

## Arqit and Traxpay sign contract to deliver more efficient, secure trade finance

- *Supported by new legislation, Arqit's TradeSecure service is a world first in moving trade finance to quantum safe digital assets*

**London, UK, 12 December 2022** – Arqit Quantum Inc. (Nasdaq: ARQQ, ARQQW) (“Arqit”), a leader in quantum-safe encryption, has signed a contract with Traxpay GmbH (“Traxpay”), a leader in supply chain financing solutions, to deliver quantum-safe digital finance instruments, enabling supply chain actors to conduct business more efficiently and securely in the new digital trade era.

Deployed directly into Traxpay’s supply chain financing platform which has processed over €65bn of supply chain finance assets to date, Arqit’s TradeSecure service uses distributed ledger technology to provide customers with referenceable digital finance instruments (in the form of a Digital Promissory Note or Digital Bill of Exchange) which are easier to manage than paper-based alternatives, unique, transferable and invariable. Arqit’s symmetric key agreement software, QuantumCloud™ provides provable quantum-safe security for Traxpay’s customers, protecting them from current and future cyber threats.

The UK government’s upcoming [Electronic Trade Documents Bill](#) will legalise electronic transferable documents. The digitisation of global trade, until recently reliant on paper-based processes, opens up a potential [\\$17 trillion](#) global market for supply chain finance enabling faster, cheaper and simpler movement of goods across borders. However, it also leaves global trade more vulnerable to cybersecurity threats. The emergence of quantum computers and ‘Harvest Now, Decrypt Later’ attacks further compound these risks, highlighting the need for quantum-safe digital finance instruments.

The provision of both a provable digital original and a unique identifying stamp means Arqit’s TradeSecure digital finance instruments cannot be tampered with, creating a highly safe legal promise to pay for goods or services which all supply chain parties can use to conduct trade. This greatly enhances both access to trade finance and supply chain efficiencies, with faster transaction times, eliminated costs and provably secure transferability of digital finance assets.

Currently in live testing phase, the full-scale commercial product is expected to launch globally in 2023 once enabling legislation has come into effect.

**Arqit SVP Working Capital Technology, Dominic Broom, said:** “We are delighted to be working with Traxpay to enable their corporate customers and banking partners to access finance more efficiently and securely. Malicious actors will undoubtedly target global trade as it undergoes transformative digitisation. Provably quantum-safe digital finance instruments are needed to maintain confidence in digital trade platforms and to defend against threats from both classical and quantum computers. We believe that, in the quantum era, Arqit is the first company in the world whose technology meets MLETR provisions on the identity, integrity and control of electronic transferable records. Being first to market to comply with the new laws is an exciting opportunity”.

**Traxpay MD Markets & Sales, Markus Wohlgeschaffen, said:** “Arqit’s technology is highly compatible with our supply chain finance ecosystem and uniquely capable of delivering clearly identifiable, quantum-safe digital finance instruments which are urgently needed in the digital



trade era. We are now able to create new products for our customers that allow an unrivalled level of flexibility in liquidity management, efficiency, transaction speed, cost reduction and, most importantly, the highest levels of security.”

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## About Arqit

Arqit supplies a unique quantum safe encryption Platform-as-a-Service which makes the communications links or data at rest of any networked device or cloud machine secure against current and future forms of attack – even from a quantum computer. Arqit’s product, QuantumCloud™, enables any device to download a lightweight software agent, which can create encryption keys in partnership with any number of other devices. The keys are computationally secure, optionally one-time use and zero trust. QuantumCloud™ can create limitless volumes of keys in limitless group sizes and can regulate the secure entrance and exit of a device in a group. Arqit believes it is the only company in the market to have achieved Independent Assurance Review of its Security Proof demonstrating that the software can produce encryption keys which are zero trust and provably secure, i.e. permanently safe against attack from even a full scale quantum computer. This review was conducted by the GCHQ Accredited Centre of Excellence in Cyber Security at the University of Surrey. The addressable market for QuantumCloud™ is every connected device. Arqit was recently awarded the Innovation in Cyber award at the UK National Cyber Awards and Cyber Security Software Company of the Year Award at the UK Cyber Security Awards.

## About Traxpay

Traxpay is a fast-growing Internet platform that operates globally from Europe with a multibank approach. With the mission to become the “360° Supply Chain Finance Platform of Choice” for buyers, suppliers and banks, Traxpay offers all stakeholders a steadily growing, intuitively usable and sustainable set of tools for generating and securing liquidity along the entire value chain. In addition, platform users can financially incentivize the sustainability of their supply chains.

Established financial institutions such as Deutsche Bank, DZ Bank, Nord/LB, LBBW or KfW IPEX-Bank trust Traxpay’s financing solution and maintain strategic partnerships with the company.

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## Caution About Forward-Looking Statements

This communication includes forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. All statements, other than statements of historical facts, may be forward-looking statements. These forward-looking statements are based on Arqit's expectations and beliefs concerning future events and involve risks and uncertainties that may cause actual results to differ materially from current expectations. These factors are difficult to predict accurately and may be beyond Arqit's control. Forward-looking statements in this communication or elsewhere speak only as of the date made. New uncertainties and risks arise from time to time, and it is impossible for Arqit to predict these events or how they may affect it. Except as required by law, Arqit does not have any duty to, and does not intend to, update or revise the forward-looking statements in this communication or elsewhere after the date this communication is issued. In light of these risks and uncertainties, investors should keep in mind that results, events or developments discussed in any forward-looking statement made in this communication may not occur. Uncertainties and risk factors that could affect Arqit's future performance and cause results to differ from the forward-looking statements in this release include, but are not limited to: (i) the outcome of any legal proceedings that may be instituted against the Arqit related to the business combination, (ii) the ability to maintain the listing of Arqit's securities on a national securities exchange, (iii) changes in the competitive and regulated industries in which Arqit operates, variations in operating performance across competitors and changes in laws and regulations affecting Arqit's business, (iv) the ability to implement business plans, forecasts, and other expectations, and identify and realise additional opportunities, (v) the potential inability of Arqit to convert its pipeline into contracts or orders in backlog into revenue, (vi) the potential inability of Arqit to successfully deliver its operational technology which is still in development, (vii) the risk of interruption or failure of Arqit's information technology and communications system, (viii) the enforceability of Arqit's intellectual property, and (ix) other risks and uncertainties set forth in the sections entitled "Risk Factors" and "Cautionary Note Regarding Forward-Looking Statements" in Arqit's annual report on Form 20-F (the "Form 20-F"), filed with the U.S. Securities and Exchange Commission (the "SEC") on December 16, 2021 and in subsequent filings with the SEC. While the list of factors discussed above and in the Form 20-F and other SEC filings are considered representative, no such list should be considered to be a complete statement of all potential risks and uncertainties. Unlisted factors may present significant additional obstacles to the realisation of forward-looking statements.