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HONEYWELL QUANTUM SOLUTIONS AND CAMBRIDGE QUANTUM COMPUTING WILL COMBINE TO FORM WORLD'S LARGEST, MOST ADVANCED QUANTUM BUSINESS

- *Upon completion of the combination, Honeywell will own a majority stake of the new company, which will shape the future of what is projected to become a \$1 trillion quantum computing industry*
- *New business will offer the world's highest-performing quantum computer and comprehensive quantum software, including the first and most advanced quantum operating system*
- *Software business will remain hardware agnostic and continue to be fully compatible with all global quantum hardware providers, maximizing customer benefits*

CHARLOTTE, N.C., June 8, 2021 -- Honeywell (**NASDAQ: HON**) announced today that Honeywell Quantum Solutions (HQS) and Cambridge Quantum Computing (CQC), two world-leading quantum computing and quantum technology businesses, will combine to form the largest, most advanced standalone quantum computing company in the world, setting the pace for what is projected to become a \$1 trillion quantum computing industry over the next three decades.

The new company will offer the world's highest performing quantum computer and a full suite of quantum software, including the first and most advanced quantum operating system. These technologies will support customer needs for improved computation in diverse areas including cyber security, drug discovery and delivery, material science, finance, and optimization across all major industrial markets. The company will also focus on the advancement of natural language processing to fully leverage the possibilities of quantum artificial intelligence.

Quantum computing will remain a key breakthrough initiative for Honeywell. After the transaction is complete, Honeywell will own a majority stake in the new company, with commensurate governance rights. In addition, Honeywell will invest between \$270 million and \$300 million in the new company and will have a long-term agreement to help manufacture the critical ion traps needed to power the quantum hardware. Honeywell's businesses will continue to serve as a proving ground for the new company's quantum offerings.

The combination is expected to be complete in the third quarter of 2021, subject to regulatory approvals and customary closing conditions. Honeywell Chairman and Chief Executive Officer Darius Adamczyk will serve as chairman of the new company. The new company will be led by Ilyas Khan, the CEO and founder of CQC. Tony Uttley, currently the president of HQS, will serve as the new company's president.

"Since we first announced Honeywell's quantum business in 2018, we have heard from many investors who have been eager to invest directly in our leading technologies at the forefront of this exciting and dynamic industry – now, they will be able to do so," Adamczyk said. "The new company will provide the best avenue for us to onboard new, diverse sources of capital at scale that will help drive rapid growth."

Adamczyk continued, “The new company will have the best talent in the industry, the world’s highest-performing quantum computer, the first and most advanced quantum operating system, and comprehensive, hardware-agnostic software that will drive the future of the quantum computing industry. The new company will be extremely well positioned to create value in the near-term within the quantum computing industry by offering the critical global infrastructure needed to support the sector’s explosive growth.”

“Joining together into an exciting newly combined enterprise, HQS and CQC will become a global powerhouse that will develop and commercialize quantum solutions that address some of humanity’s greatest challenges, while driving the development of what will become a \$1 trillion industry,” Khan said. “I am excited to lead a company that has the best people and technologies in the quantum computing industry and the best and boldest clients. Together we will lead the industry as it grows and matures, and create tangible, credible, provable and science-led advances.”

Honeywell’s trapped ion-based quantum computing hardware recently achieved a quantum volume of 512, the highest measured on a commercial quantum computer to date, with further advances in progress. CQC is the global leader in software, cyber security and algorithms that help optimize quantum computing hardware. CQC’s software business will remain hardware agnostic and will continue to be fully compatible with all global quantum hardware providers. Honeywell has been an investor in and commercial partner with CQC since 2019.

Over the last decade, Honeywell has incubated its quantum business from the idea stage to commercial launch. Today, HQS employs some of the world’s leading experts in quantum computing and provides customers from some of the world’s largest organizations with access to the highest-performing quantum computers. Honeywell’s cross-disciplinary team of more than 160 scientists, engineers, and software developers – dedicated to advancing quantum volume and addressing real enterprise problems across industries – will join the new company. The combined company will have a staff of over 300, more than 100 of whom hold doctorates and over 200 of whom are scientists that include some of the world’s leading quantum computing experts.

Honeywell’s quantum computer uses trapped-ion technology, which leverages numerous, individual, charged atoms (ions) to hold quantum information. Honeywell’s system applies electromagnetic fields to hold (trap) each ion so it can be manipulated and encoded using laser pulses. These high-performance operations require deep experience across multiple disciplines, including atomic physics, optics, cryogenics, lasers, magnetics, ultra-high vacuum, and precision control systems. Honeywell has a decades-long legacy of expertise in these technologies.

CQC was founded in 2014 and is backed by some of the world’s leading quantum computing companies. With a team of approximately 150 and offices in Europe, the United Kingdom, Japan, and the United States, CQC is a pioneer in the quantum software sector and a leader in the commercialization of quantum technologies. In this year alone, CQC has announced groundbreaking advances that make quantum computers practically useful to the finance and banking industry by enabling quantum Monte Carlo simulations; unveiled unhackable keys for cybersecurity, using Honeywell’s quantum computers to allow for the protection of corporate, governmental and private data and communications; provided details of the world’s largest experiment in quantum natural language processing, a key enabler of AI; announced commercial projects in drug discovery in critical areas that will enhance humanity’s well-being; and provided open-access to all quantum software developers to “tket,” the world’s most popular quantum software development kit.

There is no change to Honeywell’s 2021 financial outlook as a result of the transaction. J.P. Morgan Securities LLC acted as Honeywell’s lead financial advisor for the transaction. The new company’s name will be announced on a future date.

Honeywell (www.honeywell.com) is a Fortune 100 technology company that delivers industry-specific solutions that include aerospace products and services; control technologies for buildings and industry; and performance materials globally. Our technologies help aircraft, buildings, manufacturing plants, supply chains, and workers become more connected to make our world smarter, safer, and more sustainable. For more news and information on Honeywell, please visit www.honeywell.com/newsroom.

This release contains certain statements that may be deemed “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934. All statements, other than statements of historical fact, that address activities, events

or developments that we or our management intends, expects, projects, believes or anticipates will or may occur in the future are forward-looking statements. Such statements are based upon certain assumptions and assessments made by our management in light of their experience and their perception of historical trends, current economic and industry conditions, expected future developments and other factors they believe to be appropriate. The forward-looking statements included in this release are also subject to a number of material risks and uncertainties, including but not limited to economic, competitive, governmental, and technological factors affecting our operations, markets, products, services and prices. Such forward-looking statements are not guarantees of future performance, and actual results, developments and business decisions may differ from those envisaged by such forward-looking statements. We identify the principal risks and uncertainties that affect our performance in our Form 10-K and other filings with the Securities and Exchange Commission.