



# Marco Polo

Together we are making Trade Finance  
smarter, more transparent and better connected.

## SME Finance Forum Webinar

February 27<sup>th</sup>, 2019

# About Us

**TradelX** provides world-class technology platforms, networks, and services for global trade and working capital finance. We enable our clients and partners to automate, streamline, and secure their trade and working capital finance activities.

As the primary developer and business network operator of the Marco Polo, we're helping the industry at-large rewire trade and working capital finance.



Founded in 2016.



Offices in Dublin, London, and Singapore.



110 team members and growing fast.

## Company Leadership

TradelX founders, executives, and management have unmatched experience in both the business and technology of trade and working capital finance. They have served in top leadership roles at the world's largest financial institutions, running global transaction banks and corporate finance divisions, as well as founding and scaling some of the largest working capital finance technology platforms. They have been in leadership position in leading trade finance and banking industry bodies for trade, such as BAFT and ICC. Over the past three decades, they have been instrumental in the development of the trade and working capital finance market as we know it. They leverage this experience and track record of success to make TradelX a market leader.

## Investors



# Marco Polo Introduction



## Marco Polo Network Participant Landscape

### Background

The financial and IT systems that support global trade are antiquated, siloed, and manual intensive, injecting significant cost, risk, and friction into trade processes for all parties involved.

In late 2017, a group of the world's foremost financial institutions, technology companies, corporates, and service providers came together to change this, launching the Marco Polo Network.

### What is the Marco Polo Network?

A open and distributed network for trade and working capital finance upon which software platforms, applications, and systems run.



# Marco Polo Solution Landscape



## Marco Polo Platform Components



### Modules and Applications

Powerful trade and working capital finance solutions for banks, corporates, and other network participants. Modules and Apps run on the Platform.



### Embedded ERP Applications

Applications embedded directly in corporate ERPs, providing access to multiple trade and working capital finance solutions directly from within ERP.



### Rules & Workflow Engine

Enables users to create, configure, manage, and complex workflows, rules, automate and business logic for multi-party trade finance programs.



### APIs & Developer Tools

Open APIs and technology tools enabling simple integrations and the ability to rapidly, customize, build and deploy new solutions on the network.

## Module Roadmap



### Current Module Releases

- Receivables Discounting (Pilot)
- Payment Commitment (Pilot)
- Payables Financing (Lite)
- Guarantees (Prototype)



### Planned 2019 Releases

- Payables (Production)
- Receivables Discounting (Production)

Modules run on the platforms

## For Banks



### Bank Platform

A platform that can enable banks, and non-bank funders sources to manage trade and working capital financing programs. Users can create financing programs, automate workflow, manage credit limits, receive financing requests, make financing offers, and manage trade payments and maturity settlements.

## For Corporates



### Supplier App

A traditional model where the bank application is hosted in a SaaS like model and the client can SSO or login to the application to transact with the bank.



### ERP App

Applications embedded directly in corporate ERPs, providing users a single interface multiple trade and working capital finance solutions from a multi-bank network



### Corporate Platform

Designed for corporates who want to manage their own solutions and programs who may be dealing with multiple banks



### Bot

Allows users to interact and transact with their bank via a chat bot interface. Originally designed for SMEs but available for any size company.

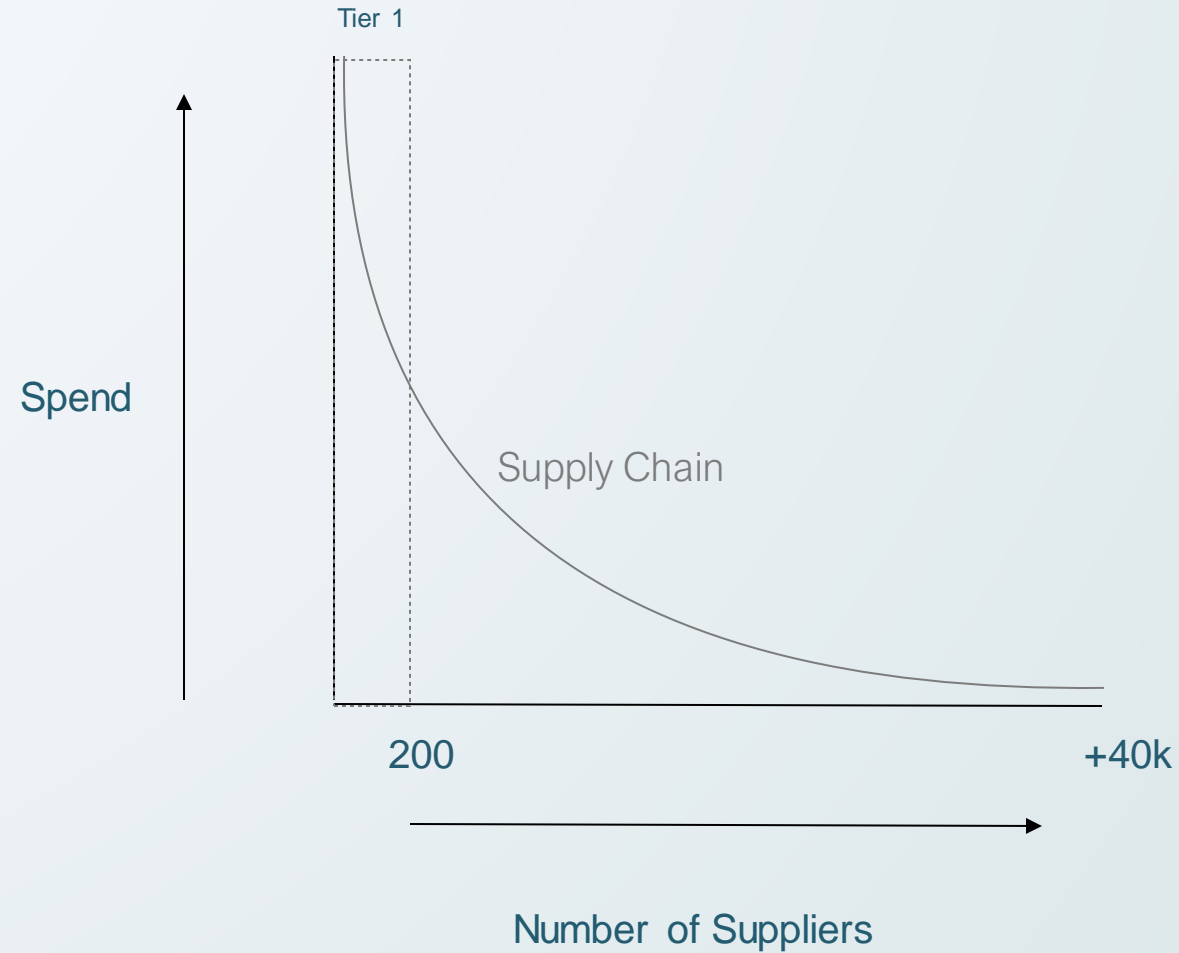
## Marco Polo Network

Platforms runs on the network

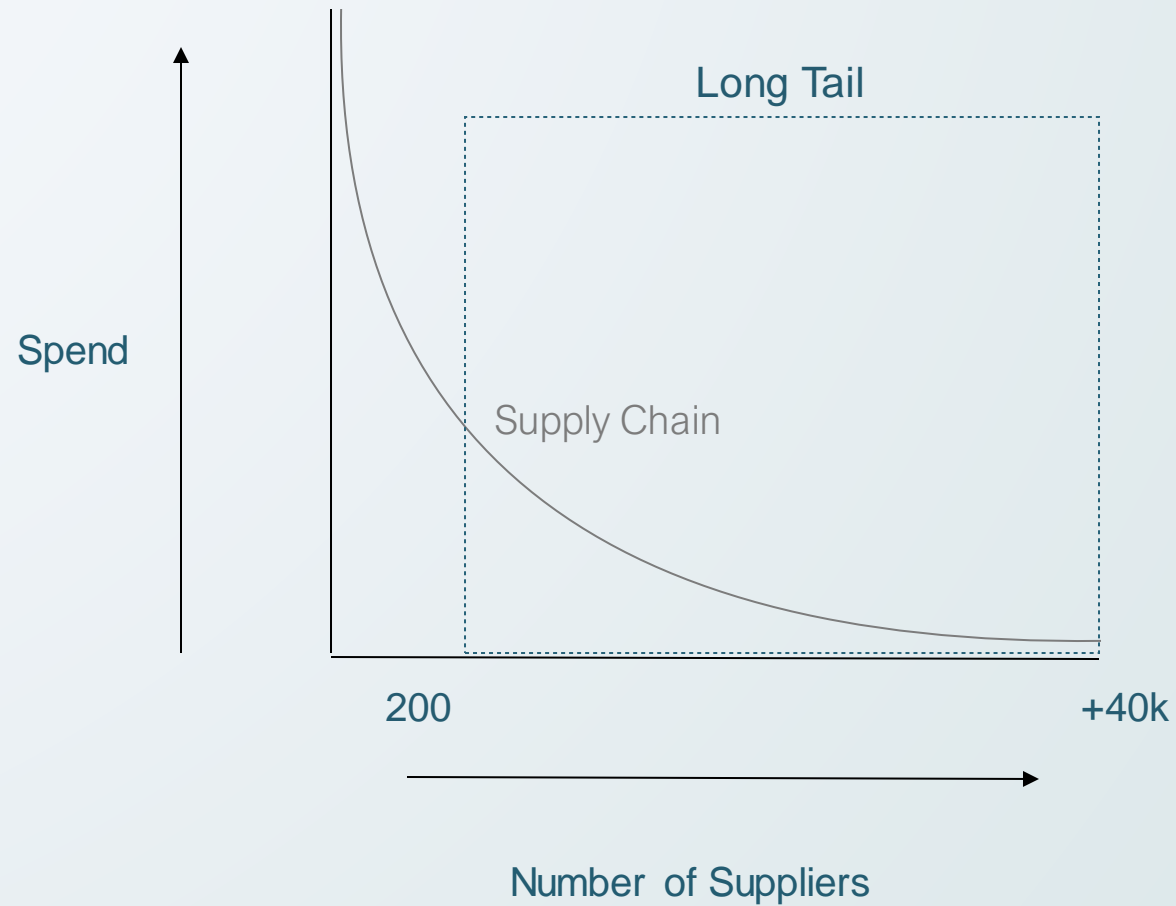


An open and distributed technology network for trade and working capital finance. Powered by Corda DLT, Marco Polo Network enables trading parties and their platforms, applications, and networks to connect and exchange data, documents, and assets peer-to-peer and in real-time.

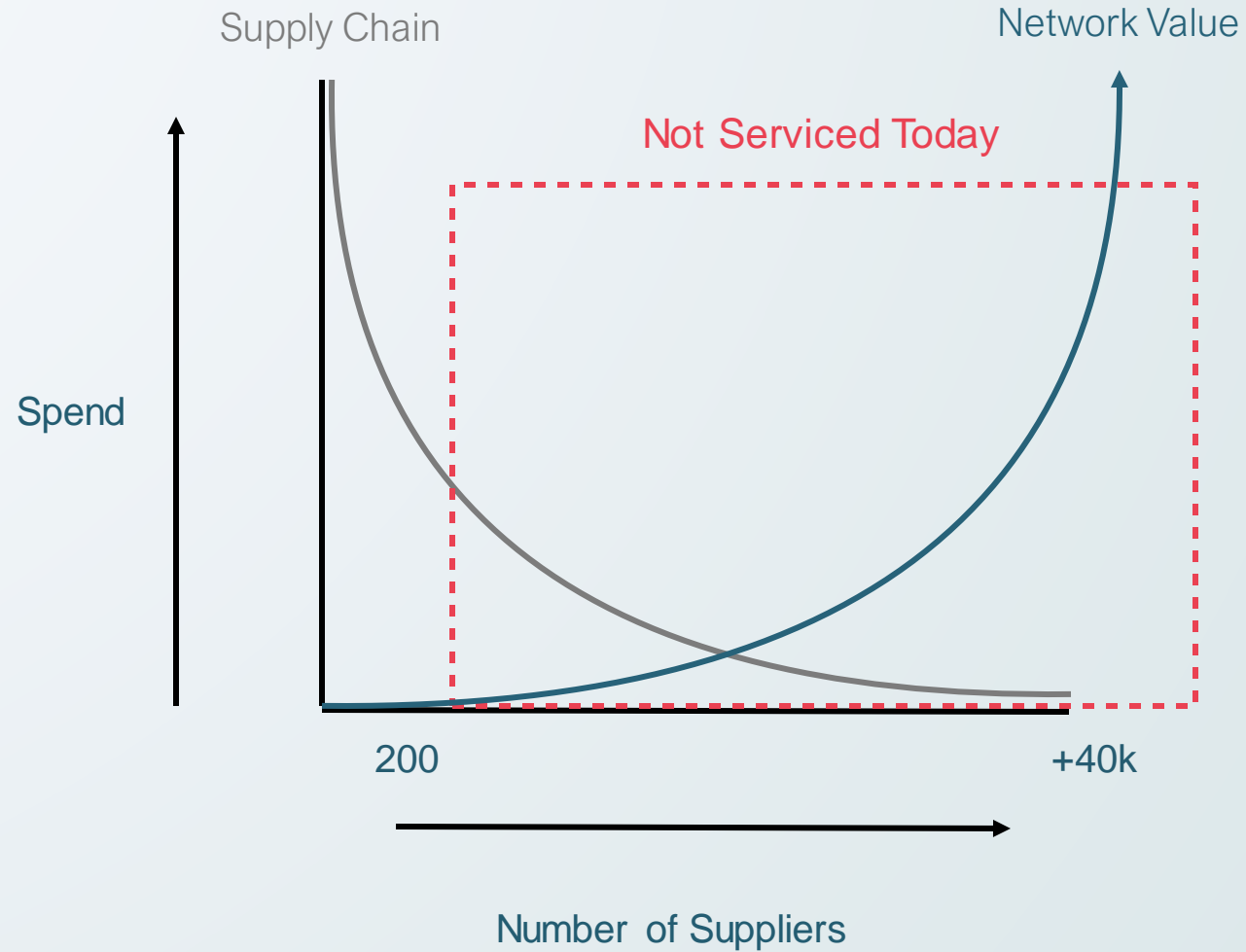
A majority of spend in supply chains occurs with Tier 1 suppliers.



The majority of suppliers are in the “long tail.”

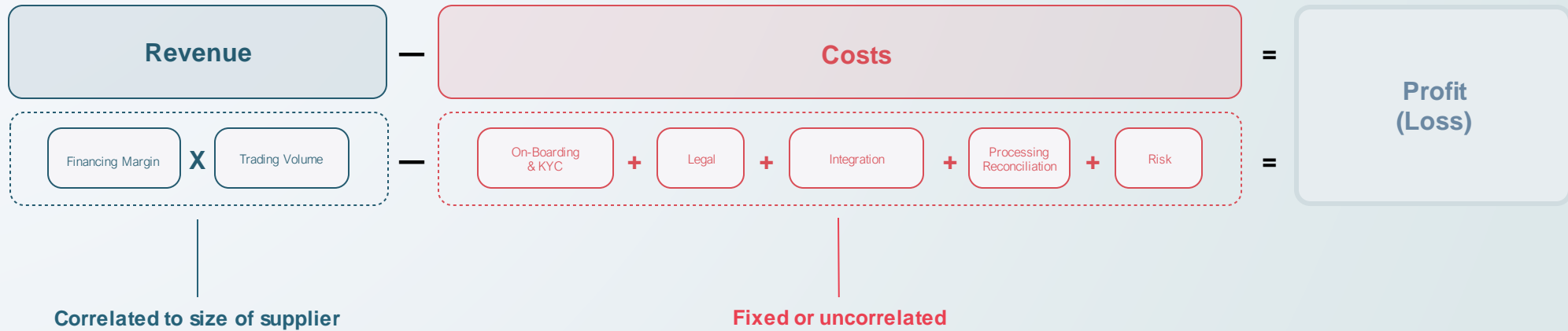


While a great deal of network value in a supply chain resides in the “long tail”, this entire segment is currently not serviced as part of supply chain finance programs.



# Viability of Supply Chain Finance

A simple equation for analyzing the viability of supply chain finance programs.





# The “Long Tail” Is Not Serviced Today

Long Tail suppliers do not receive supply chain financing because it is not profitable.



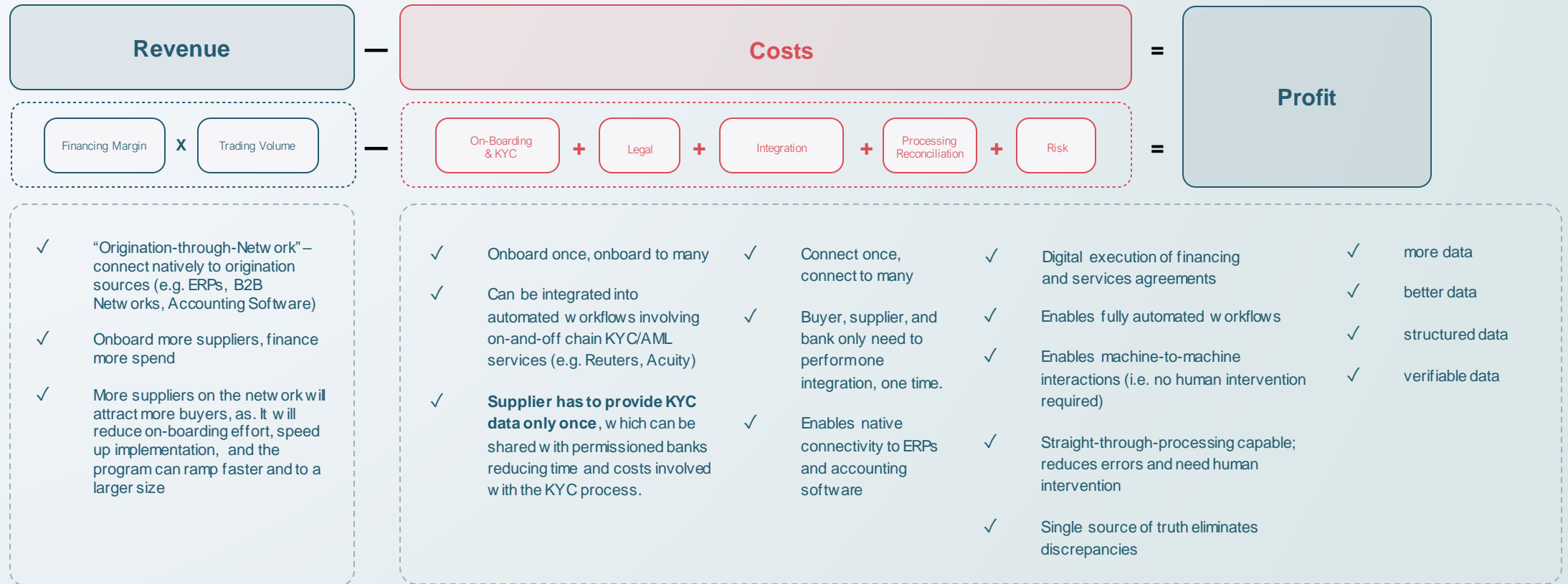
- Fewer suppliers means less spend to finance, which means less revenue
- Programs require significant time and investment to implement and ramp up to full utilization, which is opportunity cost.
- Low penetration rate into supplier base means lower utilization and thus lower revenue.

- Redundant info collection
- Inefficient data exchange
- Lots of human intervention
- Manual checks
- Manual Process
- Slow execution
- No standards
- Batch processing
- Old, expensive infrastructure
- Manual, costly reconciliation
- Lack of structured data
- Lack of verifiable data
- Difficult and costly to analyze

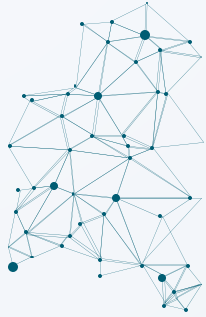
# Marco Polo Network Can Change the Equation

New technologies and collaboration in the industry can make servicing “long tail” suppliers possible.

**Long Tail**  
(Supplier No. 200 - 100000)



# Driving Network Effects



## Network reaches global scale. Velocity and acceleration of network effects reaches an all-time high.

- Marco Polo becomes indisputably the leading network for trade and working capital and the future of transaction banking.
- Interoperable ecosystem for trade and transaction banking built on open source technology infrastructure



## Self-sustaining network effects begin

- Rate of adoption becomes exponential
- Cost of customer acquisition becomes extremely low
- Sales cycles decrease by more than 50%
- Developer community begins to coalesce
- Marco Polo become the default



## Seeding the network.

TradelX is the first and only developer on the network.



Compelling initial offering and vision for the future brings first group of banks.

First group of banks allows us to begin gaining traction with a small number of corporate early adopters.



We are here.

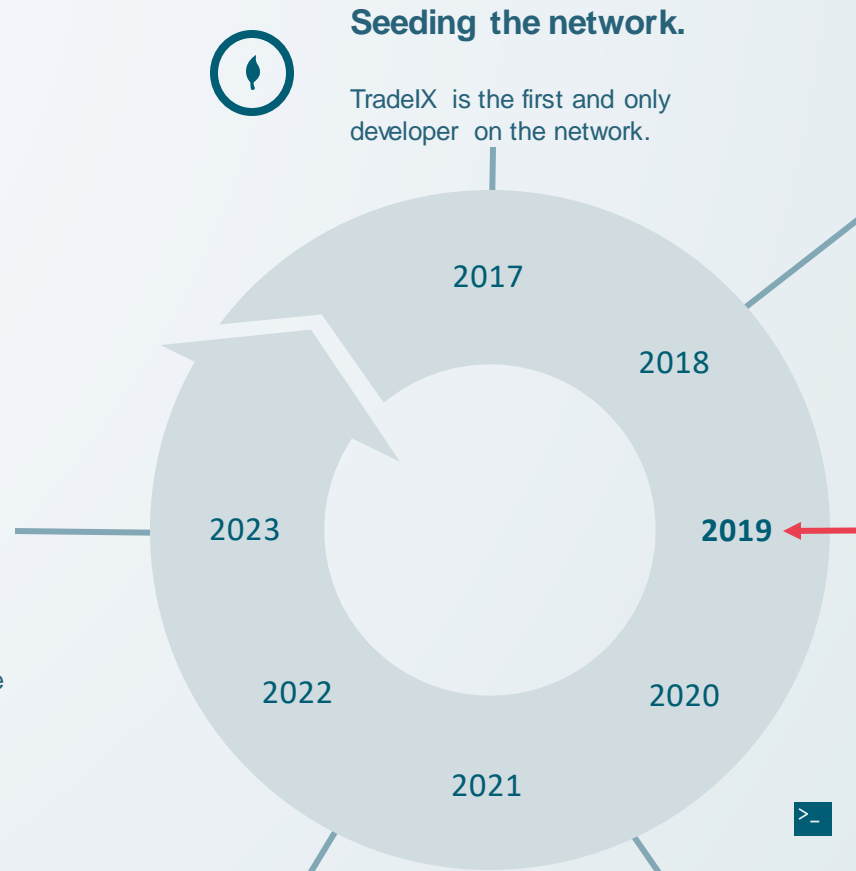
Initial group of banks and corporates begins rolling into production.

Success of the initiative draws in more banks, more corporates, and thus even more banks.



Network begins to open up to external developers and other solution providers, who are attracted by the commercial opportunities presented by the first wave of banks and corporates on the network.

- ERPs
- B2B networks
- Logistics
- Insurers
- 3<sup>rd</sup> Party Developers
- FinTechs
- Software Companies



# Overview: The UTN & UTNO

## What is the UTN?

The **UTN** is an industry initiative focused on:

- Facilitating interoperability between trading parties and their networks
- Creating and promoting the adoption of open standards and protocols
- Enabling the creation of a global “network of networks” for trade

## What is the UTNO?

The **UTNO** is a non-profit entity that:

- Oversees the creation, adoption, and maintenance of standards and protocols
- Is run by representatives from the industry
- Serves as an open, all inclusive forum for the industry

## Why do we need the UTN?

The current landscape:

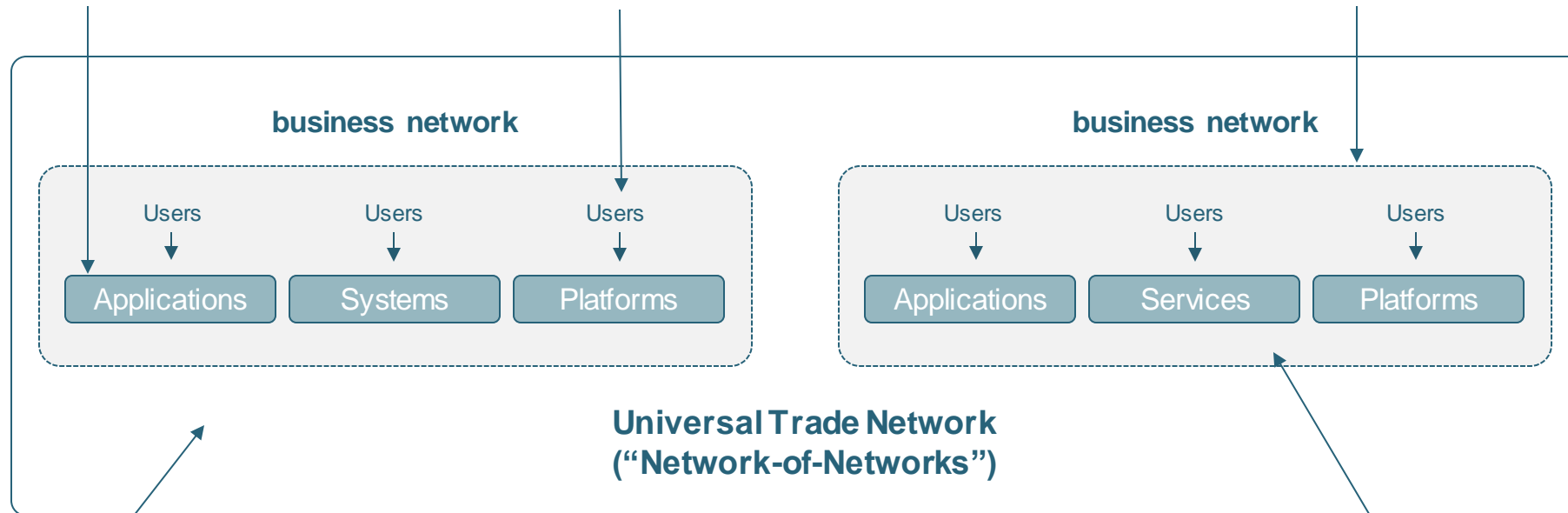
- Trade today uses disconnected and siloed systems
- There has been a dramatic rise in the number of groups building systems and apps to change this
- However, without open standards and protocols each network will remain a digital island

# UTN Network-of-Networks Model

Anyone can develop new apps, services, and platforms. Users can connect existing apps, services and platforms.

Users interact with the apps, services, and platforms that enable them to perform business tasks.

Anyone can create and run a business network or connect an existing one. Users can participate in multiple business networks.



Trading parties and their apps, platforms, and networks become **interoperable** by **adhering to the open technology standards and protocols defined by the UTNO**, creating a *network-of-networks*.

**Universal Trade Network Organization**

UTNO defines the open standards and protocols that power the UTN and the governance structure for how such standards and protocols are created, promoted, and maintained.

**Business network examples:**

- Consortiums (e.g. Marco Polo)
- Banks and their clients' networks
- National trade platforms (e.g. NTP)
- B2B Networks (e.g. SAP Ariba)

# The Role of the UTNO

The technology standards and protocols that power the UTN are created and maintained by an industry consortium called the **Universal Trade Network Organization (UTNO)**.

The **UTNO**...

- is run by a consortium of regulated financial institutions, technology companies, utility providers, corporates and industry bodies.
- Adopts, develops and upholds the protocols and technology standards that power the UTN

The UTNO serves a similar function to the World Wide Web Consortium or IETF, which are industry bodies that maintain the standards and technology which power the World Wide Web.

