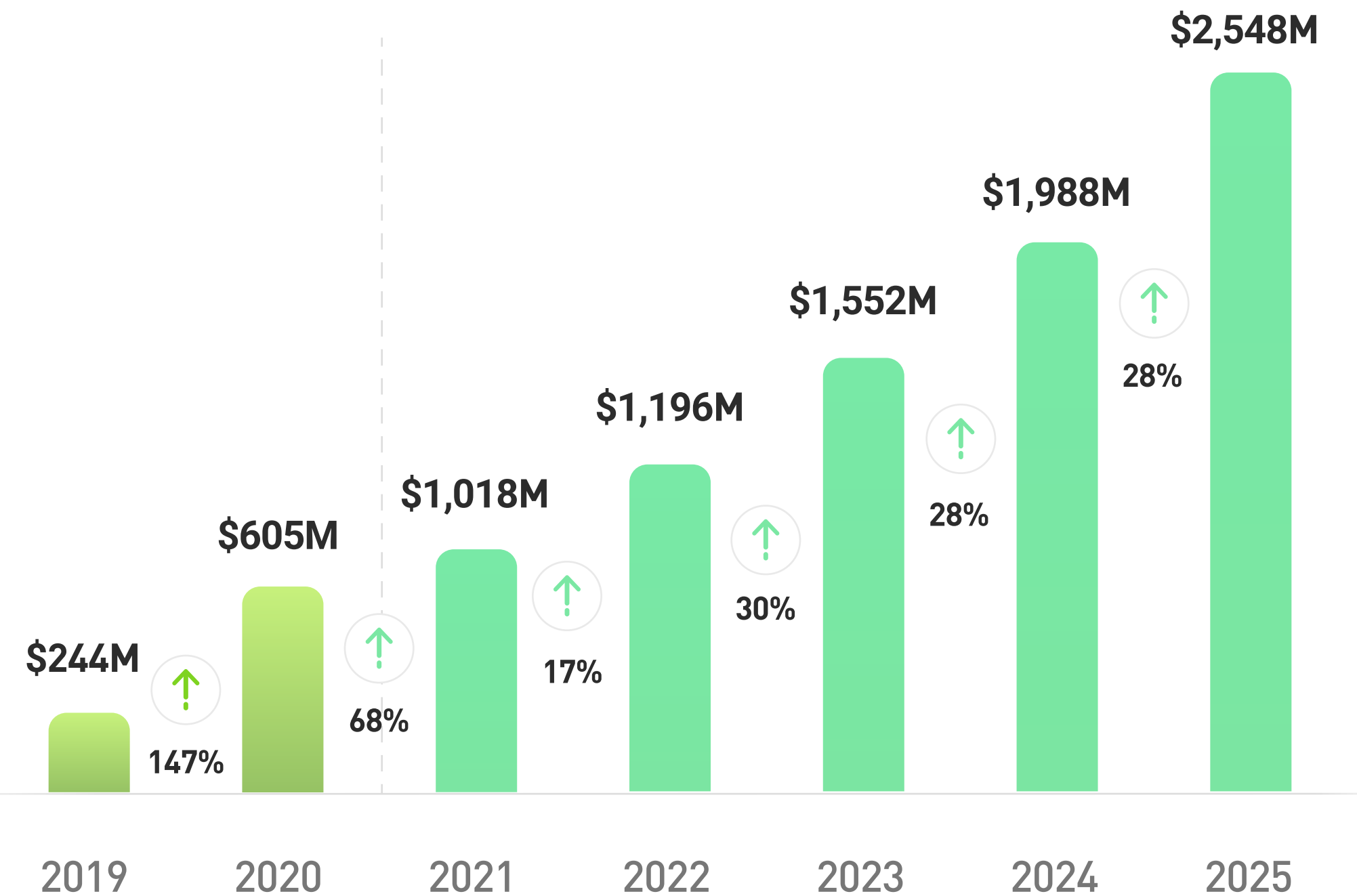


# Clear path to sustained growth in the short and long term

## End of year funded accounts



## Revenue





# eToro 2020 – 2025

## Profit & Loss Highlights (\$M)

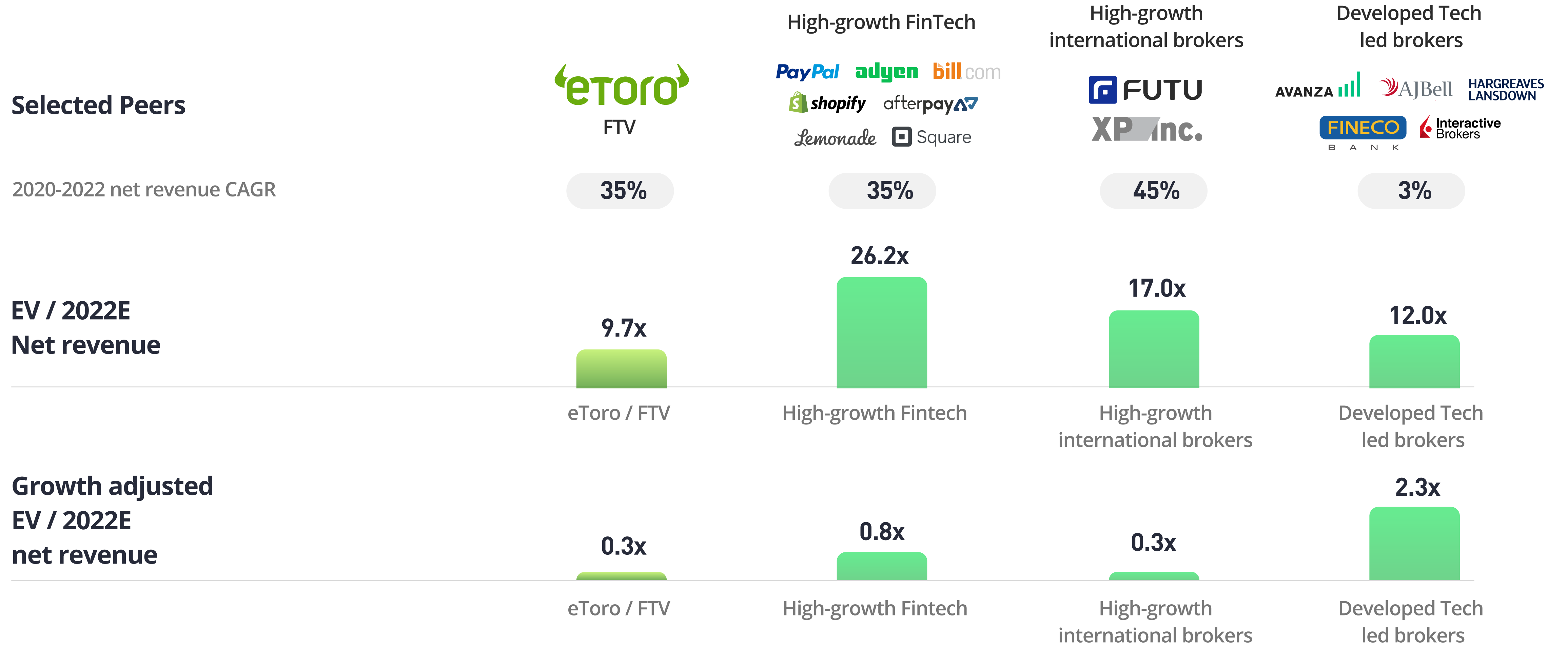
	2020	2021	2022	2023	2024	2025
<b>Revenue</b>	<b>605</b>	<b>1,018</b>	<b>1,196</b>	<b>1,552</b>	<b>1,988</b>	<b>2,548</b>
Growth (%)	147%	68%	17%	30%	28%	28%
Trading cost	-61	-211	-206	-263	-328	-397
<b>Net revenues</b>	<b>544</b>	<b>807</b>	<b>990</b>	<b>1,288</b>	<b>1,660</b>	<b>2,151</b>
Marketing costs	229	422	496	587	690	829
<b>Revenue net of marketing</b>	<b>315</b>	<b>385</b>	<b>494</b>	<b>701</b>	<b>970</b>	<b>1,322</b>
% of net revenue	58%	48%	50%	54%	58%	61%
Salary	99	143	157	184	216	245
Overheads	56	93	113	140	167	191
Payment processing fees	65	134	119	131	149	186
<b>Total operating expenses</b>	<b>220</b>	<b>370</b>	<b>389</b>	<b>454</b>	<b>532</b>	<b>622</b>
<b>EBITDA</b>	<b>95</b>	<b>15</b>	<b>104</b>	<b>247</b>	<b>438</b>	<b>700</b>
Margin (%)	17.5%	1.9%	10.5%	19.2%	26.4%	32.5%

‘etoro’

# Appendix



# Compelling relative valuation



Source: Company Public Information and Eikon as of 12-Mar-2021.  
 Note: All Company forecasts have been calendarized to December year end. Market Capitalisations based on FDSO using the treasury stock method for options, RSUs, and convertible note hedge and warrant transactions. EV-to-Equity Bridges based on gross debt plus minority interest less excess cash and cash equivalents. Growth Adjusted EV / 2022E Net Revenue multiple is calculated as EV / 2022E Revenue multiple divided by 2020E-2022E Net Revenue CAGR.



# Risk management framework supported by domain experts and robust technology

## Senior Advisory Board



**J. Christopher Giancarlo**

Former chairmen of the CFTC



**Prof. Shmuel Hauser**

Former chairman of ISA (Israel)



**Salomon Sredni**

Former CEO of TradeStation



**Dr. Hedva Ber**

Former supervisor of banks (Israel)



## Risk factors (1/12)

Certain factors may have a material adverse effect on our business, financial condition and results of operations. The risks and uncertainties described below are not the only ones we face. Additional risks and uncertainties that we are unaware of, or that we currently believe are not material, may also become important factors that adversely affect our business. If any of these risks actually occurs, our business, financial condition, results of operations and future prospects could be materially and adversely affected. In that event, the trading price of our common shares following the business combination could decline, and you could lose part or all of your investment.

### **Risks Related to the Operation of Our Business**

- 1.** Our operating results have significantly fluctuated and will significantly fluctuate due to market volatility, our number of funded customers and the level of activity of such customers. Our business is highly dependent on the conditions of the various markets with respect to which we offer our services (such as securities markets, digital asset markets, currency markets and commodities markets) and the scope of trading activity in such markets. Changes in such markets and in the scope of trading activity in such markets, including customer sensitivity to adverse market conditions, could have a significant impact on our business and could result in lower revenues.
- 2.** Our business and operations have experienced significant growth, and if we do not effectively manage our growth, or are unable to improve our systems and processes, our operating results will be negatively affected. For example, due to increased trading activity, particularly in recent quarters, we experienced increased operational and reputational risk with respect to our systems, people and processes. We prioritized several projects to strengthen our technological and operational control environment. However, if we are unable to sufficiently enhance our human resources, technological and operational systems to meet the increased growth of our business and trading activity, our reputation, business and results of operations may be materially and adversely affected.
- 3.** Cyberattacks and security breaches of our platform, or those impacting our customers or third parties, could adversely impact our brand and reputation and our business, operating results, and financial condition or result in theft of digital assets.
- 4.** Our historical growth rates may not be indicative of our future growth. In particular, we experienced significant growth during the 2020 financial year and the early part of the 2021 financial year, and during the COVID-19 virus outbreak generally, and our financial results may not be indicative of results for future periods. The future development and growth of consumer trading, including trading digital assets, is subject to a variety of factors that are difficult to predict and evaluate. If consumer trading does not grow as we expect, our business, operating results, and financial condition could be adversely affected.
- 5.** If we cannot keep pace with rapid industry changes to provide new and innovative products and services, or to expand our geographic footprint, the use of our products and services, and consequently our revenue, could decline, which could adversely impact our business, operating results, and financial condition. For example, if we are unable to retain existing customers or attract new customers, or increase current customers' trading activity and/or their share of wallet with us, or if we fail to offer services to address the needs of our customers as they evolve, or fail to provide the expected levels of customer service, our business and results of operations may be materially and adversely affected.

## Risk factors (2/12)

6. We operate in a highly competitive industry where many of our competitors may have product suites and/or pricing schemes that may appeal to our current or potential customers. If we are unable to compete effectively, we may lose our market share and our results of operations and financial condition may be materially and adversely affected.
7. We may suffer losses due to abrupt and erratic market movements. During times of market volatility, an asset price may move up or down suddenly in a single large movement or over a short period of time. Because of this sudden movement, we may be unable to execute or adjust our risk management practices in a timely manner, which could result in a potential loss. Our market risk analysis is based on, among other things, regular scenario-based stress tests and value at risk analysis and may not be able to fully anticipate extreme market conditions or “black swan events”.
8. Because our customers are located in diverse markets around the world, our revenue is vulnerable to local market conditions around the world and geopolitical developments, such as trade wars and foreign exchange limitations.
9. Because we provide real-time services in volatile markets, our customers are exposed to the risk of loss on their investments and positions and customer satisfaction may be severely negatively impacted as a result, which may lead to an increased risk of customer complaints, litigation, and reputational harm and could have an adverse impact on our results of operations.
  - We are more susceptible to customer disgruntlement and dissatisfaction or losing customers if customers are not able to execute trades as desired.
  - In addition, a portion of our customer base utilizes leverage, which may be permitted up to significant amounts in certain asset classes in certain jurisdictions and may increase their likelihood for potential loss.
  - The social network aspect of our products also allows customers to be more vocal about any issues they experience with our services and allows customers to group together easily.
10. Any significant disruption in our products and services, or the services provided by third-party data centers or internet service providers, or in any of the blockchain networks we support, could result in a loss of customers or funds and adversely impact our brand and reputation and our business, operating results, and financial condition.
11. Our ability to provide our customers with execution services on a principal basis is dependent upon our banking infrastructure and our liquidity and payment providers. If we are unable to maintain relationships with such parties and enter into new arrangements, our business and financial performance could be negatively affected and we may encounter a reduction in customer confidence in our company.
12. We are subject to counterparty risk whereby defaults by our customers or a financial counterparty, or insolvency proceedings, can have an adverse effect on our business, financial condition and results of operations. As a result of offering leveraged trading products, we accept the risk that customer credit losses can arise as a cost of our business model in the event that a customer’s total funds deposited with us are insufficient to cover any trading losses incurred by such customer. In addition, a small number of customers are extended credit to cover running losses on open trades and margin requirements.

## Risk factors (3/12)

- 13.** We are exposed to risks relating to the availability of capital to fund our working capital, including regulatory capital requirements, margin requirements and required advances to payment providers, and the possibility that we will be unable to meet financial obligations or liquidity requirements as needed.
- 14.** Our current level of commission and fee rates may decline in the future either generally or in response to our competitors. Any material reduction in our commission or fee rates could reduce our revenue.
- 15.** Our risk management practices may not fully mitigate our risks, whether identified or unidentified.
- Our platform may be exploited to facilitate illegal activity such as fraud, money laundering, terrorist financing, sanctions breaches, gambling, tax evasion, scams and abusive trading. The risk of such activity is more acute in relation to certain of our services, notably digital asset transactions. The characteristics of certain digital assets (so-called “privacy coins”) we provide services in relation to also increase the risk of use for this type of activity. In addition, we face risks related to our “know-your-customer” procedures when our customers may provide outdated, inaccurate, false or misleading information. Our business could be adversely affected and we may incur liability and reputational harm if our counter-financial crime and fraud measures, sanctions screening processes and anti-bribery and corruption measures are ineffective or do not meet the expectations of our regulators.
  - Although we have internal policies and procedures, such policies and procedures are based on proper implementation by individual employees. We are susceptible to losses if any of our employees do not follow such policies and procedures, including an increased risk to us and our customers of internal fraud in respect of digital assets.
  - If we fail to comply with applicable requirements of our counterparty financial institutions, banking partners and other liquidity and payment providers, including their regulatory, “know-your-customer” and compliance requirements, those counterparties could seek to suspend or terminate our accounts which may materially and adversely affect our business and results of operations.
- 16.** If we fail to develop, maintain, and enhance our brand and reputation, our business, operating results, and financial condition may be adversely affected. If there is any negative publicity with respect to us, our industry peers or our industries in general, our business and results of operations may be materially and adversely affected.
- 17.** Any acquisitions, partnerships or joint ventures that we make or enter into could require significant management attention, disrupting our business and harming our financial condition.
- 18.** Although we maintain insurance coverage that we believe is adequate for our business, we may not be able to get adequate insurance to cover all known risks and our insurance policies may not be sufficient to cover all claims. Our inability to obtain and maintain appropriate insurance coverage could cause a substantial business disruption, adverse reputational impact and regulatory scrutiny. In particular our insurance coverage for certain cyber incidents (including those compromising digital assets) is limited and does not cover the extent of loss nor the nature of such loss, in which case we may be liable for the full amount of losses suffered, which could be greater than all of our assets.

## Risk factors (4/12)

### Risks Relating to the Regulation of Our Business .

1. Our business is subject to an extensive, complex, overlapping and constantly changing regulatory landscape and any adverse changes to, or our failure to comply with, any laws and regulations could adversely affect our business, operating results and financial condition.
  - The regulatory landscape includes government regulation, supervision and enforcement by the numerous governmental and regulatory bodies in the jurisdictions in which we operate, including rules and regulations relating to financial instruments, securities and digital assets in the U.S., European Union, U.K., Australia, Gibraltar, Cayman Islands and in additional jurisdictions in which we are currently seeking to become licensed or in which we otherwise have customers, each of which could restrict our business practices. We have implemented certain mechanisms in order to protect our business from the risk that customers could use our products and services in jurisdictions other than those in which they originally signed up. However, the failure of such mechanisms could have a negative effect on our business.
  - Certain of the products and services offered by us are complex products for retail customers. Regulators in the European Economic Area, U.K. and in some other jurisdictions in which we operate have imposed prohibitions or restrictions on the marketing, distribution and sale of certain products (including margin and leveraged products and the prohibition of contracts for difference (“CFDs”) in the U.S.) and services to retail customers, and such measures could have a material adverse effect on our business, financial condition and results of operations and cash flows.
  - Furthermore, in the future regulators may seek to impose additional measures to limit and restrict our products and services available to retail customers. Any future regulations, including concerning the share trading model, may affect the availability of our products and materially and adversely affect our business. Any significant decline in the market for margin and leveraged products or CFDs could significantly harm our business.
  - We will likely be required to reorganize or adjust our business as temporary relief measures relating to the departure of the U.K. from the European Union (such as the U.K.’s “Temporary Permissions Regime”) expire, or as the U.K. and European Union regulatory regimes begin to diverge, which could lead to increased regulatory complexity and higher operating costs. For example, we currently offer certain services to customers in the U.K. from Cyprus.
2. If we fail to comply with applicable laws, rules and regulations, either domestically or internationally, including if we fail to adapt our business to new laws and regulations that are promulgated from time to time, we could be subject to disciplinary actions, fines and loss of licenses to provide our services, which may prevent us from serving customers in certain jurisdictions.

## Risk factors (5/12)

- Non-compliance with laws and regulations, for example with respect to financial services licensing, gambling (if relevant), the marketing or offering of our products or services to customers and consumer protection legislation in the jurisdictions of our customers, could affect the enforceability of our contracts. If regulators conclude that our marketing or financial promotions are not fair or clear, are misleading (for example with respect to zero commission or zero fee services) or otherwise do not comply with applicable laws or regulations we may be exposed to regulatory sanctions or required to alter our marketing strategies in a manner which may impact the development of our business. We may also be subject to litigation, investigations, fines, disgorgement of revenues, sanctions, damages and additional penalties or restrictions that could significantly harm our business.
- We may be unable to obtain or acquire additional licenses, registrations or other regulatory approvals which may be required for our business, or be unable to do so without changes to our business model, which may prevent us from servicing customers in certain jurisdictions. Failure to maintain our existing licenses and registrations could significantly harm our business.
- Regulatory investigations and settlements could cause us to incur additional expenses or change our business practices in a manner material and adverse to our business, and could significantly damage our reputation. In the past, when risks have materialized, we paid fines and updated our products and services or restricted access to such products and services as required to comply, or otherwise reorganized or discontinued all or part of our business in specific jurisdictions with a view to compliance with applicable regulations or enforcement actions. It is possible that we will need to update or restrict access to our products and services again in the future, or otherwise reorganize or discontinue elements of our business in particular jurisdictions.
- We have in place compliance programs to deal with these extensive regulatory obligations, although we cannot guarantee that such compliance programs will be effective in all material respects. As such, we are, and have been, in dialogue with a number of regulators on a number of issues relating to compliance with applicable regulations. While we continue to review and enhance our compliance programs, it may be the case that regulators continue to scrutinize our operations for compliance with applicable regulations and take issue with the manner in which we provide or market, or have provided or marketed, our services and products in their jurisdiction. The result of the aforementioned may be regulatory enforcement action, imposition of fines, changes to our business model or ceasing to do business in particular jurisdictions or in relation to particular products or services, which may or may not have a material impact on the future growth of our business.

## Risk factors (6/12)

**3.** For certain jurisdictions in which we operate or provide services to customers, we have relied in part or entirely on the advice of counsel with respect to regulatory matters. This legal advice may be inconclusive or incorrect and subject to change, while the laws and regulations informing such legal advice may change at any time. We operate in certain jurisdictions, or provide services to customers in certain jurisdictions, in which we have relied on the advice of counsel that certain parts or the entirety of our business in such jurisdictions, or the products (including digital assets) that we market or offer to customers in those jurisdictions, are not subject to local licensing requirements or other regulations. Alternatively we may have relied on this advice to conclude that our business, or the products (including digital assets) that we market or offer, are covered by our existing regulatory licenses. Furthermore, where we have taken legal advice, we are exposed to the risk that a local regulatory agency or other authority determines that our conduct is not in compliance with local laws or regulations (including local licensing or authorization requirements) and to the risk that the regulatory environment in a jurisdiction may change, including a circumstance where laws or regulations or licensing or authorization requirements that previously were not enforced become subject to enforcement. Our processes for refreshing this advice periodically may not identify relevant changes in laws and regulations immediately or in a timely manner. The above applies equally where we have failed to take advice in relation to a product or service for a particular jurisdiction. Failure to comply with relevant licensing requirements or other regulations could lead to penalties and sanctions.

**4.** The nature of “social trading” may expose us to regulatory and reputational risks.

- Statements made through our platform may be misleading or manipulative, and lead to abusive or disorderly trading and/or result in customers entering into transactions that are not suitable for them.
- We may incur liability as a result of information received from third parties made available through our platform or claims related to our products. Legislation regulating content on our platform may require us to change our products or business practices and may adversely affect our business and financial results.
- Social trading and copy trading can by its nature lead to greater risks related to investment performance and/or market conduct, leading to a higher degree of customer complaints or action and regulatory scrutiny.
- The manner in which we operate our social trading features is novel and may be subject to regulatory scrutiny and may cause the imposition of limitations and restrictions on the manner we currently operate.

**5.** We are subject to risks relating to litigation, claims and potential liabilities under laws and regulations applicable to financial services, including enforcement actions of regulatory authorities in jurisdictions in which we operate or have customers.

**6.** Regulators could allege that we have not discharged our regulatory duties properly if our customers or other third parties complain that they suffered substantial losses.

**7.** We are required to comply with consumer protection laws. Non-compliance could result in us being subject to regulatory sanctions, receiving customer complaints and claims for losses, and not being able to enforce contracts against our customers.

## Risk factors (7/12)

8. Our collection, use, storage, disclosure, transfer and other processing of personal information could give rise to significant costs and liabilities, including as a result of governmental regulation, conflicting legal requirements or differing views of personal privacy rights, which may have a material and adverse impact on our business, financial condition and results of operations.
9. The requirement to maintain regulatory capital may affect our ability to distribute profits and/or restrict expansion, which may affect our ability to conduct our business and may reduce profitability.

### Risks Related to Third Parties

1. We rely on third parties to perform certain key functions, including for services related to cloud computing services, data centers, payment processing and liquidity, and their failure to perform those functions could result in the interruption of our operations and systems and could result in significant costs and reputational damage to us and losses to our customers.
2. We depend on major mobile operating systems and third-party platforms for the distribution of certain products. If Google Play, the Apple App Store, or other platforms prevent customers from downloading our apps, our ability to grow may be adversely affected.

### Risk Factors Related to Digital Assets and Digital Asset Markets

1. The future development and growth of digital assets is subject to a variety of factors that are difficult to predict and evaluate. If digital assets do not grow as we expect, our business, operating results, and financial condition could be adversely affected. Digital assets such as Bitcoin, Ethereum, XRP and other cryptocurrencies were introduced within the past decade, and the medium-to-long term value of our digital asset services is subject to a number of factors relating to the capabilities and development of blockchain and cryptographic technologies, the vulnerability to future technological development and the fundamental investment characteristics of digital assets.
2. The legal and regulatory regime governing digital assets is uncertain and still developing, and changes, clarifications or actions related to digital assets may adversely affect our business.
  - For example, there is currently no uniformly applicable legal or regulatory regime governing digital assets in Europe.
  - A particular digital asset's status as a "security", or the treatment of digital currency for tax purposes, in any relevant jurisdiction is subject to a high degree of uncertainty and if we are unable to properly characterize a digital asset or assess its tax treatment, we may be subject to regulatory scrutiny, investigations, fines, and other penalties, which may adversely affect our business, operating results, and financial condition.
  - Our business is subject to additional risk because digital assets are subject to heightened scrutiny including under anti-money laundering, counter terrorism financing and sanctions regulations.



## Risk factors (8/12)

3. We currently support, and expect to continue to support, certain smart contract-based digital assets. If the underlying smart contracts for these digital assets do not operate as expected, they could lose value and our business could be adversely affected.
4. If miners or validators of any supported digital asset demand high transaction fees, our operating results may be adversely affected.
5. The systems we use to store and transfer digital assets on behalf of customers may be subject to certain security vulnerabilities, which may result in the loss of some or all of the assets that we store on behalf of our customers, of potentially significant value, and may expose us to the risk of loss.
6. We are dependent upon third party digital asset exchanges and custodians, who may experience fraud, security failures or operational problems, which may adversely affect our ability to provide digital asset trading services to our customers. This may expose our customers' digital assets to hacking or other attacks, and may expose us to the risk of loss and may give rise to significant cost and reputational damage to us.
7. The loss or destruction of a private key required to access our digital assets may be irreversible. If we are unable to access our private keys or if we experience a hack or other data loss relating to the digital assets we hold on behalf of customers, our customers may be unable to access their digital assets and it could harm customer trust in us and our products and cause regulatory scrutiny.
8. Transactions in digital assets are irrevocable and stolen or incorrectly transferred digital assets may be irretrievable. As a result, any incorrectly executed digital asset transactions may result in the loss of our customers' assets and may expose us to the risk of loss.
9. Competition from the emergence or growth of other digital assets or methods of investing in such digital assets could have a negative impact on the price of such digital assets and adversely affect our financial condition and results of operations.
10. Digital assets may be subject to abusive market practices that may nevertheless be lawful in some jurisdictions and, whether or not lawful, may be difficult to detect or prevent. Such abusive practices may cause us or our customers to suffer material losses or reputational damage.
11. Due to unfamiliarity and some negative publicity associated with digital asset platforms, existing and potential customers may lose confidence in digital asset platforms.
12. A temporary or permanent blockchain "fork" to any supported digital asset could adversely affect our business.

### **Risks Related to Technology, Data Privacy and Intellectual Property**

1. Unauthorized disclosure, use, modification or misappropriation of our data, which includes sensitive customer data, may subject us to significant liability and reputational harm as well as reduced revenues and increased costs.
2. Our technological infrastructure may not be able to manage sudden increases in usage. We may not be able to enhance our technological infrastructure and services capacity to support such increases.

## Risk factors (9/12)

3. Although we place many resources to secure the redundancy of our systems and platforms, our systems and platforms may not be fully redundant. System failures could harm our business.
4. Our intellectual property rights are valuable, and any inability to protect them could adversely impact our business, operating results, and financial condition.
5. We have been, and in the future may be, sued by third parties for alleged infringement of their proprietary rights.
6. We use certain open source components in our services and products which may be subject to claims from licensors.

### Risks Related to Employees

1. We face competition in hiring and retaining qualified employees. The loss of our key employees, including our management and founders, could adversely impact our business, operating results, and financial condition.
2. Employee misconduct could expose us to significant legal liability and reputational harm.
3. Our officers, directors, employees, and large shareholders may encounter potential conflicts of interest with respect to their positions or interests in certain digital assets, entities, and other initiatives, which could adversely affect our business and reputation.

### Risks Related to Industry and Market

1. Our business may be harmed by global events beyond our control, including changes in business, economic, or political conditions and overall slowdowns in financial instruments trading, which could impact trading activity or margin lending and could result in lower revenues.
2. We are dependent upon our customers', counterparties' and third party vendors' continued and unimpeded access to the internet, and upon their willingness to use the internet for commerce.
3. Fluctuations in currency exchange rates could have a material adverse effect on our results of operations.
4. We face risks related to natural disasters, health epidemics and other outbreaks, which could significantly disrupt our operations and adversely affect our business, financial condition or results of operations.
5. The global economy is likely to be significantly weakened as a result of the actions taken in response to the COVID-19 virus outbreak and we could see our business and results of operation negatively impacted in the future.
6. The nature of our business requires the application of complex financial accounting rules, and there is limited guidance from accounting standard setting bodies. If financial accounting standards undergo significant changes, our operating results could be adversely affected.



## Risk factors (10/12)

### Risks Related to Our Operations in Israel

1. Relations between Israel and the other jurisdictions from which we operate and the various jurisdictions in which our customers reside could materially affect our business.
2. Potential political, economic and military instability in the Israel, where the majority of our senior management and facilities are located, may adversely affect our results of operations.
3. Our operations may be disrupted by the obligations of personnel to perform military service.
4. We currently maintain a beneficial tax treatment status. Changes in tax laws, tax incentives, benefits or differing interpretations of tax laws or our inability to maintain our beneficial tax status may adversely affect our results of operations.
5. It may be difficult to enforce a U.S. judgment against us or our officers and directors in Israel or the U.S. or to assert U.S. securities laws claims in Israel or serve process on our officers and directors.

### Risks Relating to Owning Our Stock

1. A market for our common shares may not develop or be sustained, which would adversely affect the liquidity and price of our common shares. If securities or industry analysts do not publish research, or publish inaccurate or unfavorable research, about our business, the price and liquidity of our common shares could decline.
2. Having a minority ownership interest in our company will mean that you may not have meaningful influence on our management.
3. Sales of a substantial number of our common shares in the public market by our existing shareholders could cause our share price to decline.
4. After the closing of the business combination, a significant number of our common shares are subject to issuance upon exercise of outstanding warrants and options, which may result in dilution to our shareholders.
5. Our future ability to pay cash dividends to shareholders is subject to the discretion of our board of directors and will be limited by our ability to generate sufficient earnings and cash flows.
6. There can be no assurance that we will not be a passive foreign investment company for any taxable year, which could subject U.S. shareholders to significant adverse U.S. federal income tax consequences.
7. If we are a controlled foreign corporation, there could be adverse U.S. federal income tax consequences to certain U.S. shareholders.



## Risk factors (11/12)

### Risks Related to the Business Combination

1. FinTech Acquisition Corp. V (“FTV”) may not have sufficient funds to consummate the business combination.
2. We have not yet entered into a definitive agreement for a business combination and, when we do, the completion of the business combination will be subject to the satisfaction of certain closing conditions, including a minimum cash condition and the approval of the business combination by us and FTV shareholders.
3. FTV and we will incur significant transition costs in connection with the business combination.
4. Subsequent to the completion of the business combination, the combined company may be required to take write-downs or write-offs, restructuring and impairment or other charges that could have a significant negative effect on its financial condition, results of operations and the combined company’s common share price, which could cause you to lose some or all of your investment.
5. The business combination may be completed even though material adverse effects may result from the announcement of the business combination, industry-wide changes and other causes.
6. Delays in completing the business combination may substantially reduce the expected benefits of the business combination.
7. We may be a target of securities class action and derivative lawsuits which could result in substantial costs and may delay or prevent the business combination from being completed.

### Risks Related to Being a Public Company

1. The financial information included in this presentation has been taken from or prepared based on our historical financial statements. Our historical financial statements have been audited by Ernst & Young in accordance with generally accepted auditing standards in Israel and prepared in conformity with International Financial Reporting Standards. Our historical financial statements have not been audited in accordance with the Public Company Oversight Board (“PCAOB”) standards or prepared in accordance with Regulation S-X promulgated under the Securities Act of 1933, as amended. We cannot assure you that, had the historical financial information included in this presentation been compliant with Regulation S-X and audited in accordance with PCAOB standards, there would not be differences, and such differences could be material. An audit of our financial statements in accordance with PCAOB standards is currently in process and will be included in the proxy statement/prospectus with respect to the business combination. Accordingly, there may be material differences between the presentation of our historical financial statements included in this presentation and in the proxy statement/prospectus, including with respect to, among others, the method of accounting for assets held by our customers on our platforms, the method of accounting for revenue attributable to trading in asset classes and jurisdictions where we are not registered as a broker-dealer, off balance sheet items, timing of revenue recognition and asset classification.



## Risk factors (12/12)

2. Our management team has no experience managing a public company.
3. We will incur increased costs as a result of operating as a public company, and our management will devote substantial time to new compliance initiatives.
  - Our management is required to devote substantial time to maintaining and improving our internal controls over financial reporting and the requirements of being a public company which may, among other things, strain our resources, divert management's attention and affect our ability to accurately report our financial results and prevent fraud.
  - If we fail to maintain an effective system of disclosure controls and internal controls over financial reporting, our ability to produce timely and accurate financial statements or comply with applicable regulations could be impaired.
4. If our estimates or judgments relating to our critical accounting standards prove to be incorrect, or such standards change over time, our results of operations could be adversely affected.
5. We expect to be a "foreign private issuer" and intend to follow certain home country corporate governance practices. As a foreign private issuer, we will have different disclosure and other requirements than U.S. domestic registrants. Our shareholders may therefore not have the same protections afforded to shareholders of companies that are subject to all Nasdaq corporate governance requirements. We may lose our foreign private issuer status in the future, which could result in significant additional costs and expenses.
6. We may be unable to maintain the listing of our securities in the future.
7. Our revised governing documents will include provisions that may discourage takeover attempts, including a classified board and limitation on shareholders owning more than 10% of our common shares.

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**Thank You**