

20 January 2021

CMC Markets Plc

### Q3 2021 Trading Update

#### Continued strong performance underpinned by high client income retention

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 October 2020 to 31 December 2020 ("Q3 2021" or the "period").

#### Trading Update

CMC's continued investment in platform technology and risk management, and its strategy of targeting high-quality premium and professional clients has continued to underpin the strong performance of the business over a sustained period of time.

In Q3 2021, the entire business has continued to perform very well, with high active client numbers resulting in strong client trading activity, although at lower levels than earlier in the financial year. In addition, client income retention remained well in excess of 80%, but below the levels reported for H1 2021, as guided.

Our investment in platform technology continues to attract and retain premium clients, with market leading functionality and robust operational performance. This was especially evident during the November Pfizer vaccine announcement when our platforms remained resilient and performed very well. The business reported no outages during this very volatile trading period.

Client acquisition levels remain high and the quality of this year's new cohort of clients remain encouraging as they continue to show similarly high value qualities to prior cohorts.

Following the continued strong performance, the Board is confident that net operating income for the Full Year 2021 will be at the upper end of the current market consensus<sup>1</sup>.

#### Peter Cruddas, Chief Executive Officer, commented:

"I'm delighted by our performance, and as we enter our final financial reporting quarter, we are focusing on delivering on our premium client strategy through technology, service and a resilient trading platform. In addition, we have a healthy pipeline of projects that will drive new revenue streams, which I will talk more about in the next financial year.

I am very excited about the opportunities to continue to grow and diversify this business on the back of our platform technology. I have talked a lot in the past about investment in technology and people, and this will continue to be a priority as we seek to maintain and expand our competitive advantage.

We will do this through product expansion, our technology expertise and our capability to deliver an enhanced user experience across different asset classes. We have already proven we can do this with our stockbroking business in Australia. This will further help us attract and retain high value clients.

In addition, continued investment in our risk infrastructure is delivering latency reduction and pricing and execution efficiencies. This allows us to capture a higher percentage of our premium client income especially during volatile market conditions.

As a Group, we will continue to deliver underlying growth and considerable value to shareholders, through strong results, an attractive dividend policy, investment in the business, investment in technology and investment in risk management infrastructure.

I am very positive about the outlook and strong momentum that is underpinned by my incessant desire to keep investing in the business through technology and quality staff."

## Upcoming results

CMC expects to announce its full year pre-close trading update on 8 April 2021.

## 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.

<sup>1</sup> As at 19 January 2021, the company compiled Full Year 2021 consensus, including 5 of the 6 covering analysts, is as follows:

- Net operating income of £376.6 million, ranging from £370.2 million to £387.5 million
- Profit Before Tax of £197.2 million, ranging from £191.3 million to £206.3 million

## Enquiries

CMC Markets Plc  
Euan Marshall, Chief Financial Officer

[investor.relations@cmcmarkets.com](mailto:investor.relations@cmcmarkets.com)

Camarco  
Geoffrey Pelham-Lane  
Ed Gascoigne-Pees  
Jennifer Renwick

+44 (0) 20 3757 4994

## 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/>