

## Business

# Cyber-specialist takes a quantum leap

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A British encryption specialist offering companies next-generation technology to avoid sophisticated cyber-attacks is to list in New York after striking a \$1.4 billion blank-cheque deal.

Arqit, which has been backed by funding from the British government, plans to merge with a special purpose acquisition company (Spac) as it prepares to “commercialise and scale” its digital defence tools.

Its planned tie-up with Centricus Acquisition Corp, announced yesterday, will mean that it joins the Nasdaq.

At the centre of Arqit’s offering is its planned satellite-based Quantum-Cloud system. There are fears that public key infrastructure, which encrypts most of the world’s communications, is vulnerable. Powerful and ultra-fast quantum computers are expected to break its algorithms this decade.

Arqit, which plans to launch two satellites with Virgin Orbit in 2023, has developed encryption technology that it argues will shield any networked device from “current and future forms of hacking, even from a quantum computer”.

The transaction, expected to be completed by the end of the third quarter, includes private investment in public equity (Pipe) funding of about \$70 million. The pro-forma equity value of the combined business is \$1.4 billion, with an enterprise value of about \$1 billion, the companies said. Shares in Centricus gained 1.44 per cent, or 14 cents, to \$9.84.

“The world needs simpler, stronger cyber-security and Arqit addresses that need,”

David Williams, its chief executive and founder, said. “After four years of innovation in stealth mode by world-leading teams of scientists and engineers, we are ready to go to market.”

Blank-cheque funds raise money from initial public offerings before listing their shares on a stock exchange. They then search for an acquisition, typically a private company.

Bird Rides, the loss-making scooter rental start-up, said it was to go public by merging with Switchback II Corp that will provide up to \$428 million. The deal has an enterprise value of about \$2.3 billion.

**Bird Rides rental firm is also merging in a blank-cheque deal**

