

7 October 2021

CMC Markets Plc

H1 2022 Pre-Close Trading Update For the six months ended 30 September 2021

Reiterating FY guidance; increased relative contribution from the non-leveraged business continues

CMC Markets Plc ("CMC" or "the Group"), a leading global provider of online trading and institutional ("B2B") platform technology solutions, today issues a trading update for the six months to 30 September 2021 ("H1 2022" or "the period").

Key Highlights

- H1 2022 net operating income expected to be approximately £126 million. FY 2022 net operating income guidance reiterated at £250-280 million.
- H1 2022 leveraged gross client income is expected to be approximately £127 million (H1 2021: £174 million).
- H1 2022 leveraged net trading revenue is expected to be approximately £100 million (H1 2021: £200 million).
- H1 2022 non-leveraged net trading revenue is expected to be approximately £24 million (H1 2021: £26 million) representing 19% of Group net operating income versus 11% in H1 2021.
- Announced the acquisition of over 500,000 share investing clients of Australia and New Zealand Banking Group Limited ("ANZ"), with total assets in excess of AUD\$45 billion which is due to complete in the next 12-18 months.

Trading Update

CMC reiterates prior guidance and expects FY 2022 net operating income to settle in a range between £250-280 million. Overall client AUM remains near record levels. H1 2022 active clients are moderately lower compared to H1 2021, nevertheless the monthly trading client numbers continue to remain at similar levels to those reported earlier in the year. Increased market activity exiting September led to improved client trading volumes.

H1 2022 leveraged net trading revenue is expected to be approximately £100 million (H1 2021: £200 million). The Group's non-leveraged net trading revenue is expected to be approximately £24 million for H1 2022 (H1 2021: £26 million). In H1 our Australian stockbroking business experienced the highest AUM on record and finished the period with the highest number of monthly active clients for the year to date. H1 2022 non-leveraged net trading revenue is expected to represent some 19% of total Group net operating income, marking a new high for CMC.

During September 2021 CMC announced the acquisition of over 500,000 Share Investing clients from ANZ, bringing to an end the existing white label partnership. Ownership of these clients will continue to support multi-year growth in the region and remains core to our non-leveraged growth strategy.

Operating costs for H1 2022, excluding variable remuneration, are expected to be approximately £84 million (H1 2021: £79 million). As already highlighted, this is primarily a result of the Group's continued investment in technology which has resulted in higher personnel costs.

The results for the six months ended 30 September 2021 will be announced on 17 November 2021.

Lord Cruddas, Chief Executive Officer, commented:

“We closed the first six months with a pickup in market volatility and client trading volumes following what was a more subdued environment from the start of the year. More importantly the big event for the company was the acquisition of the ANZ stockbroking clients. This transaction, when completed (over a 12-18 month period), will boost our non-leveraged business with over 500,000 investing clients with total assets in excess of AUD\$45bn. Our non-leveraged business continues to offer the greatest growth potential and now represents approximately 50 per cent of our business in Australia and near 20 per cent of the business overall. This is the highest proportional level since we launched our non-leveraged platforms. This is even before we integrate the ANZ transaction. We are on a fast track to diversification, using our existing platform technology to win B2B and B2C non-leveraged business. This will be further boosted with the launch of our new UK investment platform, which will offer both B2C and B2B potential. We look forward to updating you more in our H1 results on 17th November 2021”.

Enquiries

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Notes to Editors

CMC Markets Plc ("CMC"), whose shares are listed on the London Stock Exchange under the ticker CMCX (LEI: 213800VB75KAZBFH5U07), was established in 1989 and is now one of the world's leading online financial trading businesses. The Group serves retail and institutional clients through regulated offices and branches in 12 countries, with a significant presence in the UK, Australia, Germany and Singapore. CMC offers an award-winning, online and mobile trading platform, enabling clients to trade up to 10,000 financial instruments across shares, indices, foreign currencies, commodities and treasuries through contracts for difference ("CFDs"), financial spread bets (in the UK and Ireland only) and, in Australia, access stockbroking services. More information is available at <http://www.cmcmarkets.com/group/>