

# Vayana TradeXchange partners with Arqit to transform trade finance

LONDON, March 27, 2024 (GLOBE NEWSWIRE) -- Arqit Quantum Inc. (Nasdaq: ARQQ, ARQQW) (Arqit), and Vayana TradeXchange announce a partnership to use Arqit's TradeSecure™ digital negotiable instrument technology to transform international supply chains.

Vayana TradeXchange is a global marketplace facilitating the financing of cross-border trade, headquartered in GIFT City and operating under license from the International Financial Services Authority in India (IFSCA). It is part of the Vayana Group which operates India's largest regulated network for domestic supply chain finance.

The initial focus for the partnership will be India, Singapore, the United Arab Emirates (UAE) and the United Kingdom (UK), nations that are global leaders in the digitalisation of trade. These countries have embraced legislation based on the UN's Model Law on Electronic Transferable Records (MLETR) that gives legal recognition to digital negotiable instruments (DNIs) allowing them to replace wet ink paper contracts.

The global supply chain finance market is estimated at \$17 trillion growing at 3% per annum and stands to be re-energised by the reform in legalising digital assets.

Vayana Group has facilitated over \$30bn of financing, serving over 300,000 enterprises in India. Vayana TradeXchange revolutionises cross-border trade finance by making working capital available seamlessly across geographies.

Arqit's first-of-its-kind technology delivers unique, referenceable and transferable digital finance instruments that have broad commercial application and enable businesses to get closer to pools of available liquidity and improve their cash flows. Arqit is a world leader in complying with the new standards, by completed legal review, and in making them provably secure.

This partnership enables exporters to use DNIs to get easy access to working capital against their trade receivables, whilst importers can optimise their cashflows by accessing funding from financial institutions across the globe.

## **Kalyan Basu, MD & CEO, Vayana TradeXchange said:**

"We are delighted to partner with Arqit to help companies unlock their working capital using these highly secure digital negotiable instruments. With export trade from India alone expected to reach \$2 trillion by 2030, this partnership offers businesses easier access to investors/financiers who are willing to lend against receivables based on the negotiation of digital promissory notes and bills of exchange minted on TradeSecure. DNIs will offer immense flexibility to the asset owners in terms of access to a large pool of credible investors with a secure end-to-end digital journey."

## **David Williams, Founder of Arqit said:**

“The market for digital negotiable instruments is expected to exceed \$4 trillion per annum. This partnership is a fusion of India’s leading cross-border supply chain finance platform with Arqit’s groundbreaking TradeSecure which is the only DNI solution that complies with the new laws and delivers permanent provable security. We are excited to take this collaboration to a high scale with Vayana TradeXchange.”

**Lord Marland, Chairman of the Commonwealth Enterprise and Investment Council said:**

“The UK government has led the World in legislating to digitise trade finance. India is a crucial trading partner and I am delighted to see British and Indian companies leading the world as a result.”

### **About Arqit**

Arqit Quantum Inc. (Nasdaq: ARQQ, ARQQW) (Arqit) supplies a unique encryption software 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. Compatible with NSA CSfC Components and meeting the demands of NSA CSfC Symmetric Key Management Requirements Annexe 1.2. and RFC 8784, Arqit’s Symmetric Key Agreement Platform uses a lightweight software agent that allows end point devices to create encryption keys locally in partnership with any number of other devices. The keys are computationally secure and facilitate Zero Trust Network Access. 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. Arqit is winner of two GSMA Global Mobile Awards, The Best Mobile Security Solution and The CTO Choice Award for Outstanding Mobile Technology, at Mobile World Congress 2024, recognised for groundbreaking innovation at the 2023 Institution of Engineering and Technology Awards and winner of the National Cyber Awards’ Innovation in Cyber Award and the Cyber Security Awards’ Cyber Security Software Company of the Year Award. Arqit is ISO 27001 Standard certified. [www.arqit.uk](http://www.arqit.uk)

### **About Arqit TradeSecure™**

Arqit TradeSecure™ enables the creation, safekeeping and secure transfer of Digital Negotiable Instruments (DNIs). DNIs are a globally recognised paper trade finance instruments: e.g. Promissory Notes & Bills of Exchange. As a result of recent legislation DNIs now have the same legal standing as paper instruments and will be an integral part of 21st century corporate working capital solutions including supply chain and invoice finance.

TradeSecure improves business performance for everybody in the supply chain by:

- Freeing up working capital for Buyers to pass on to their Suppliers,
- Allowing businesses to improve cash flow,
- Driving down costs across the entire supply chain,
- Generating a direct bottom line contribution for Buyers,
- Providing end to end data transparency and a full transaction audit trail,

- Making it easier for a range of Investors to provide much needed working capital finance,
- Increasing security and reducing operational risk.

Arqit's quantum-safe encryption technology provides a robust security solution, which harnesses our military-grade data encryption expertise. Secured by symmetric digital keys and notarised on a quantum-secure ledger, DNIs can be created, transferred and stored in a fully auditable and secure manner throughout their lifecycle. [tradecure.arqit.uk](https://tradecure.arqit.uk)

## **About Vayana TradeXchange**

Vayana TradeXchange is a leading global cross border trade finance platform that operates under license from International Financial Services Centres Authority (IFSCA), GIFT City, India's first global financial center. As a wholly owned subsidiary of Vayana, India's largest supply chain finance fintech, VTX provides an auction-based marketplace connecting exporters and importers, enabling access to cross-border trade finance products. VTX's solutions help businesses effectively manage trade receivables and payables, enhancing cash flow management for businesses on a global scale. The platform has successfully onboarded prominent financial institutions such as the State Bank of India, India Factoring, VoloFin, and Drip Capital as financiers. Additionally, VTX is actively engaged in expanding its financier network and aims to onboard an additional 15 financiers by the end of FY 2024.

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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