

ETORO REPORTS CONTINUED GROWTH WITH FY22 RESULTS

- Completed funding round of \$250 million at a valuation of \$3.5 billion

Tuesday 21 March 2023 - eToro Group Ltd (eToro), the social investing network, today announced its 2022 full-year financial results, business highlights and latest funding round.

“As Q1 progresses, I’m hopeful that Yale Hirsch’s market theory ‘as goes January, so goes the year’ holds true. We’ve seen a positive start to the year with markets reacting favourably to ‘less bad’ news and retail trading hitting an all time high. Year to date, we have seen an improvement in total commissions and profitability compared with the previous quarter with higher engagement and trading activity from our users.” commented eToro Founder & CEO, Yoni Assia.

Financial highlights for full year 2022:

- Total commissions of \$631 million;
- Commissions by asset class: 48% equities, 27% commodities, 19% cryptoassets, and 6% currencies;
- Funded accounts as of December 31, 2022 were 2.8 million.

Meron Shani, eToro CFO, said: *“At eToro we need no reminder that markets are cyclical. The diversified nature of our multi-asset product offering ensured that commissions from equities and commodities partially offset the decrease in commissions from cryptoassets in 2022. It’s also worth noting that we were not impacted by the liquidity concerns which plagued many in the crypto industry. Our underlying business is profitable and our balance sheet is strong.*

“Total commissions for 2022 were \$631 million, down versus our stellar performance in 2021, yet up 5% versus 2020. We continued to grow our user base despite more negative market sentiment and a reduction in our marketing spend. We ended the year with over 2.8 million funded accounts (up 17% YoY).”

Business highlights:

- **M&A**
 - Acquisition of options trading app [Gatsby](#) to continue the diversification of eToro’s US offering after the launch of [stocks and ETFs](#).
 - Acquisition of [Bullsheet](#), a provider of portfolio management tools designed exclusively for eToro users.
- **Expanding our global footprint**
 - Continued to partner with regulators around the world in the evolution of the digital assets ecosystem securing registrations in [France](#), [Italy](#), and most recently a licence in [New York](#).
 - Secured an in principle approval to operate as a broker in [Abu Dhabi](#).

- **Product development**

- Partnership with ESG Book, a global leader in ESG data and technology, to introduce [ESG scores](#) for stocks on eToro.
- Partnership with [Broadridge](#) to enable proxy voting for over 2,700 stocks.
- Improved the customer experience and reduced eToro's payment processing fees by introducing virtual IBANs across Europe via [eToro Money](#).
- Delta Investment Tracker, a wholly owned subsidiary of eToro, launched an [NFT portfolio manager](#), which now allows users to track their NFT collections.

- **Financial education**

- Grew the eToro Academy providing over 1,450 educational articles, videos, podcasts and webinars. Available in 10 languages the Academy had over 1.7m unique visitors in 2022.
- Continued to grow the [Popular Investor programme](#) to more than 2,600 Popular Investors whose investment strategy can be copied by eToro users.

Funding round

eToro recently completed a \$250 million funding round at a valuation of \$3.5 billion. Investors include ION Group, SoftBank Vision Fund 2, Velvet Sea Ventures, and a number of existing investors. This funding stems from an Advance Investment Agreement (AIA) which eToro entered into in February 2021 as part of its proposed SPAC transaction.

Looking ahead

"I am very proud of the success with which we navigated 2022, continuing to grow our user base and enhance our product offering. Our 2023-2025 strategy focuses on scaling our brokerage business in our key markets and increasing profitability via revenue growth and cost management." commented **Yoni Assia**.

"Last year, retail investors endured a tumultuous year and for many their first ever bear market. Yet our latest quarterly [Retail Investor Beat](#) survey supports the activity we see on our platform - the [retail investor is resilient](#). While their short-term tactics may change in response to the market environment, they remain committed to their long term goals. eToro will continue to focus on profitable growth while helping to drive progress towards a world where everyone can invest in a simple and transparent way."

****ENDS****

Notes to editor:

- All numbers are in US dollars.
- eToro's latest investor presentations can be viewed [here](#).

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About eToro

[eToro](#) is the social investing network that empowers people to grow their knowledge and wealth as part of a global community of investors. eToro was founded in 2007 with the vision of opening up the global markets so that everyone can trade and invest in a simple and transparent way. Today, eToro is a global community of more than 30 million registered users who share their investment strategies; and anyone can follow the approaches of those who have been the most successful. Due to the simplicity of the platform users can easily buy, hold and sell assets, monitor their portfolio in real time, and transact whenever they want.

Disclaimer:

eToro is a multi-asset investment platform. Copy Trading does not amount to investment advice. The value of your investments may go up or down. Your capital is at risk.

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