MAALEXI SECURES $3 MILLION CREDIT FACILITY

Credit facility supports Maalexi's goal to address global food security challenges by increasing participation of Small and Medium Enterprises (SMEs) in cross-border trade

Growth trajectory – following ~50% revenue growth in FY24, Maalexi projects 3X expansion in 2025, supported by the addition of the credit facility to Maalexi's capital position

Dubai, UAE – 28 January 2025: Maalexi, a U.S.-headquartered dynamic risk management platform helping SME agri-businesses mitigate operational risks, announces it has secured a $3 million debt finance facility from Citi – one of the world's largest banking institutions.

The strategic facility supports Maalexi with its mission to strengthen global food security by simplifying cross-border agri-trade conducted on its cutting-edge, AI-powered risk management platform.

Following confirmation of 2024 being the hottest year on record, food security concerns are at an all-time high as the global agriculture sector tackles extreme temperatures. The Gulf Cooperation Council (GCC) countries rely heavily on food imports, spending $68 billion annually to meet 85% of their food consumption needs[1]. While the U.S. leads globally in food and agricultural exports with over $180 billion in annual sales, it supplies just 6% of GCC food imports. This limited market penetration stems largely from U.S. SMEs struggling to establish reliable trade connections and manage risks when exporting to GCC markets. Empowering these SMEs to overcome these challenges could help address food security concerns in the GCC region, while expanding opportunities for U.S. agricultural exporters.

The credit facility strengthens Maalexi's market position by enhancing its liquidity and in turn its procurement capabilities. This enables more flexible resource allocation and reduces capital costs as Maalexi expands its direct sourcing from agricultural origin markets with a focus on the U.S.-based exporters. Maalexi continuously invests its equity capital in technology development, enhancing its platform and gathering valuable data from direct sourcing operations. This helps Maalexi reduce risks and improve efficiencies across the food supply chain.

These developments by Maalexi are ultimately helping increase direct SME participation in cross-border trade, stabilizing prices in the market, and reducing waste in the $2 trillion global food trade[2], where 15% of food produce value is typically lost as it moves from the farm into retail[3]. Maalexi's advanced systems help reduce this food wastage throughout the supply chain. According to an OECD-FAO report[4], halving food waste could have two major impacts by 2030: reducing global agricultural GHG emissions by 4% and feeding 154 million undernourished people.

Dr. Azam Pasha, CEO & Co-Founder of Maalexi, said:

"This credit facility is a significant milestone for Maalexi. It strengthens our ability to construct seamless food supply chains – helping us procure directly from exporters or producers at origin and assure sustainable food supplies at transparent prices and costs to our local SME buyers in the UAE. This will also support us to acquire and further build our proprietary datasets and upgrade our AI powered data processing abilities to identify, develop and patent new technologies."

"In doing so, Maalexi is helping to make real progress in the region's food security efforts. With a significant reliance on imports, it's critical that SME agri-trade market participants have access to affordable food and agricultural products."

Today's news follows rapid operational and financial progress for Maalexi since its pre-Series A fund raise in January 2024. The company has significantly grown revenues, up ~50%, as well as transaction volumes, up ~20%, year on year as of December 2024. It has also enhanced gross margins.

Maalexi also had two significant strategic agreements in 2024. The first, an agreement with one of the world's largest port operators and logistics providers, allows Maalexi to utilize world-class warehouses in the UAE, assuring security and management of its inventory of agricultural products.

This credit facility will also support Maalexi's plans to expand its sourcing operations, creating a seamless, technology-enabled supply chain from origin markets to the UAE, with enhanced tech-enabled risk management and optimization.

In the second agreement, Maalexi also partnered with a leading global trade credit insurance and market intelligence provider, enabling business intelligence data exchange that strengthens its ability to evaluate buyers and sellers in both domestic and international markets, helping address payment and performance risks.

Also in 2024, Maalexi's product suite was expanded with the launch of its Digital Listing and Tech-Monitored Warehousing solutions - giving the company's SME user base extra capabilities to engage in cross-border agri-trade. Strategic additions were made to Maalexi's leadership team, with top talent added in AI and data science, risk management, and warehouse operations.

Maalexi leads agricultural trade transformation via three powerful differentiators:
1. Its risk management system
2. Comprehensive data architecture, and
3. Proprietary AI engines.

The Company's advanced risk management system uses real-time monitoring and predictive analytics to safeguard all transactions, which is powered by comprehensive data architecture capturing and analysing vital trade parameters – from quality metrics to compliance. Maalexi's proprietary AI engines tie it all together, allowing SMEs to trade across borders more transparently and efficiently.

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[1] https://www.strategyand.pwc.com/m1/en/articles/2020/how-gcc-countries-can-ensure-their-food-security.html
[2] International Trade Map (2024), https://www.trademap.org/
[3] https://www.theconsumergoodsforum.com/blog/2023/12/11/new-cgf-and-wwf-partnership-taking-the-lead-on-   reducing-farm-loss-to-help-shrink-footprint-of food/#:~:text=A%20lesser%20known%2C%20and%20often,%2C%20around%2C%20and%20after%20harvest
[4] https://www.oecd.org/en/publications/oecd-fao-agricultural-outlook-2024-2033_4c5d2cfb-en.html

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Notes to Editors
About Maalexi

Maalexi is a groundbreaking AI-powered risk management platform enabling direct participation of Small and Medium Enterprises (SME) in cross-border trade of food and agricultural produce by ensuring payment and performance.

For more information, please visit: https://www.maalexi.com/