

25 March 2021

CMC Markets Plc

FY 2021 Pre-Close Trading Update

Strong Q4 performance and increased confidence in the FY22 outlook

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 period from 1 January 2021 to 24 March 2021 (the "period") ahead of its full year results.

The entire business has continued to perform very strongly during the period, with ongoing strength in the acquisition and retention of CFD and stockbroking active clients and higher levels of client trading activity versus regular trading periods. In addition, client income retention remained well in excess of 80%, but below the levels reported for H1 2021, as previously guided.

As a result of the strong performance, net operating income for the financial year ended 31 March 2021 ("FY 2021") is expected to be slightly ahead of the upper end of the current range of consensus of £399.6¹ million, which, combined with continued cost control, is expected to provide positive operating leverage.

We continue to see ongoing high monthly active client numbers, which for the full year will be over 75,000. Client acquisition levels have remained high during the period driven by increased marketing expenditure. As previously stated, the quality of this year's new cohort of clients remains encouraging as the clients continue to show similarly high value and longevity qualities to prior cohorts.

This builds the Board's confidence that this new cohort of clients will contribute meaningful revenue streams for the Group into the next financial year and beyond, raising the Board's expectations for FY 2022 to deliver net operating income in excess of £330m.

Peter Cruddas, Chief Executive Officer, commented:

"I am delighted by the strong performance of the business so far during the last quarter of our financial year. Our relentless focus on supporting clients with market leading technology and service has fuelled record growth and puts us in a great position as we start the next financial year.

Over the last 12 months, market volatility has driven up client activity across the industry. I am particularly pleased that our new clients are demonstrating similar behaviours to existing long-term, high value clients, which supports our longstanding strategy. Our client acquisition rates are very encouraging and reflect the advancements we have made in our technology, pricing and execution of trades.

Robust risk management continues to be fundamental to the ongoing success of the business and, together with ongoing refinement of our analytics and learnings from client behaviour, is a key competitive advantage.

The resilience of our platform continues to be evident through very high uptime. Our ability to support increased trading activity, unobstructed through recent periods of heightened market volatility, has built trust with clients and embedded CMC as a key partner in fulfilling their trading ambitions.

Our continued investment in technology and people to support our expanding client base together with an exciting pipeline of projects give me confidence in the outlook for CMC."

Full Year results

CMC will no longer release a trading update on 8 April 2021. CMC expects to report its results for the year ended 31 March 2021 on 10 June 2021. There will be a presentation at 10.00am on 10 June 2021 for institutional investors and analysts, more details will be made available closer to the date of the announcement.

Footnote

¹ As at 24 March 2021, the company compiled FY 2021 consensus was as follows:

- Net operating income of £390.9 million, ranging from £387.5 million to £399.6 million
- Profit Before Tax of £210.6 million, ranging from £206.3 million to £217.7 million

This excludes one covering analyst where CMC Markets considers the estimates to be out of date.

Forward looking statements

This trading update may include statements that are forward looking in nature. Forward looking statements involve known and unknown risks, assumptions, uncertainties and other factors which may cause the actual results, performance or achievements of the Group to be materially different from any future results, performance or achievements expressed or implied by such forward looking statements. Except as required by the Listing Rules and applicable law, the Group undertakes no obligation to update, revise or change any forward looking statements to reflect events or developments occurring after the date such statements are published.

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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 Markets 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/>