

VeCap

PITCH DECK

NEXT GENERATION
OF SMART HOME



DEVICES ARE BECOMING INCREASINGLY INTERCONNECTED IN A DECENTRALIZED WAY

Before 2005



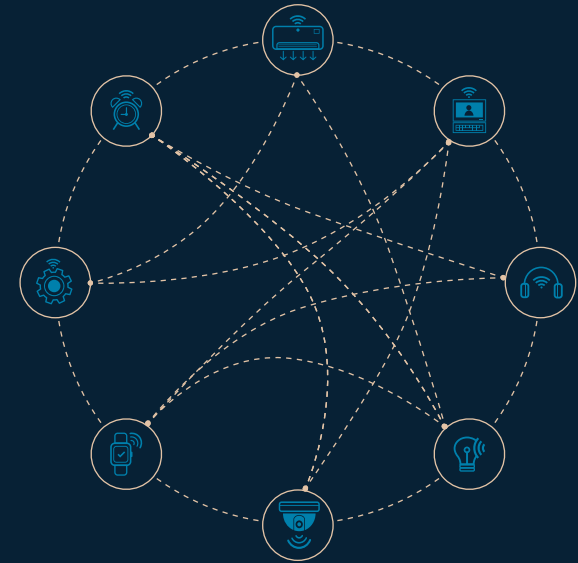
Closed and centralized
IoT networks

Today



Open access IoT networks
centralized cloud

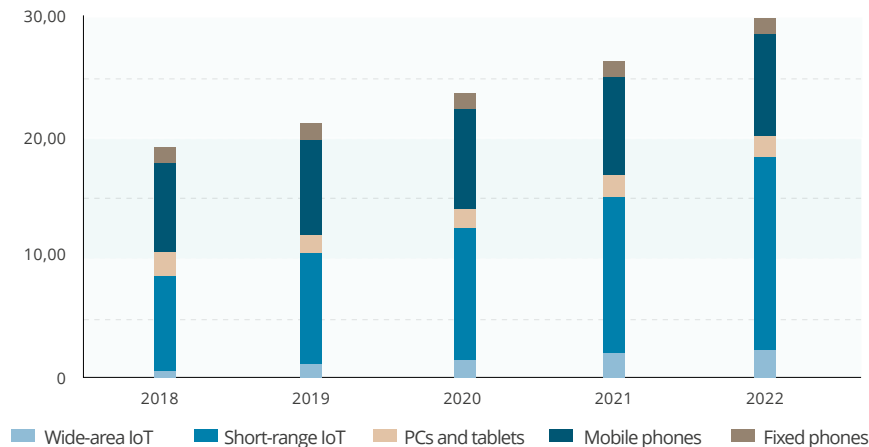
2025 and beyond



Open access IoT networks,
distributed cloud

NUMBER OF IOT DEVICES WILL BECOME LARGER THAN SMARTPHONES IN THE NEXT 3 YEARS

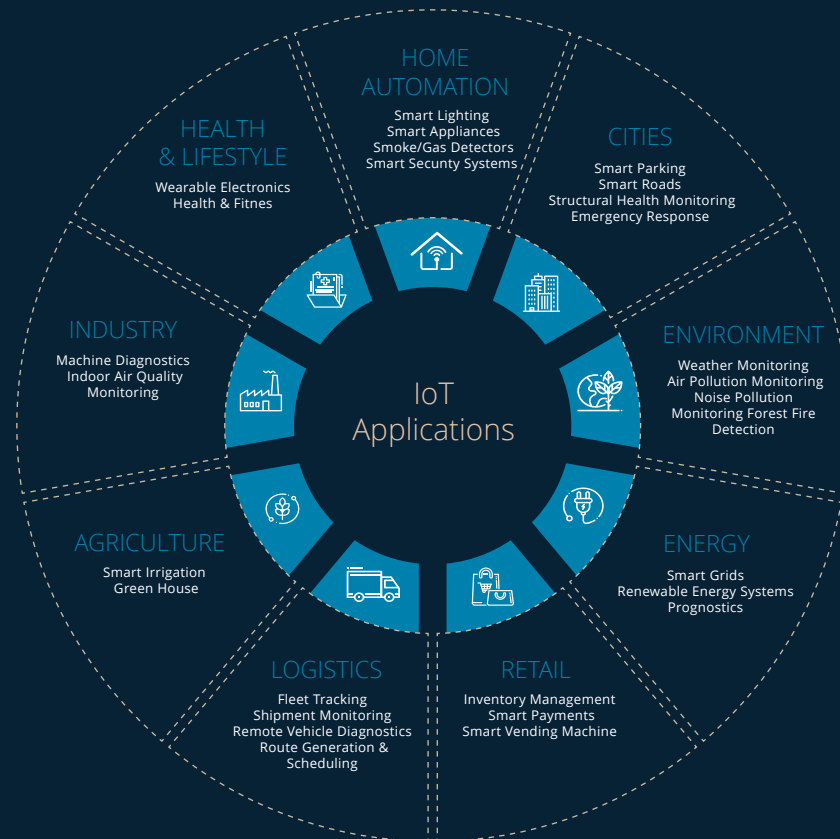
CONNECTED DEVICES, BILLIONS



Source: <https://www.ericsson.com/en/mobility-report/internet-of-things-forecast>

* Short-range: below 100 meters (Wi-Fi, Bluetooth, etc.); long-range: more than 100 meters (3GPP, Sigfox, LoRa, Ingenu, etc.)

** A connected device is a physical object that has an IP stack, enabling two-way communication over a network interface, including traditional landline phones.



SMART HOMES AND OFFICES ARE UNDER THREAT OF BEING HACKED



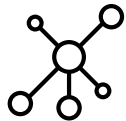
Insufficient protection

Several devices of Amazon and other vendors have serious breaches in their security systems: insufficient encryption, weak authentication requirements (e.g. auto-login), possibility of external connections via VPN, etc. ^[1]



Fast break-in

It takes hackers less than a minute to get access to smart home devices, for example coffee machines and DVRs. ^[2] Huge numbers of devices with zero-day vulnerabilities will be hacked as soon as the breaches become known, before manufacturers will be able to update all vulnerable smart devices.

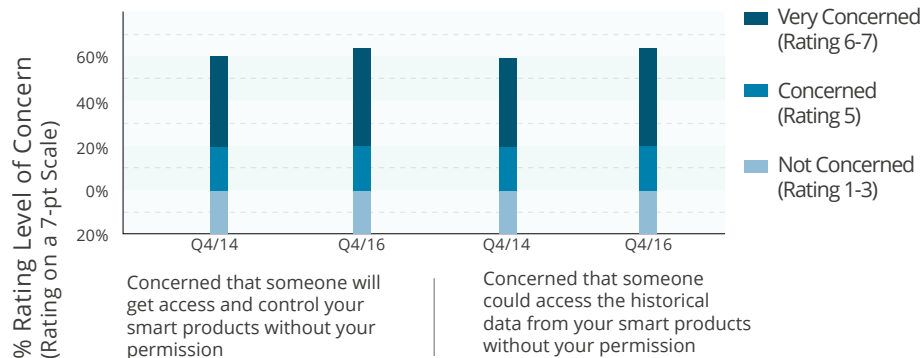


Plenty of entry points

An average smart home owner has several smart devices and a single unprotected one is enough to compromise an entire network ^[2, 3]. The number of vulnerabilities will become critical since it is expected that in 2020 each home will have an average of 50 interconnected products.

CONCERNED ABOUT HACKING OF SMART PRODUCT ^[4]

Among U.S., n=2,500, +/-1.96%



13% OF THE TOTAL REVENUES

Estimation of possible losses from IoT hacks for companies

Damage comes from customer and company data losses, failures to comply with regulations, etc. ^[5]

Source:

1. https://www.welivesecurity.com/wp-content/uploads/2018/02/ESET_MWC2018_IoT_SmartHome.pdf

2. <https://www.the-ambient.com/features/smart-home-hacking-threats-mcafee-512>

3. <https://blog.avast.com/is-smart-home-a-secure-home>

4. <https://www.sdmag.com/ext/resources/Issues/2018/July/Chart.jpg>

5. <https://www.helpnetsecurity.com/2017/06/05/iot-hacks-cost/>

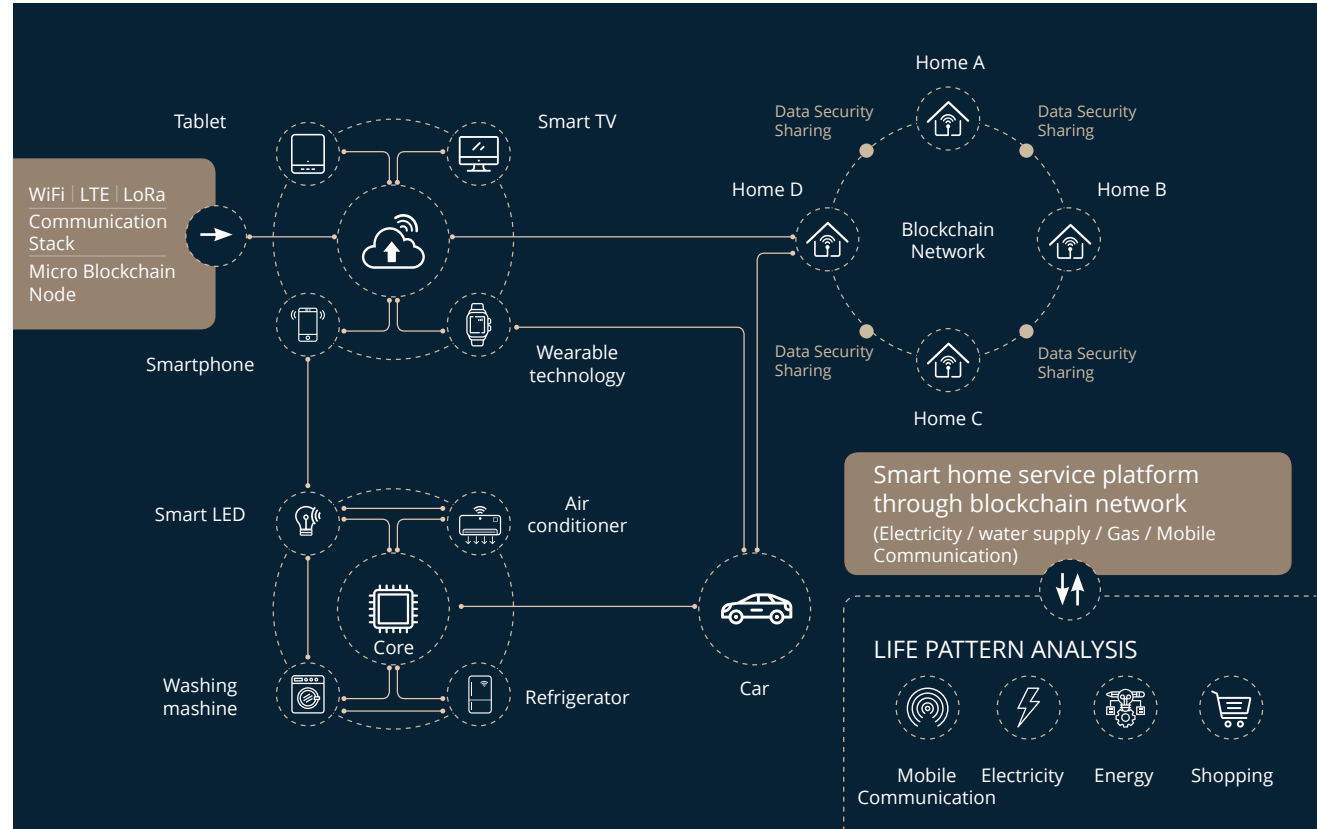
VECAP STARTS REVOLUTION IN IOT SECURITY

Extremely reliable

VeCap removes a need to rely on built-in security functions.

VeCap protects all devices in a smart home by uniting all homes in a decentralized network. All transactions between IoT devices are recorded in blockchain via smart contracts.

With this approach, hypothetical hacker needs to take over control of 51% of such network to control a specific device. The completion of this task is almost impossible: all blockchain records are duplicated on millions of IoT devices in tens of thousands of smart homes.



VECAP SOLUTIONS ALLOW TO ACHIEVE HIGH INTEROPERABILITY OF SMART HOME DEVICES

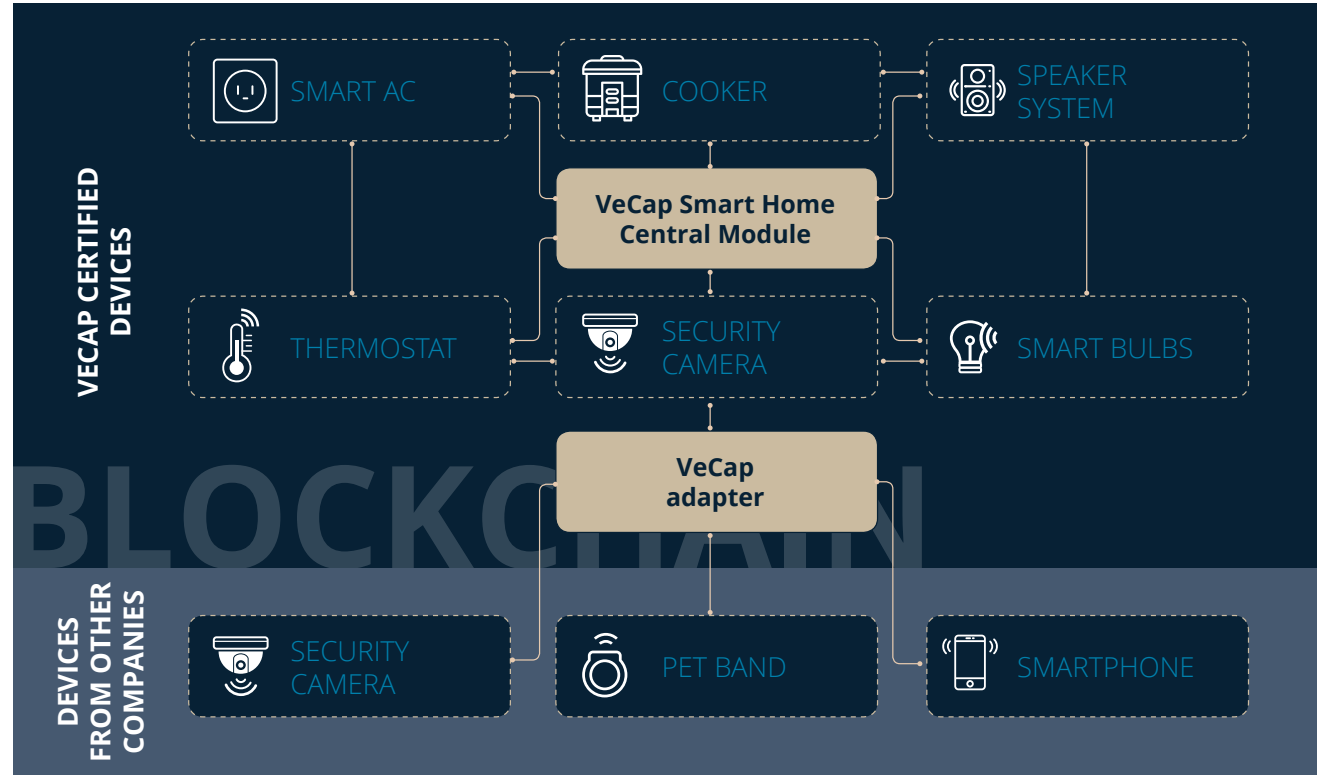
About 26% of customers don't see benefits of Smart Home solutions. ^[1]

The root cause of perceived low utility is the interoperability failure — current smart home systems consist of single islands of interoperable devices. Only on case of being connected they could provide more valuable use cases both at smart homes and offices.

VeCap will create an adapter to achieve high compatibility and solve the interoperability issue. Adapter enables a tighter integration of the smart objects in the home via blockchain ecosystem allowing all smart devices to work together even if they were produced by other manufacturers without VeCap standards.

Sources:

[1] <https://www.dealerscope.com/wp-content/uploads/sites/5/2017/05/smart-home-adoption-report-linker.png?x43585>



VECAP'S SOLUTION CAN BE USED IN SMART HOMES...

Smooth transition to sleep after a long day at work:

IF it's later than 9pm

AND it is not weekend

AND owner is at home

THEN:

- AC lowers temperature
- Music center turns on relaxing music
- Lightning controller dims the lights as the time passes
- Smartphone and laptop displays adjust brightness and warmth level of colors
- Blind controller folds blinds



...AND IN SMART OFFICES

Quick recharge after tedious meeting:

IF the manager comes toward his cabinet

AND the meeting has just ended
AND the meeting was longer than 1:30h
AND the time is more than 4pm

THEN:

- Coffee machine prepares coffee with double sugar
- Smartphone puts 'No sound' mode on
- Laptop opens YouTube and shows random fun videos for 15 minutes
- Sign "do not disturb" appears on the display near the door to the office

Sources:

[1] <https://www.dealerscope.com/wp-content/uploads/sites/5/2017/05/smart-home-adoption-report-linker.png?x43585>



VECAP ECOSYSTEM FOR HARDWARE PRODUCERS

ECOSYSTEM CORNERSTONES



ONLINE HARDWARE STORE

Hardware producers will be able to promote and sell their products via VeCap's store.



CROWDFUNDING PLATFORM

Each producer can apply for crowdfunding of a new product to speed up development process and meet customers demands



COMMUNITY

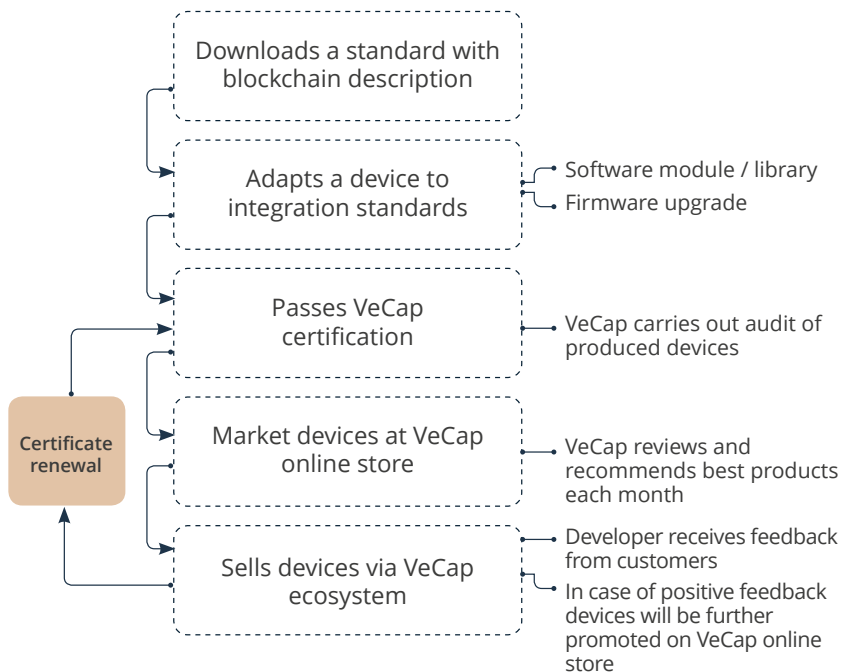
Social media platform to increase engagement of producers and create additional interactions with customers



VECAP'S FUND FOR SUPPORTING PRODUCERS INITIATIVES

VeCap will act as an investor for development of the most promising products

CERTIFICATION PROCESS



VECAP'S MARKET SIZE WILL ACHIEVE \$188B IN 2022

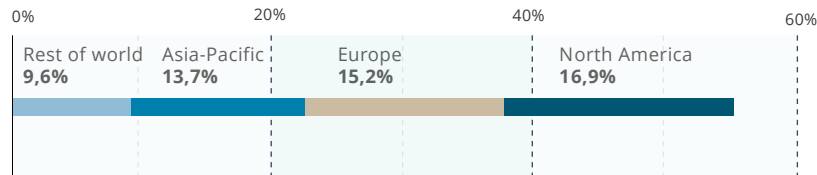
State of market

The industry is in the exploration phase as most companies are experimenting with products and solutions. Corporations will proceed with integration in 2020 and are likely to scale by 2025. ^[1]

Growth drivers and constraints

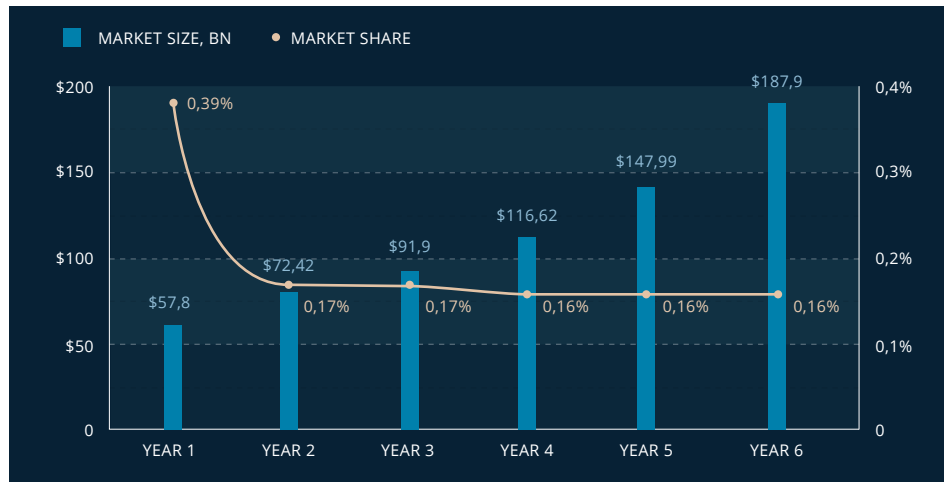
Rapid growth of the market is fueled by advances in 4 directions: connectedness and intelligence, interoperability, availability, monetization models. ^[1] Key constraints for smart homes market growth: privacy concerns, inadequate value proposition and lack of time to learn how solutions work ^[2]

Smart homes market per region

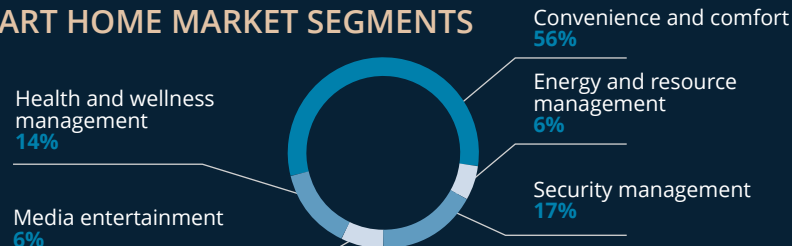


Source:

- [1. https://iotnews.asia/wp-content/uploads/2017/01/The-Battle-for-the-Smart-Home-Open-to-All.pdf](https://iotnews.asia/wp-content/uploads/2017/01/The-Battle-for-the-Smart-Home-Open-to-All.pdf)
- [2. https://assets.fastcompany.com/image/upload/v1495201779/fastconews/wbxrkzrxm2y3hwp4dcfw.jpg](https://assets.fastcompany.com/image/upload/v1495201779/fastconews/wbxrkzrxm2y3hwp4dcfw.jpg)



SMART HOME MARKET SEGMENTS



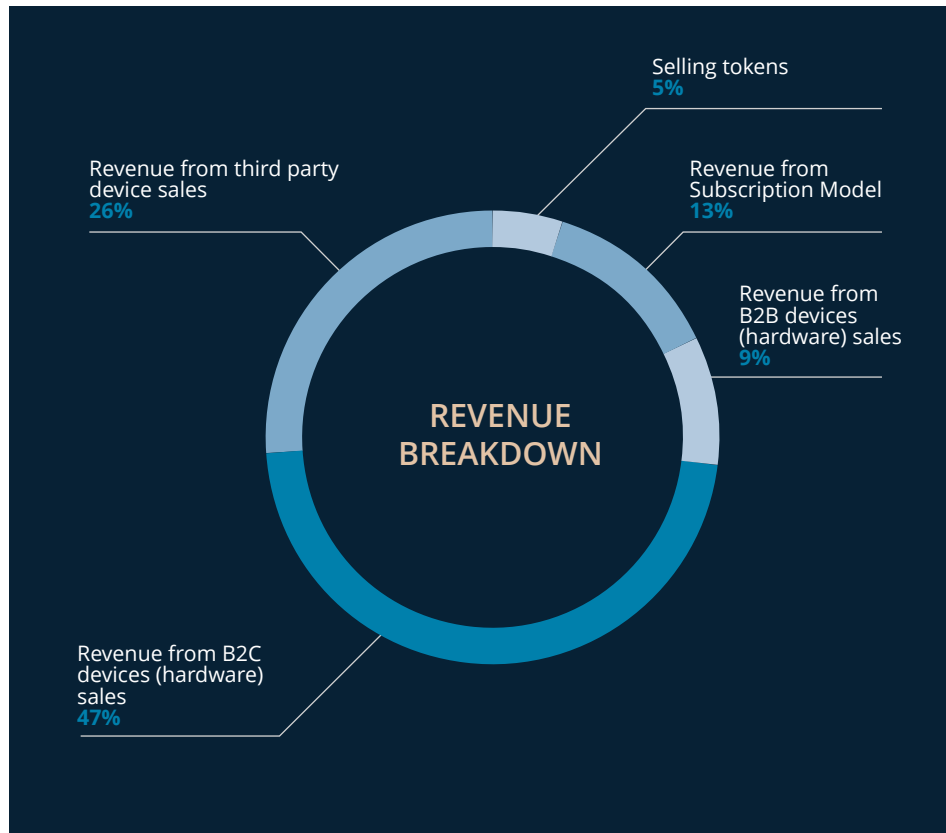
VECAP REVENUE COMES FROM BOTH IOT HARDWARE AND SOFTWARE

Revenue streams

Pricing

- **Sales of VeCap-produced devices:**
 - Smart home hub (B2C); ————— **\$300**
 - Smart office hub (B2B). ————— **\$500**

Devices are available for order with Vecap Tokens
- **Charging fees for sales of third party-produced devices via VeCap platform.** ————— **20% per transaction**
- **Sales of VeCap software subscriptions to patented partners** ————— **Trial period: 6 months. After trial: \$30 / year**
- **Sales of tokens:**
 - VeCap ————— **\$0,12 (Year 1)**
 - IoT tokens ————— **\$0,001**



VECAP AIMS FOR \$306M REVENUE IN 2024 WITH 27% PROFIT MARGIN

Key targets for VeCap:

\$3,5M

NPV

\$10

B2C

\$1000

B2B

CAC (customer acquisition cost)

2M

Total
customers
in 2024

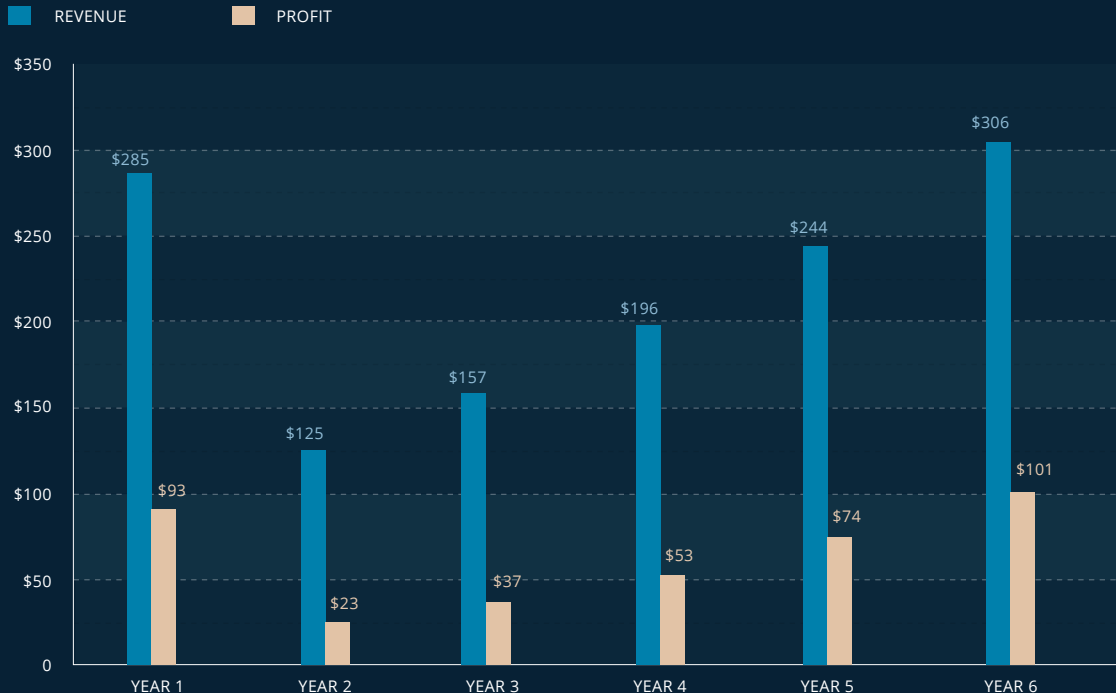
95%

Retention
rate

27%

Average profit
margin

VECAP REVENUE AND PROFIT, \$ M



VECAP WILL ISSUE TWO TYPES OF TOKENS WITH DIFFERENT FUNCTIONS

Two types of tokens:

Token usage:

VeCap tokens



Paying for VeCap software monthly subscription (price fixed in tokens for 6 years)



Online store purchases:

- VeCap Smart Home devices
- VeCap Smart Office devices

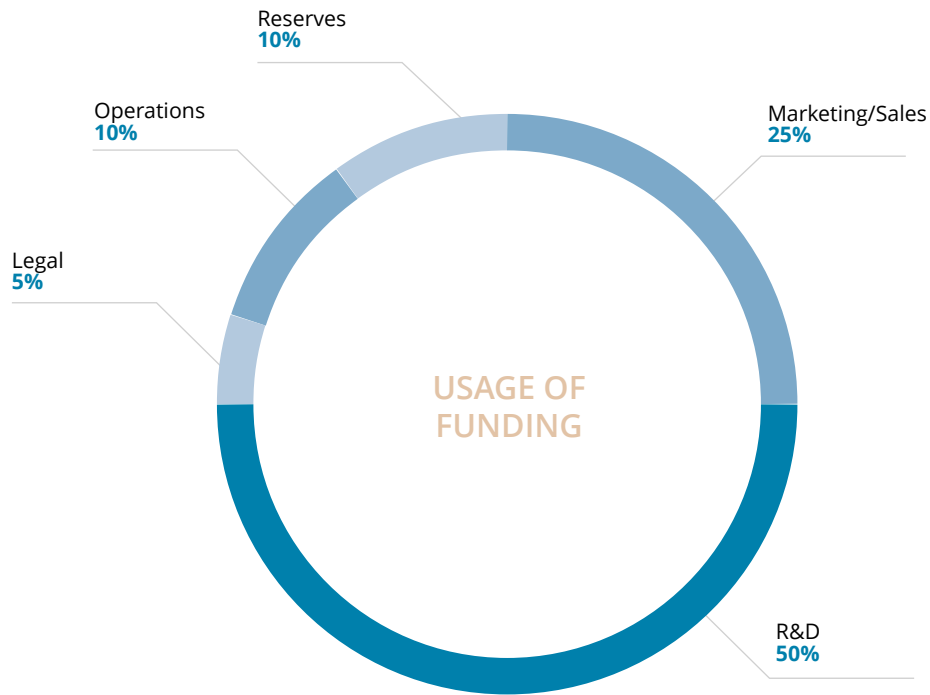
Tokens are sold with discount to motivate growth of device prices after the ICO and press releases. Prices are fixed in tokens for 6 years and will not differ from fiat price by more than 5-10%

IoT tokens

— tokens for transactions
between smart devices

Transactions between smart devices

VECAP WILL RAISE \$72M TO SPEED UP DEVELOPMENT IF HARD CAP IS REACHED



Fundraising caps for ICO:

\$24M

Soft cap

\$48M

Medium cap

\$72M

Hard cap

ICO parameters:

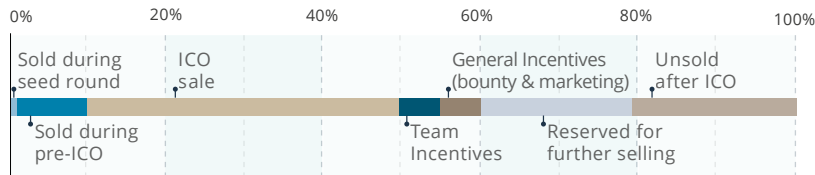
1B

Total issue

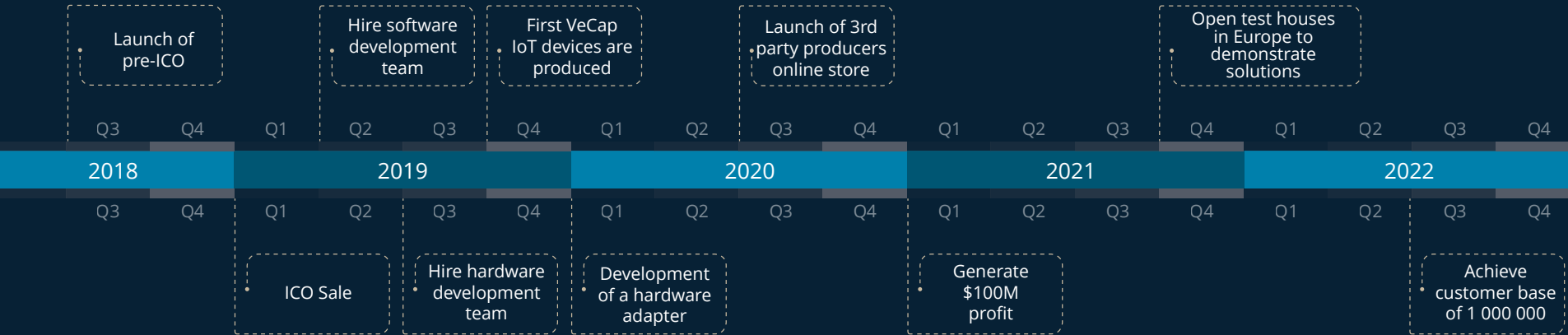
\$0,12

1 Token price

In case of hardcap scenario VeCap will purchase or rent several demo-houses in large European cities.



VECAP TEAM OUTLINED FOLLOWING PLAN FOR PRODUCT DEVELOPMENT



TEAM



IMAD LABBADI
Founder & CEO

Entrepreneur with experience in strategic conception and business development.

8 years of Experience in start up - tech Industry.

Blockchain enthusiasts with deep understanding of their technology

With the passion for Sales & Mindset Coaching.



SEBASTIAN FRANK WOBIG
Co-Founder & COO

Communication specialist in tech-based business models. Leading our Press relations & internal communication with a deep understanding in Blockchain and cryptocurrency.



SEMS SAMARAS
Token & Crowdsale developer

Passionate Developer and technical team leader.

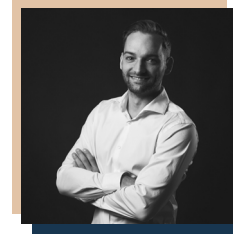
With expertise for Ethereum-Blockchain development.

Current working as software developer & IT consultant.



BORIS BOSNAR
Web Developer

Entrepreneur with experience in developing websites, web application, content management systems, front and backend system and other web technologies.



CLAAS GNERLICH
Web Developer

Entrepreneur with experience in Web Development and technical products.

Specialized in iOS and android platform development.

THANK YOU!

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