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31 January 2022

Quantum Exponential Group plc
(the 'Company' or 'Quantum Exponential')

Corporate Update and Board Changes

Quantum Exponential Group plc (AQUIS: QBIT), a company focused on investing in quantum technology is pleased to provide an update following its admission to trading on the AQSE Growth Market on 1 November 2021 ('Admission').

Highlights

- Discussions ongoing with a number of potential investee companies
- Arqit Quantum Inc, signs new launch contract with Virgin Orbit covering two satellite launches and the licensing of its Arqit QuantumCloud™
- Increased institutional interest in quantum has lead to advance discussions with several parties regarding launch of Limited Partnership Venture Capital Funds, to be managed by Quantum Exponential

At the time of Admission, Quantum Exponential had identified c.60 companies meeting its investment strategy. Since Admission, the Company has held discussions with a number of these companies, several of which are being actively pursued. Any investments will be subject to detailed due diligence and completion of legal documentation and further updates will be provided as these discussions progress.

On Admission, Quantum Exponential acquired a nominal cost option to acquire 199,993 shares in Arqit Quantum Inc. (NASDAQ: ARQQ) ('Arqit'). On 23 December 2021 Arqit, a global leader in quantum encryption technology, announced that it had extended its collaboration with Virgin Orbit, a responsive launch and space solutions company. Arqit has signed a new launch contract with Virgin Orbit covering two of its dedicated satellite launches. The two Arqit satellites will be the core component of Arqit's Platform-as-a-Service, delivering the root source of randomness to all Arqit data centres using its ground-breaking quantum protocol ARQ19. In addition, Arqit also announced that Virgin Orbit has licensed its QuantumCloud™ service to protect its launch and space solutions businesses. The full details of this announcement can be found at: <https://arqit.uk/news/press-releases/>

Quantum Exponential is looking to capitalise on the board's significant experience in creating and managing 10-year limited partnership venture capital vehicles through the creation of a Quantum Limited Partnership Fund. Recent events, including Chancellor Rishi Sunak's speech at the Autumn Budget, which reiterated the UK's commitment to invest in quantum technology, coupled with increased global interest within the quantum computing arena, has driven the decision to accelerate discussions with global companies and government agencies on the feasibility of a Quantum Exponential run UK fund.

Board changes

To support this decision, Martin Schwedler, who is based in Austria, will be transferring from his role as CEO of Quantum Exponential and will concentrate his fundraising expertise with regards to funding opportunities in Europe, becoming Senior Advisor for Europe. Steven Metcalfe, currently Chief Operating Officer, and based in the UK, will become Quantum Exponential CEO with immediate effect and will look to continue to explore the many exciting opportunities that have become available to Quantum Exponential since Admission.

In addition, Stuart Nicol, Chief Investment Officer, will be appointed to the board as an Executive Director with immediate effect. The following information is disclosed pursuant to Rule 4.9 of the AQSE Growth Market Access Rulebook:

Current Directorships	Previous Directorships
Rosie Walker Limited	FSE Closif Carry LLP
Heropreneurs	Walker Ashworth Limited

There is no further information to be disclosed pursuant to Rule 4.9 of the AQSE Growth Market Access Rulebook.

Founder Shares

The Company and Martin Schwedler have agreed that 14,400,000 ordinary shares beneficially held by Mr. Schwedler will be relinquished by him into an employee, director and consultant share incentive plan that the Company will look to implement in due course. Martin Schwedler will continue to have a beneficial interest in 17,600,000 ordinary shares, representing 5.36% of the issued share capital which remain bound by the 12-month lock-in and 6-month orderly market arrangement entered into at the time of Admission.

Chairman of Quantum Exponential Group, Ian Pearson said: *“Martin was instrumental in the float of the Company and the board would like to thank him for all his efforts in getting us to market. I am delighted Steve is becoming CEO; his near 30 years in UK investment banking and capital markets bring great experience to the role.”*

This announcement contains information which, prior to its disclosure, was inside information as stipulated under Regulation 11 of the Market Abuse (Amendment) (EU Exit) Regulations 2019/310 (as amended).

The Directors take responsibility for this announcement.

****ENDS****

For more information, visit the Company's website: www.quantum-exponential.co.uk

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Notes to Editors

About Quantum Exponential Group plc

Quantum Exponential is a first of its kind, AQSE Growth Market SPAC, focused on opportunities in quantum technology and the wider quantum computing sector, with an advisory board made up of industry advisors, entrepreneurs, and technology investment professionals with broad access to quantum opportunities and markets. Quantum Exponential's investment strategy is to assemble a portfolio of minority investments in early-stage global quantum technology companies, primarily in NATO allied countries, offering institutional and private investors access to revolutionising technologies and industries in the realms of artificial intelligence, manufacturing and healthcare.

Quantum Exponential trades on AQSE Growth Market under the ticker symbol "QBIT".

About Arqit Quantum Inc.

Arqit supplies a unique quantum encryption Platform-as-a-Service which makes the communications links of any networked device 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 of less than 200 lines of code, which can create encryption keys in partnership with any other device. The keys are computationally secure, 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. The addressable market for QuantumCloud™ is every connected device.

Arqit trades on Nasdaq under the ticker symbols 'ARQQ' and 'ARQQW'.

