

Arqit announces reseller agreement with Phalanx

LONDON, Jan. 10, 2024 (GLOBE NEWSWIRE) -- Arqit Quantum Inc. (Nasdaq: ARQQ, ARQQW) (Arqit), a leader in quantum-safe encryption, today announced a reseller agreement with Phalanx Solutions (Phalanx), a trusted provider of security, compliance and technology solutions, for Arqit's Symmetric Key Agreement Platform and NetworkSecure™ Adaptor.

Enterprises face growing threats from cyber adversaries and need to take urgent action to strengthen their encryption in the ever-connected world of devices. Easily integrated at modest cost with dynamic rotating authentication, Arqit's Platform as a Service makes symmetric encryption keys which cannot be broken even by quantum attack. Arqit's standards-compliant technology is now available to Phalanx's clients as a deployable solution.

Phalanx Solutions is a leading provider of comprehensive services, including a full continuum of cybersecurity, compliance, and information technology solutions, focusing on empowering businesses through technology. Their solutions are based on integrating various elements to strengthen their client's security posture and provide them with the tools they require to deter adversaries in this modern era.

David Williams, Arqit Founder, Chairman and CEO said:

"Enterprises need confidence they can secure their data against both current and future cyber threats. Compliant with NSA standards and secure against quantum attack, Arqit's unique encryption technology delivers enhanced protection allowing enterprises to take simple steps now to harden their networks. We are delighted to partner with Phalanx to offer our technology to their clients."

Daniel Horton, Phalanx Solutions, President said:

"We are thrilled to offer Arqit's groundbreaking technology to our clients, which delivers end-to-end quantum-safe encryption for data and communications that is unparalleled to anything else on the market. As a trusted partner, we are committed to protecting our clients and offering the best solutions available. The Arqit solution is significant to all our federal and commercial clients and will be a game-changer to their security posture."

Notes to Editors

The US Government acknowledges the quantum threat:

- **The White House:** "When it becomes available, a CRQC [cryptanalytically relevant quantum computer] could jeopardize civilian and military communications, undermine supervisory and control systems for critical infrastructure, and defeat security protocols for most Internet-based financial transactions" (The White House, National Security Memorandum on Promoting United States Leadership in Quantum Computing While Mitigating Risks to Vulnerable Cryptographic Systems, 4 May 2022, [link](#)).

“Store-now, decrypt-later” is a known threat and concerning for data with a long-time value:

- **US Congress:** “The rapid progress of quantum computing suggests the potential for adversaries of the United States to steal sensitive encrypted data today using classical computers and wait until sufficiently powerful quantum systems are available to decrypt it” (Congress, Quantum Computing Cybersecurity Preparedness Act, 21 December 2022, [link](#)).

Symmetric cryptography is a solution that can be implemented right now and can be used for both encryption and key exchange:

- **US National Security Agency (NSA):** “NSA considers using pre-shared symmetric keys in a standards-compliant fashion a better near-term post-quantum solution than implementing experimental post-quantum asymmetric algorithms” (NSA, The Commercial National Security Algorithm Suite 2.0 and Quantum Computing, 7 September 2022, [link](#)).

The US Government has already directed their agencies to implement symmetric-key protections for National Security Systems (NSS):

- **The White House:** “By December 31, 2023, agencies maintaining NSS shall implement symmetric-key protections (e.g., High Assurance Internet Protocol Encryptor (HAIP) exclusion keys or VPN symmetric key solutions) to provide additional protection for quantum-vulnerable key exchanges” (The White House, National Security Memorandum on Promoting United States Leadership in Quantum Computing While Mitigating Risks to Vulnerable Cryptographic Systems, 4 May 2022, [link](#)).

About Arqit

Arqit Quantum Inc. (Nasdaq: ARQQ, ARQQW) (Arqit) supplies a unique encryption Platform as a Service which makes the communications links of any networked device, cloud machine or data at rest secure against both current and future forms of attack on encryption – even from a quantum computer. Compliant with NSA standards, Arqit’s Symmetric Key Agreement Platform delivers a lightweight software agent that allows devices to create encryption keys locally in partnership with any number of other devices. The keys are computationally secure and operate over zero trust networks. It can create limitless volumes of keys with any group size and refresh rate and can regulate the secure entrance and exit of a device in a group. The agent is lightweight and will thus run on the smallest of end point devices. The Product sits within a growing portfolio of granted patents. It also works in a standards compliant manner which does not oblige customers to make a disruptive rip and replace of their technology. Recognised for groundbreaking innovation at the Institution of Engineering and Technology awards in 2023, Arqit has also won the Innovation in Cyber Award at the National Cyber Awards and Cyber Security Software Company of the Year Award at the Cyber Security Awards. Arqit is ISO 27001 Standard certified. www.arqit.uk

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About Phalanx Solutions

Phalanx Solutions is headquartered in Herndon, Virginia. Named after the “shield wall” of ancient Greek warriors. Our solutions are built on the Phalanx model - stalwart defenders standing shoulder to shoulder to create an impenetrable shield - to protect your company using proven tactics in a modern time. Our services are based on integrating various elements to strengthen our customers' security posture and provide them with the tools they require to deter adversaries in this modern era. PHALANX Solutions is committed to providing its partners with the only line of defense they will need against cybersecurity threats.

CONTACT: To learn more about Phalanx Solutions, or to implement Arqit quantum-safe encryption, contact us below to start your protection immediately.

Website: <https://getphalanxsolutions.com>

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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, (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 successfully deliver its operational technology, (vi) the risk of interruption or failure of Arqit's information technology and communications system, (vii) the enforceability of Arqit's intellectual property, and (viii) 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 21 November 2023 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.



Source: Arqit