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**LANDMARK GROUP AND HSBC EXECUTE 'FIRST-OF-ITS-KIND' DUAL-PLATFORM BLOCKCHAIN TRANSACTION**

*\*\*\*Complementary distributed ledger networks brought together for the first time in the Middle East, connecting two dynamic global trading hubs – Hong Kong and the UAE\*\*\**

*\*\*\*First cross-border Letter of Credit blockchain transaction for the UAE and Hong Kong companies on the Voltron platform\*\*\**

*\*\*\*Network-to-network interoperability demonstrates evolution of blockchain in trade finance\*\*\**

Landmark Group and HSBC have completed a first-of-its-kind transaction that connected two independently-built blockchain platforms, proving their interoperability and showing how collaborative technologies can further accelerate international trade in the future. It also marks a major step forward in the Middle East's retail industry adopting blockchain.

The transaction involved a shipment from Bee Dee Industries in Hong Kong to Babyshop, Landmark Group's family retail brand in the United Arab Emirates (UAE). A Letter of Credit was issued by HSBC using the Voltron platform and Landmark Group's initiated ReChainMe platform enabled seamless connectivity with its logistics partners at both ends of a key trading corridor.

This meant that all the key participants along the logistical supply chain could view documents and track progress of the shipment in real-time, thereby reducing the overall time to complete the transaction by up to 12 days, a 40% reduction. It also helped reduce the need for paper, as retail supply chains typically involve large numbers of paper documents that are screened and updated at multiple touch-points.

**Rajesh Garg, Group Chief Financial Officer, Landmark Group**, said: "We saw the promise of blockchain technology and embarked on the journey. This is a huge milestone for us as at Landmark Group. Embracing new and emerging technologies like blockchain in our physical and financial supply chain not only aids in improving speed to market efficiency but also reflects our commitment to driving transformation in the retail sector and ultimately creating value for our customers. As a leading retail organisation in the Middle East, we're proud to have taken the lead in this area."

**Sunil Veetil, Regional Head of Trade at HSBC Middle East, North Africa and Turkey**, said: "We have seen several advancements in digitising trade,

each with their own specialist network for secure communication, resulting in disparate 'digital islands'. The challenge lies in connecting these digital islands to create a cohesive network, and this is where blockchain comes in. Being able to connect two complementary blockchain platforms is a significant milestone in the development of this technology. It also speaks to the dynamism and interoperability of Voltron.”

“In a world where businesses are increasingly positioning their supply chains across several markets, blockchain platforms will undoubtedly give them a competitive advantage by increasing the velocity of trade without compromising on privacy and security,” Sunil added.

Voltron is a distributed ledger trade finance platform which digitises the Letter of Credit (LC) process from application through to document presentation. HSBC has previously facilitated four major LC transactions with this technology across its global network, but this is the first time Voltron has been connected to a complementary blockchain platform, and the first time Voltron has been used to issue a LC between the UAE and Hong Kong.

ReChainME is a permissioned blockchain platform initiated by Landmark Group. It ensures seamless connection amongst key participants involved in the transaction, resulting in greater transparency and accountability.

A blockchain is a system in which an immutable record of transactions is maintained across several computers that are linked in a peer-to-peer network. Through decentralised, secure networks, blockchain technology can be the conduit that connects trade partners globally to share data in a scalable way that makes the trade process faster, safer and simpler. It is a one-step process that helps to remove pain points in trade by acting as a catalyst - making trade more attractive and accessible than ever before.

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## **Note to editors:**

### **About Landmark Group**

Founded in 1973 in Bahrain, the Landmark Group has successfully grown into one of the largest and most successful retail organizations in the Middle East and India. An international, diversified retail and hospitality conglomerate that encourages entrepreneurship to consistently deliver exceptional value, the Group operates over 2300 outlets encompassing over 30 million square feet across the Middle East, North Africa and the Indian sub-continent.

Landmark Group has a strong workforce of over 55,000 employees and provides a value-driven product range for the family through its retail concepts: Centrepoint, Babyshop, Splash, Shoe Mart, Lifestyle, Iconic, Max, Shoexpress, Home Centre, Home Box and Emax. In addition to the brands developed in-house, the Group also holds the franchise rights for some of the world's leading fashion and footwear brands in the countries where it operates.

The Group has also diversified in the leisure, food and hospitality with Landmark Leisure, Balance Spa & Salon, Citymax Hotels, Fitness First and Foodmark, the restaurant division, which operates the Group's own and franchise food outlets.

### **About Voltron**

Voltron is a blockchain-based open industry platform to create, exchange, approve, and issue Letters of Credit on Corda, R3's blockchain platform. The eight founding member banks are Bangkok Bank, BNP Paribas, CTBC, HSBC, ING, Natwest, SEB and Standard Chartered. Voltron will improve the trade

finance process by simplifying letters of credit, delivering shorter settlement times, instant discrepancy resolution and simplified sanctions screening. Voltron is inviting banks, technology partners, and corporates to join the network.

**The Hongkong and Shanghai Banking Corporation Limited**

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group, which serves our customers through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, and Global Private Banking. The Group serves customers worldwide in 66 countries and territories in our geographical regions: Europe, Asia, North America, Latin America, and Middle East and North Africa. With assets of US\$2,659bn at 31 March 2019, HSBC is one of the world's largest banking and financial services organisations.

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