



Marex Expands in the Middle East with the Acquisition of Aarna Capital

October 2, 2024

LONDON, Oct. 02, 2024 (GLOBE NEWSWIRE) -- Marex Group plc, the diversified global financial services platform, today announces that it has agreed to acquire Aarna Capital Limited ("Aarna Capital") to expand its operations in the Middle East and grow its clearing business, in line with its strategy to broaden its client base, diversify its operations and increase earnings resilience.

Based in Abu Dhabi, Aarna Capital provides clearing, execution and customised risk management solutions in energy, base and ferrous metals, as well as financial markets such as equities, fixed income and FX.

The acquisition of Aarna Capital will provide Marex with additional capabilities in a new location and access to around 180 local clients, which includes institutional investors, family offices and corporate clients, through a well-established and respected team. The acquisition will be highly complementary to Marex's existing operations in the Middle East, which includes approximately 60 employees in Dubai, and is aligned with Marex's strategy to bring new clients to its platform, increase the capabilities it can offer existing clients, and grow its global footprint.

The transaction is expected to be accretive to earnings and contribute around five percent of Marex Group's profit after tax from fiscal year ended 31 December 2025 onwards. This includes anticipated day one synergies from Aarna Capital's business activity flowing through the Marex platform, with savings from internalising clearing fees and higher net interest income through Marex's financing relationships. In addition, Marex has identified significant scope for future growth by adding new clients in the Middle East through these additional capabilities and from cross-selling Aarna Capital's products to existing clients. This acquisition is expected to close in late 2024, subject to regulatory approval.

Ian Lowitt, CEO of Marex, commented:

"The Middle East region is an important growth opportunity for us, this acquisition will give us a presence in Abu Dhabi and will expand our clients and capabilities in the region. We are very excited about the potential of this acquisition, which will bring new clients to our platform and allow us to grow our clearing business, which is at the heart of our strategy to connect clients to markets. This acquisition meets our strict financial criteria and is at an attractive valuation, representing three to four times expected profit after tax. We also retain some firepower from the capital raised in our IPO to support further growth investments, as we look to continue to expand and diversify our business."

Dmitry Nedvetsky, Senior Executive Officer at Aarna Capital, commented:

"We are delighted to be joining the Marex platform. This is a beneficial step for both parties. Our clients will continue to be serviced by our team but will have access to a greater range of products and services from the broader Marex franchise. Meanwhile we hope to offer Marex's clients our services from Abu Dhabi. The Middle East represents an important growth market, and enables Marex to introduce new clients to its platform, increase the capabilities it can offer existing clients, and grow its global footprint."

About Marex:

Marex Group plc (NASDAQ: MRX) is a diversified global financial services platform providing essential liquidity, market access and infrastructure services to clients across energy, commodities and financial markets. The Group provides comprehensive breadth and depth of coverage across four core services: Clearing, Agency and Execution, Market Making and Hedging and Investment Solutions. It has a leading franchise in many major metals, energy and agricultural products, executing around 129 million trades and clearing 856 million contracts in 2023. The Group provides access to the world's major commodity markets, covering a broad range of clients that include some of the largest commodity producers, consumers and traders, banks, hedge funds and asset managers. Headquartered in London with more than 35 offices worldwide, the Group has over 2,000 employees across Europe, Asia and the Americas. For more information visit www.marex.com.

About Aarna Capital Limited:

Aarna Capital is a multi-asset brokerage firm, operating from Abu Dhabi Global Markets (ADGM) and offering customers access to futures, options, FX, Bullion, equities, CFDs and fixed income products. From its headquarters, Aarna Capital combines the talent and experience of its hands-on traders with the innovative electronic platform, global liquidity network, and high-speed market infrastructure. Aarna Capital's customers have access to liquidity from hundreds of exchanges and venue destinations globally across every developed and most emerging market and a majority of frontier markets. This includes all of the major electronic liquidity providers, multilateral trading facilities, and proprietary liquidity pools.

Forward looking statements:

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements contained in this press release that do not relate to matters of historical fact should be considered forward-looking statements, including the timeline for closing the Aarna Capital Limited acquisition and the anticipated benefits of its completion, including on financial results for the fiscal year 2025. In some cases, these forward-looking statements can be identified by words or phrases such as "may," "will," "expect," "anticipate," "aim," "estimate," "intend," "plan," "believe," "potential," "continue," "is/are likely to" or other similar expressions.

These forward-looking statements are subject to risks, uncertainties and assumptions, some of which are beyond our control. In addition, these forward-looking statements reflect our current views with respect to future events and are not a guarantee of future performance. Actual outcomes may differ materially from the information contained in the forward-looking statements as a result of a number of factors, including, without limitation: subdued commodity market activity or pricing levels; the effects of geopolitical events, terrorism and wars, such as the effect of Russia's military action in Ukraine, on market volatility, global macroeconomic conditions and commodity prices; changes in interest rate levels; the risk of our clients and their related financial institutions defaulting on their obligations to us; regulatory, reputational and financial risks as a result of our international operations; software or systems failure, loss or disruption of data or data security failures; an inability to adequately hedge our positions and limitations on our ability to modify contracts and the contractual protections that may be available to us in OTC derivatives transactions; market volatility, reputational risk and regulatory uncertainty related to commodity markets, equities, fixed income, foreign exchange and cryptocurrency; the impact of climate change and the transition to a lower carbon economy on supply chains and the size of the market for certain of our energy products; the impact of changes in judgments, estimates and assumptions made by management in the application of our accounting policies on our reported financial condition and results of operations; lack of sufficient financial liquidity; if we fail to comply with applicable law and regulation, we may be subject to enforcement or other action, forced to cease providing certain services or obliged to change the scope or nature of our operations; significant costs, including adverse impacts on our business, financial condition and results of operations, and expenses associated with compliance with relevant regulations; and if we fail to remediate the material weaknesses we identified in our internal control over financial reporting or prevent material weaknesses in the future, the accuracy and timing of our financial statements may be impacted, which could result in material misstatements in our financial statements or failure to

meet our reporting obligations and subject us to potential delisting, regulatory investigations or civil or criminal sanctions, and other risks discussed under the caption "Risk Factors" in our final prospectus filed pursuant to 424(b)(4) with the Securities and Exchange Commission (the "SEC") on 26 April 2024 and our other reports filed with the SEC.

The forward-looking statements made in this press release relate only to events or information as of the date on which the statements are made in this press release. Except as required by law, we undertake no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise, after the date on which the statements are made or to reflect the occurrence of unanticipated events.

In addition, statements that "we believe" and similar statements reflect our beliefs and opinions on the relevant subject. These statements are based upon information available to us as of the date of this press release, and while we believe such information forms a reasonable basis for such statements, such information may be limited or incomplete, and our statements should not be read to indicate that we have conducted an exhaustive inquiry into, or review of, all potentially available relevant information. These statements are inherently uncertain, and investors are cautioned not to unduly rely upon these statements.

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