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ENABLING DIGITAL TRANSFORMATION

BRICKS OF BLOCKCHAIN

by

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Agenda

May I please start with some questions…

1. **Why Blockchain?**
2. **Blockchain Platform and what it offers**
3. **When to use Blockchain**
4. **How to start Blockchain Journey**
5. **Use cases**
   - Supply chain
   - Banking
   - Healthcare
6. **Blockchain Use cases being launched by Dubai Government**
7. **Finesse and Blockchain Offerings**
   - Invoice Chain
8. **Finesse Blockchain Partnerships**

Why Blockchain?

Blockchain technology enables bilateral settlement by eliminating midpoint failures, delays, collateral costs, and minimizes credit risks and exchange spreads.

Decentralization

Elimination of intermediaries

Real-time settlement

Drastic reduction in operational costs

High levels of Transparency

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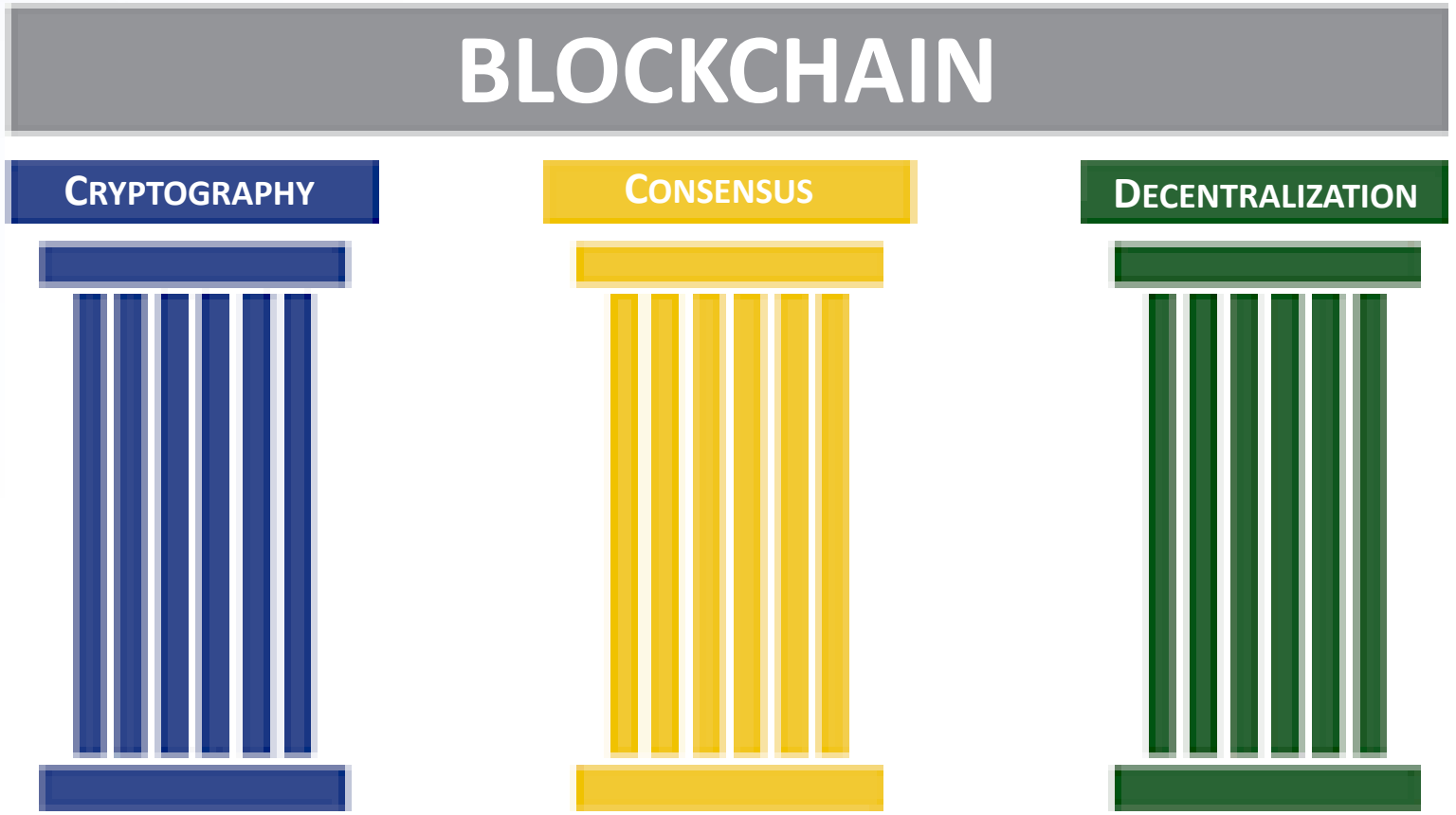
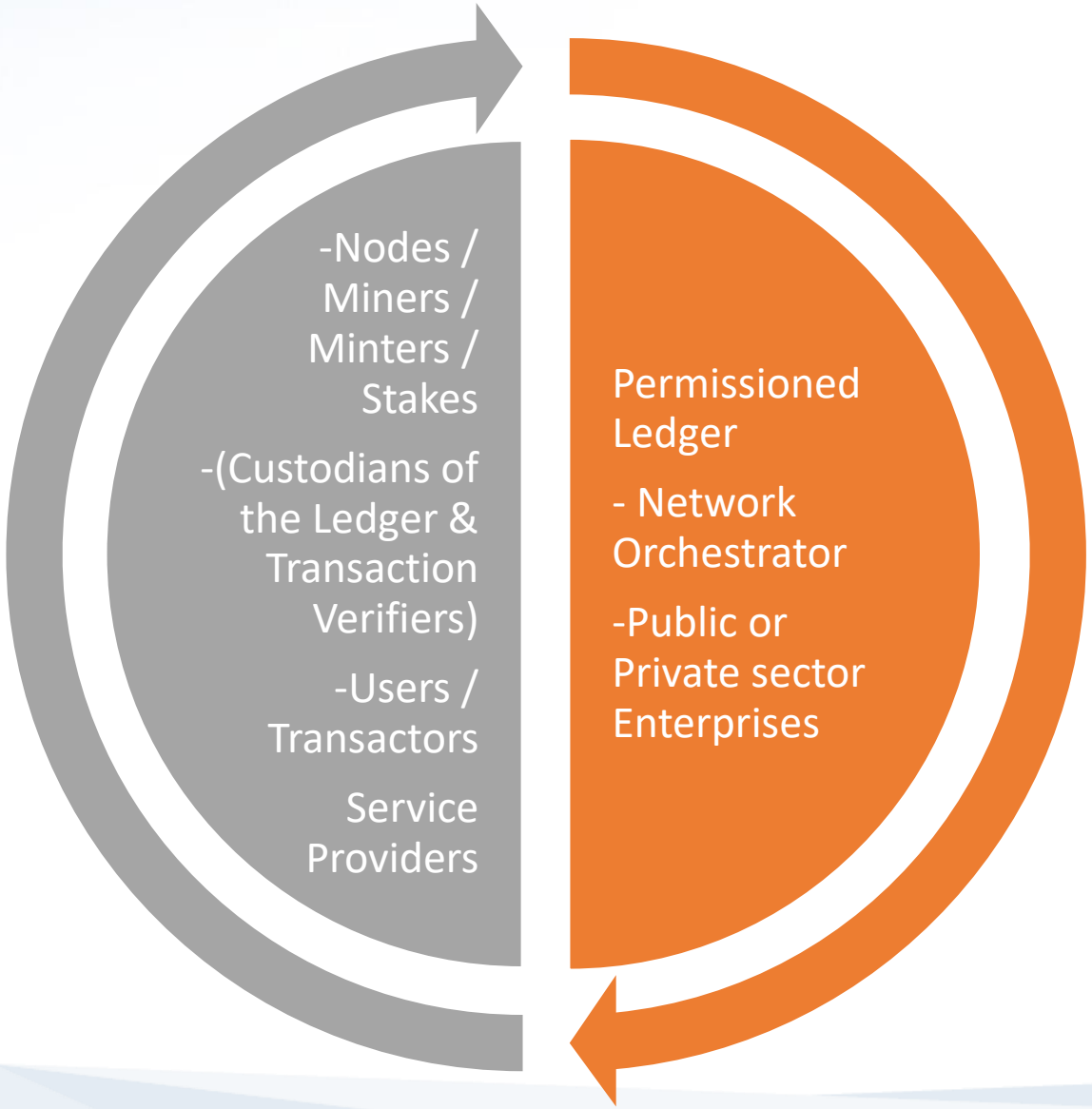
Blockchain Platform

Pillars of Blockchain Technology

Blockchain as technology is combination of three concepts combined together



Participants in the Blockchain Transaction



Consensus

Its a way in which a majority of network members agree on the value of a piece of data or a proposed transaction, which then updates the ledger. Or in simple words it's just a way for a diverse group to make decisions without conflict.

It allows connected machines (nodes) to work together as a group that can even survive if some of its members fail. This tolerance of failure is another big advantage of blockchains and distributed ledgers, which have a kind of redundancy built in.

Consensus Algorithms

- Proof of work
- Proof of Stake
- Proof of identity
- etc…

Blockchain Defination and Offering

Blockchain is a transaction database shared by all nodes participating in a system. In essence, it is a distributed method of tracking and transferring assets online without need for a trusted party, Its a network of computers (nodes) that maintains and validates a record of consensus of those transactions via a cryptographic audit trail.

Shared Publicly

Servers, or nodes, maintain the entries (known as blocks) and every node sees the transaction data stored in the blocks when created

Decentralized

There is no central authority required to approve transactions and set rules

Secure

The database is an immutable and irreversible record. Posts to the ledger cannot be revised or tampered with–not even by the operators of the database

Trusted

Distributed nature of the network requires computer servers to reach a consensus, which allows for transactions to occur between unknown parties (permission-less) or set of known parties (permissioned)

Automated

The software is written so that conflicting or double transactions do not become written in the data set and transactions occur automatically

Blockchain Differentiators

Efficiency Improvement

- ✓ Reduces multiple hops between parties reducing transaction time
- ✓ Near Real time visibility of asset transactions to all parties
- ✓ All participants hooked onto single distributed system

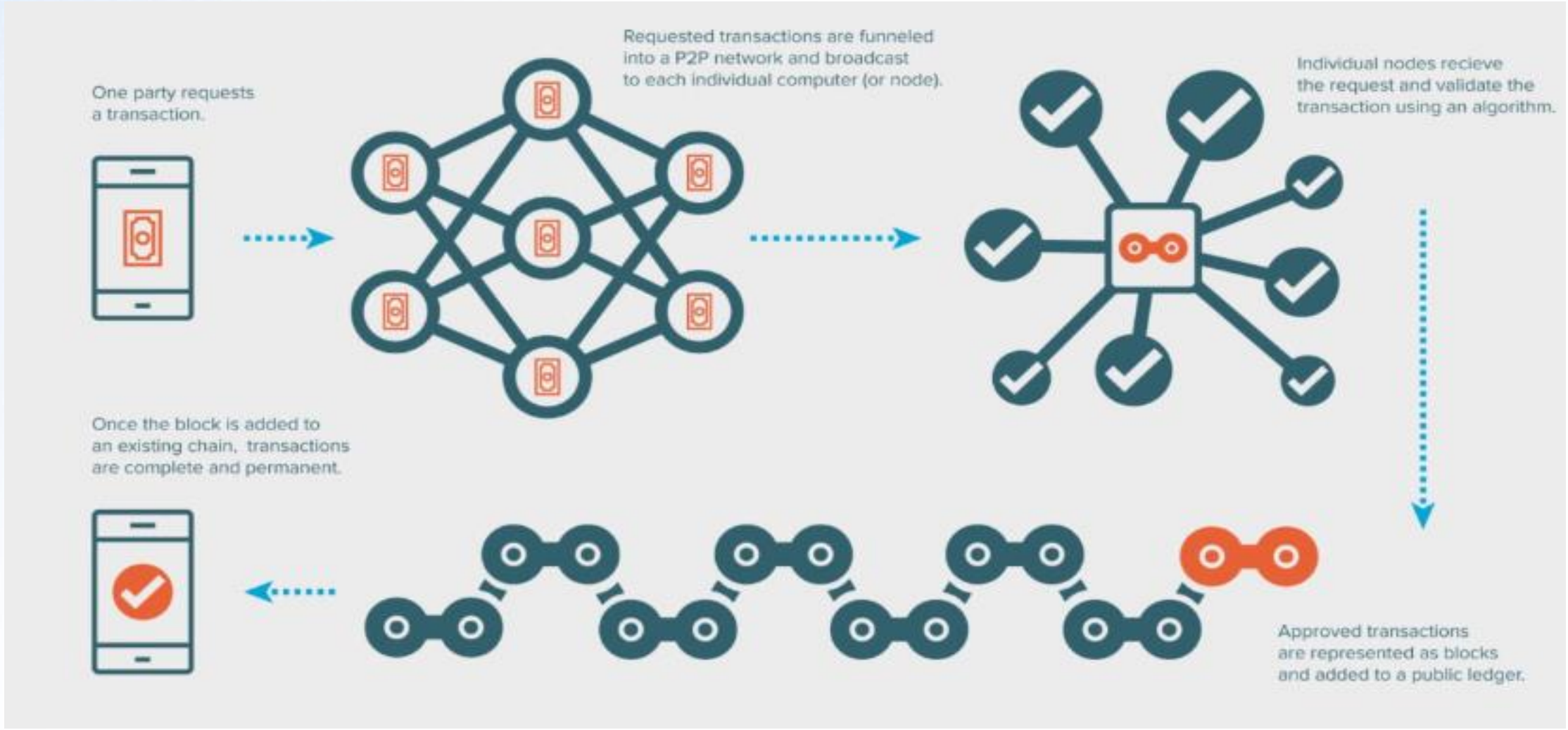
Cost Savings

- ✓ Faster Settlement and hence better utilization of funds
- ✓ Low transaction Costs
- ✓ Low system maintenance costs- single system used by all participants

Trust

- ✓ Transparency of transactions to all participants
- ✓ Protection against tampering or change of records
- ✓ No Central Authority - Consensus by all participants

How Does Blockchain Work?



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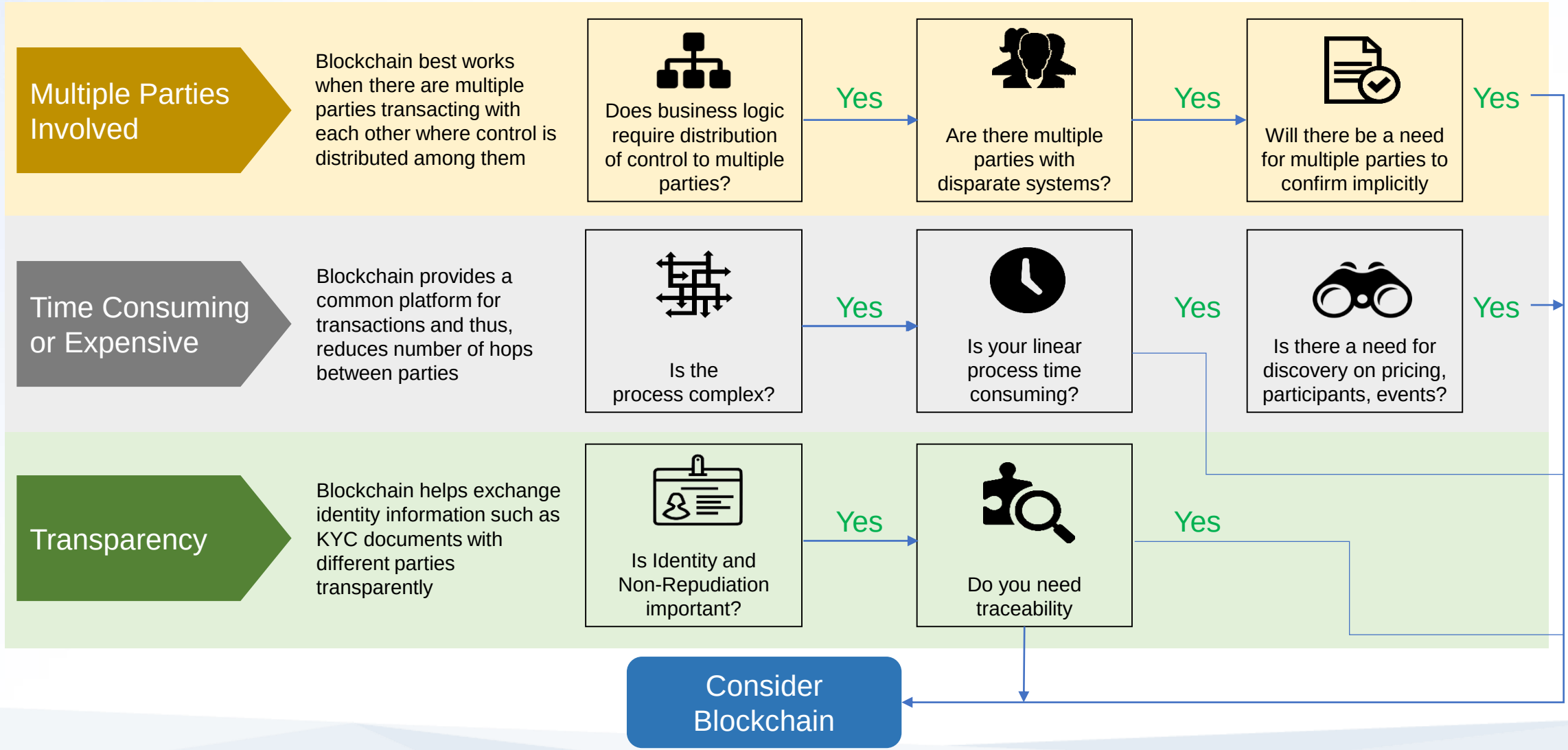
How to Identify Right Use Cases for Blockchain?

Some Blockchian Humor……

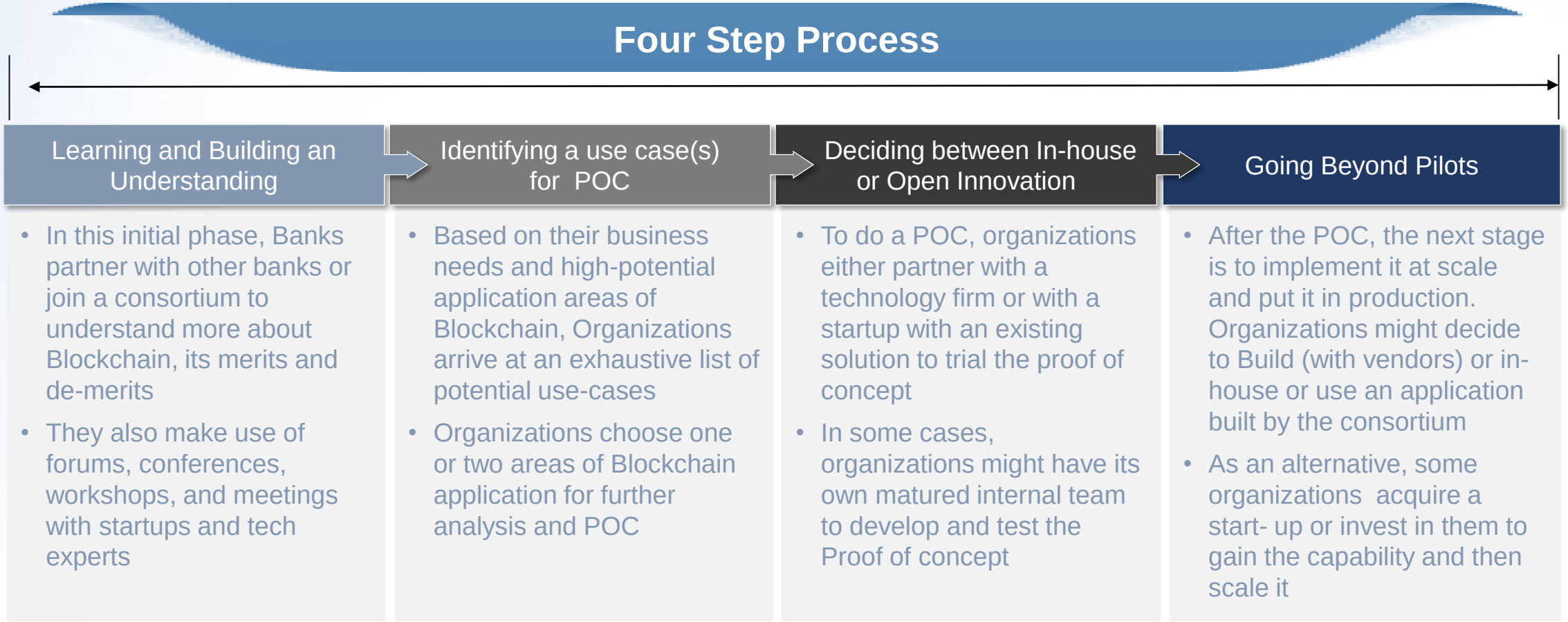
Source : Blockchain Dilbert cartoon by Scott Adams

When to use Blockchain



Strategy for Blockchain Adoption

Organizations most commonly follow a four step process when it comes to Blockchain adoption



Post identifying the appropriate strategic option, the organization can go ahead with the Commercial launch/implementation of the concept in live environment.

Permissionless v Permissioned

Permissionless:

Benefits:

- Anyone can use
- Lower cost of trust
- Privacy

Challenges:

- Regulatory compliance
- Cumbersome governance

Permissioned:

Benefits:

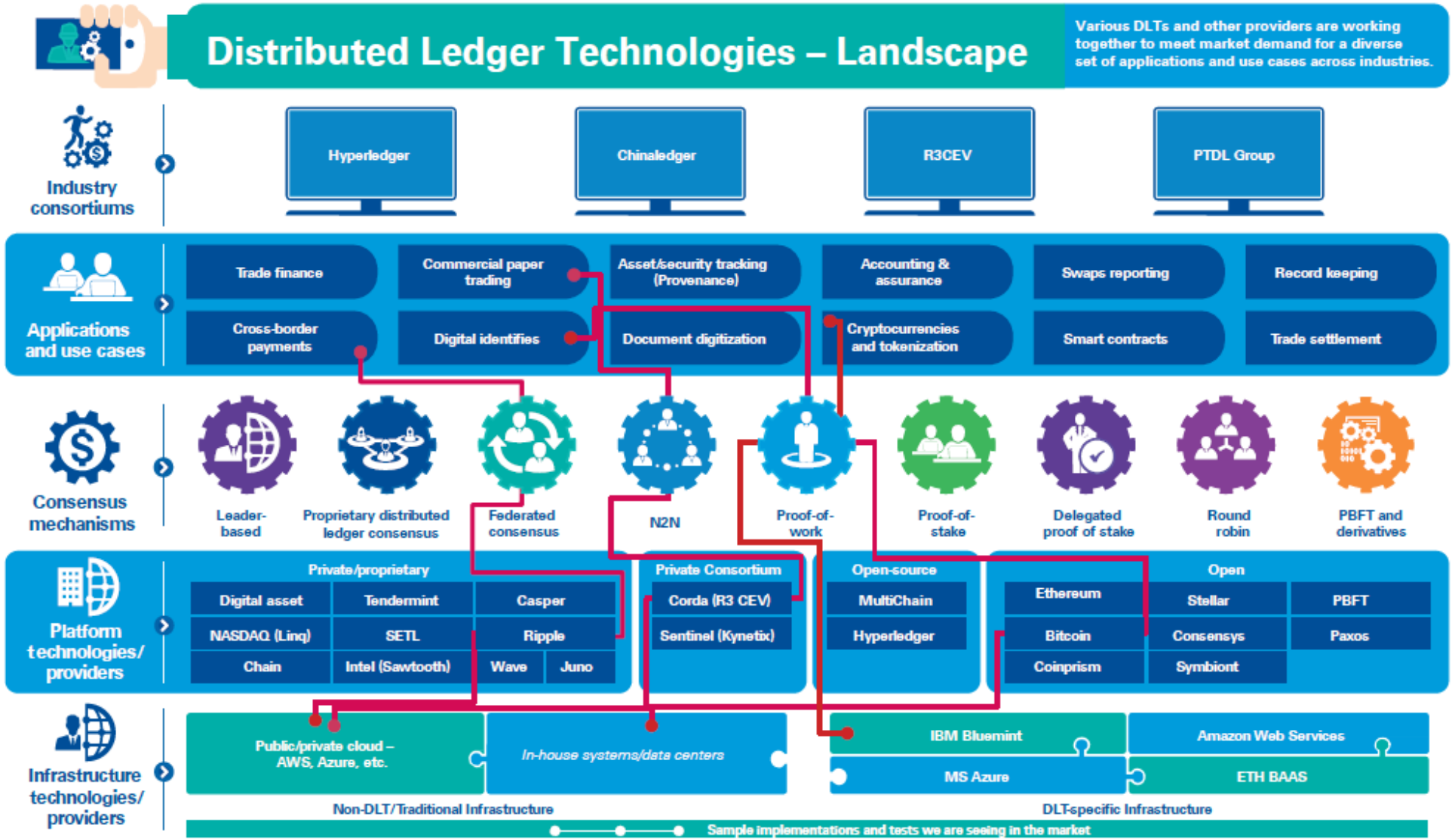
- Regulatory compliant
- Orchestrated governance
- Enterprise friendly

Challenges:

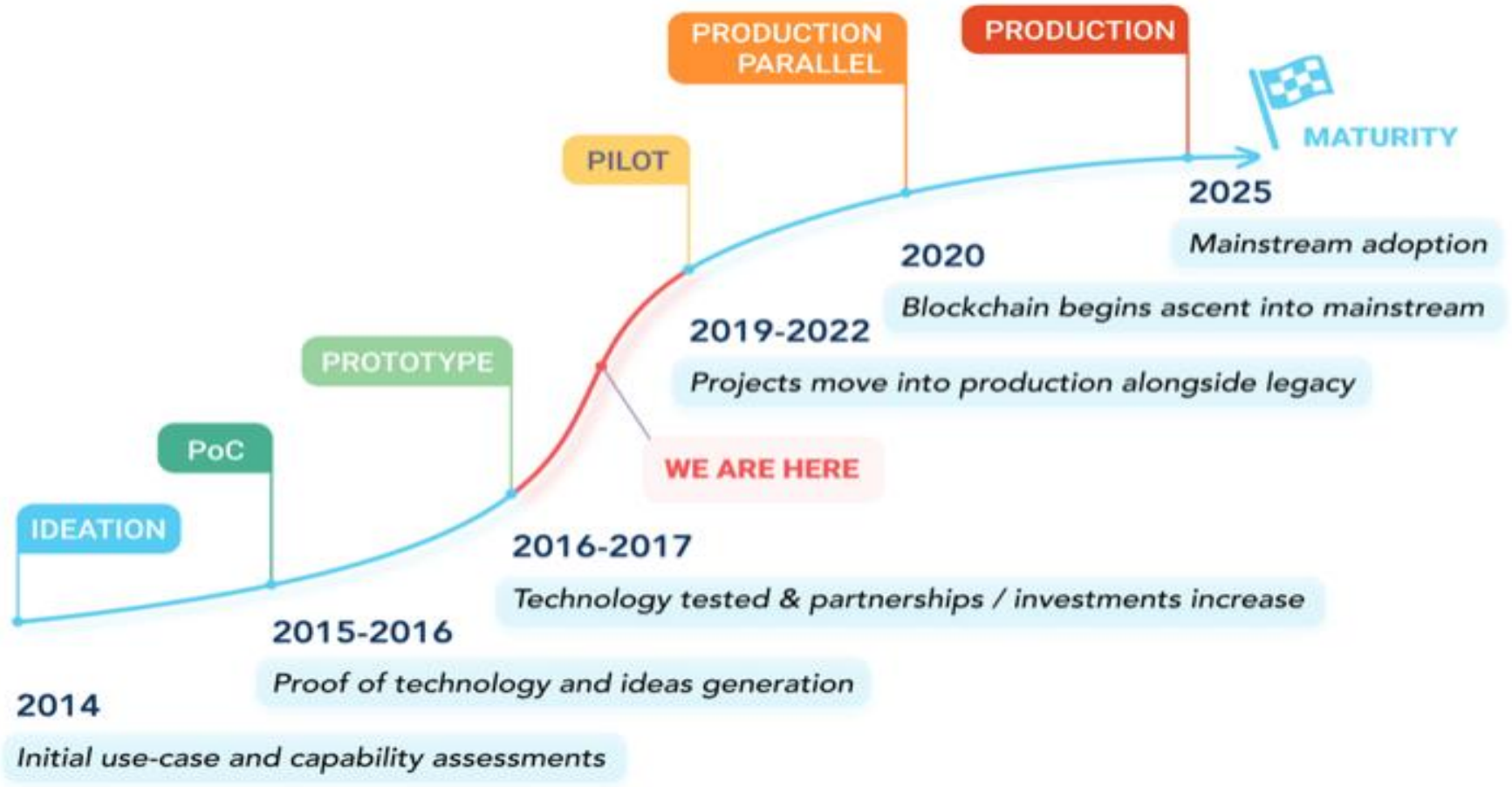
- Cost of trust
- Technical complexity

Distributed Ledger Technologies – Landscape

Various DLTs and other providers are working together to meet market demand for a diverse set of applications and use cases across industries.



Blockchain Roadmap from 2014 to 2025



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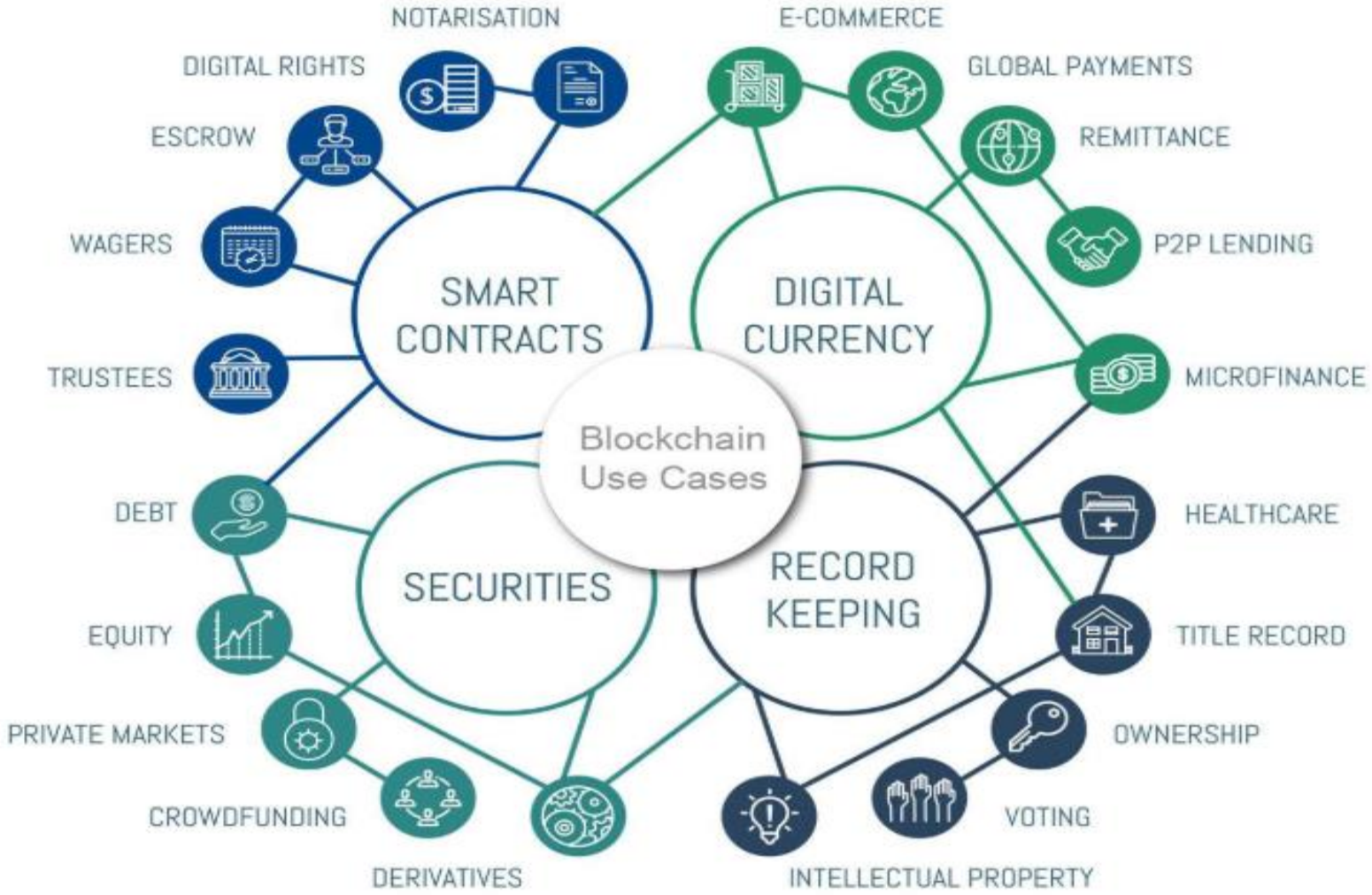
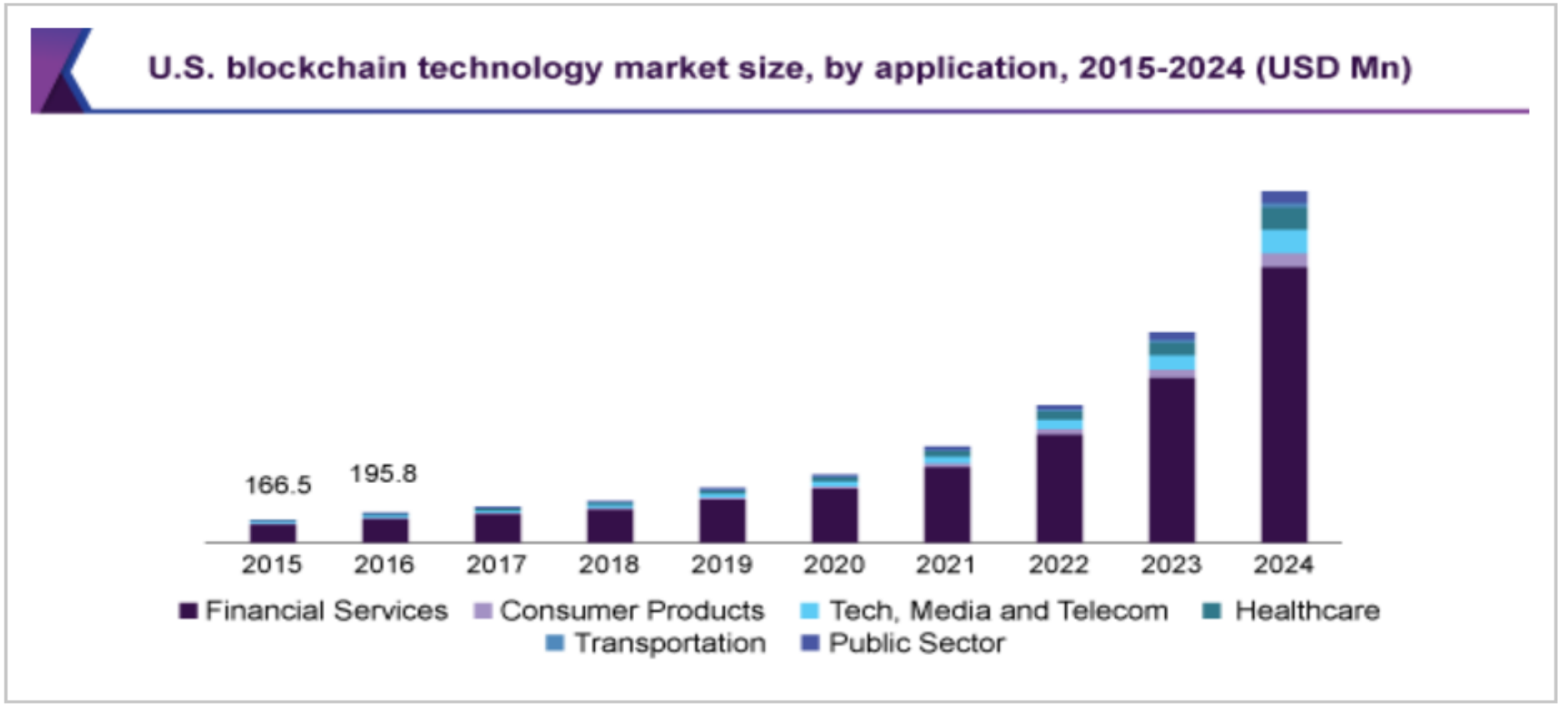
Blockchain Adoption & Usecases

Major Areas for Blockchain Use Cases





Source : https://www.grandviewresearch.com/industry-analysis/blockchain-technology-market

Financial Industry Blockchain Use Cases By Verticals

Financial Institutions	Regulators	Operations	Individuals
			
• FX Settlement • Trade reconciliations • Transparent Valuations • Cross Border Payments • Credit Efficiency • Loan Settlement • OTC Derivatives Clearing • Collateral Management	• Compliance Reporting • Risk Visualization • Basel III Compliance • Client Fund Transparency • Know Your Customer / Anti-Money Laundering • Trade reporting	• Client Onboarding • Intracompany Settlement • Normalize reference data • Timestamping • Account Portability • Broker Fraud Identification • Securities Agreements as Smart contracts	• Crowdfunding • Virtual Identity • Credit Scoring • Cross Border Remittance • Vault/Escrow Services • Customer Deposit Cost • Peer-to-Peer Lending

50+ BLOCKCHAIN
REAL WORLD USES CASES

Blockchain in Supply Chain Management

14 ways Blockchain will Transform Banking

10 ways Blockchain will Disrupt Insurance

How Blockchain will Revolutionize Healthcare

Dubai Smart Government Blockchain Projects

21 GOV'T AND 10 PRIVATE SECTOR BLOCKCHAIN USE CASES IDENTIFIED SO FAR

- RENTING OR BUYING A PROPERTY
  OBTAINING HOUSING AS A LOCAL
- CHARGING ELECTRIC VEHICLES
- MANAGING THE LIFECYCLE OF A VEHICLE
  OBTAINING NON OBJECTION CERTIFICATES (NOCS)
- OBTAINING A COMMERCIAL LICENSE
  RECONCILING PAYMENTS ON DUBAINOW
- OBTAINING NOTARY SERVICES
  PROCESSING CRIMINAL AND CIVIL CASES
  ISSUING WILLS
- LICENSING MEDICAL INSTITUTIONS AND DOCTORS
  AVAILING E-PRESCRIPTIONS
- ENSURING FOOD SAFETY
  (CHAIN OF CUSTODY)
- ENROLLING AND MANAGING STUDENTS IN SCHOOL
  DEVELOPING SKILLS VIA SMART CITY UNIVERSITY

Finesse Blockchain Offerings at a Glance

Blockchain Training workshops

Launch of Blockchain consortium Bankchain

Launch of Finesse Powered Smart Contracts

Launch of Invoice Chain & Identity Management chain

Professional Services

- Working on building the use cases with enterprises
- POC implementation
- Deployment

Consulting Services

- Consultation and auditing on the Build use cases

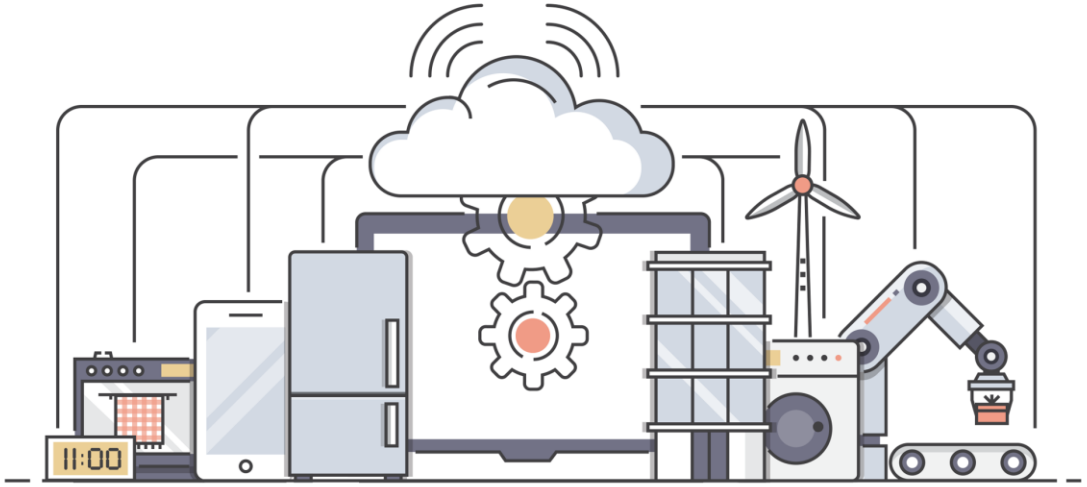
What is Invoice discounting?

Invoice discounting (also known as Factoring and Supply Chain Finance) enables suppliers to sell their invoices at a discount to investors (Banks, FIs).

This enables suppliers to get faster access to money they are owed and enables buyers to get more time to pay.

Instead of relying on the creditworthiness of suppliers (usually smaller businesses), the investors deal with buyers (usually larger businesses).

This can lower financing costs, optimize working capital and improve business efficiency.



Finesse - Invoice Chain

In the last 20 years, factoring volume has grown from 400 billion euros to 2.4 trillion euros.

Why Invoice-CHAIN?

Traditional solutions	Invoice-CHAIN
Investors deal with the suppliers / vendors (usually smaller businesses). This creates a higher risk of default.	Investors deal directly with buyers (large and highly credible businesses). This creates a very low risk of default.
There are thousands of factors and platforms with low availability of quality invoices.	Invoice-CHAIN is a global blockchain that can be used by all banks, FIs and existing factors and platforms.
Most existing factors and platforms operate at a local / country level.	Invoice-CHAIN is a global blockchain.

Why Invoice-CHAIN? Continued ….

Traditional solutions	Invoice-CHAIN
Multiple KYC platforms operating in silos.	Centralized KYC built into Invoice-CHAIN. Single source of truth.
Price discovery is not possible.	Accurate price discovery.
Absence of credible credit rating.	Immutable and authentic credit rating based on reviews provided by participants.

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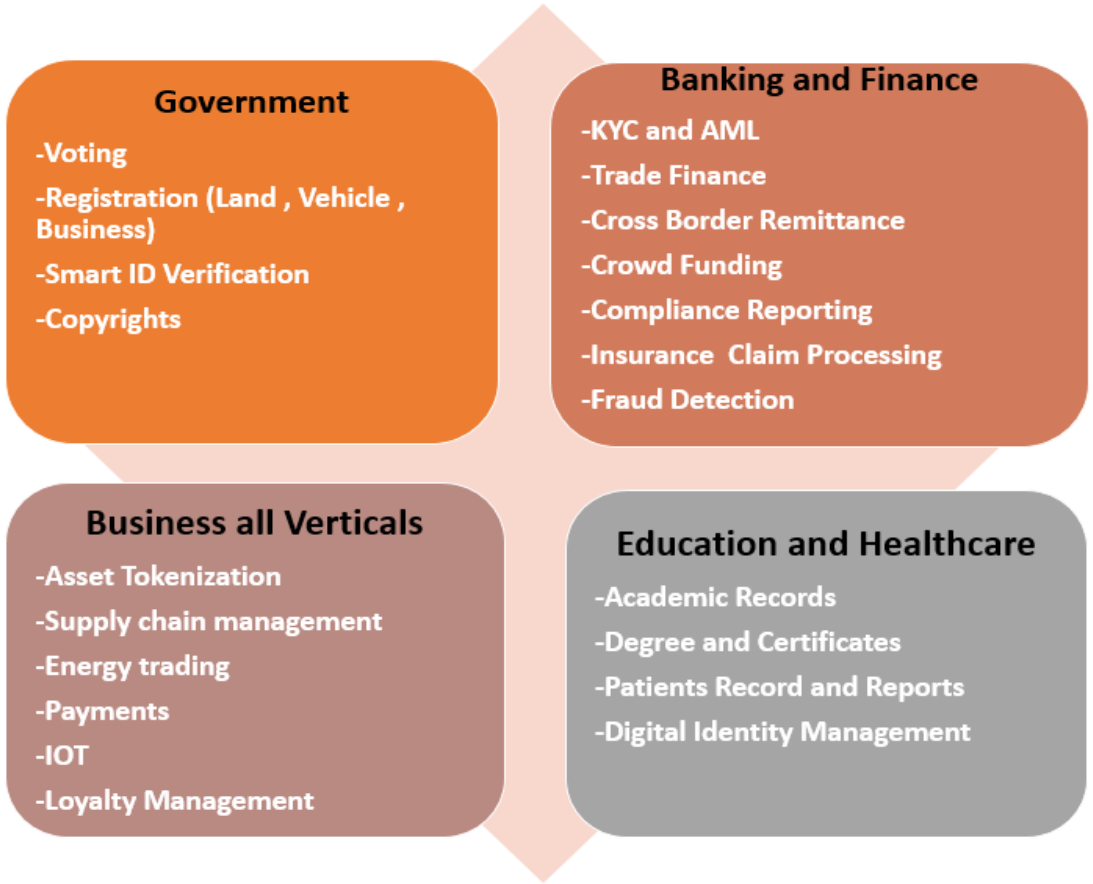
Finesse Powered Blockchain Usecases



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Strategic partnerships for Blockchain Solutions

Finesse Blockchain Solutions as Managed Services

Migration Support

Flexible options

You can opt for to handling certain aspects of your project internally? No problem, customize your migration to your organizations specific needs or budget.

Alternatively you can outsource to us completely

Dedicated Team

We dedicate a team to your specific project that is led by an experienced project manager that serves as your single point of contact throughout your migration

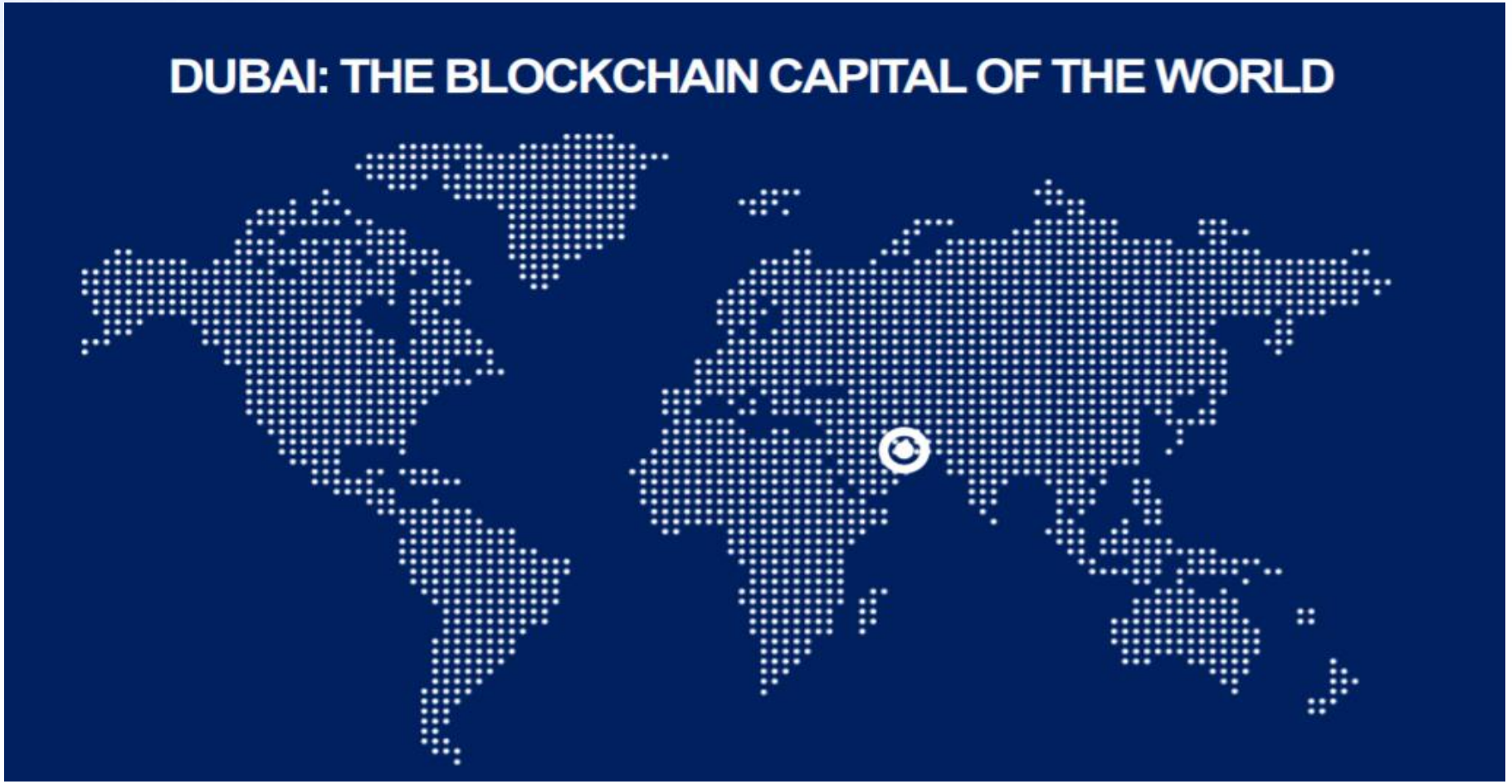
Remote/Onsite Deployments

For deployments in our service area, Kryptos will provide onsite assistance or we can perform each of the project steps via our remote tools.

24X7 Support

Our migration packages include 30 days of remote post-deployment support for whatever issue arises after your new solution has been implemented.

Offering seamless migration through an efficient process



Source : https://scgn.smartdubai.ae/pdf/dubai-blockchain-strategy.pdf

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