



AGRICULTURE
PRODUCTS
TRACING

Foodchain Technology Co.Ltd

Version 2.0 | October 2018

A Block chlna
Technology
Food Tracing
Platform

Foodchain

Start on recording data from a seed...

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Section 1:

Executive Summary, What is FOODCHAIN

FOODCHAIN Technology Co. Ltd. is an origin tracing platform system using blockchain technology to create a decentralized network to ensure the recording and storage of FOODCHAIN's data, and the untamper mechanism is used to ensure the data is true, effective and safe. Through Ethereum smart contracts and open source tools, FOODCHAIN connects consumers, service providers, intermediates, manufactures and business owners with ease and convenience making the platform experience a focus to trust and efficiency.

By the very nature of blockchain technology, all users govern the network collaboratively creating trust, transparency, and efficiency. FOODCHAIN Technology Co. Ltd. offers a decentralized and more effective to present the parties in the supply chain with critical information abounded.

FOODCHAIN Technology, Co. Ltd. will deploy the network to one, if not several, public blockchains which guarantee 100% uptime. It is a fully-automated solution which integrates the efficiency to different industries and their business developments.

With more than 20 years of accumulated architecture and programming experience in the food industry, the team behind FOODCHAIN Technology, Co. Ltd. aims to use the block chain tracing technology to help business industries to make another step forward through innovation.

Section 2:

Market and Industry Landscape

The globalization of food markets and the relative ease with which food commodities are transported through and between countries and continents means that consumers are increasingly concerned about the origin of the foods they eat. A survey of more than 800 people found that 84% of respondents check where their food has come from either 'all', 'most' or 'some' of the time. It also found that two-thirds (66%) are either 'very' or 'quite' concerned about where their food has come from, while 68% said that origin of food is either 'very' or 'quite' important in influencing purchasing decisions.

It is also important to consumers to know that their food originates from where it is advertised as coming from, such as staple food or drinks. Protected Designation of Origin (PDO) is a scheme that reflects this consumer concern and aims to legally protect foodstuffs that are uniquely produced by a particular region or manufacturing process. Findings suggest there is a real desire among consumers for their food and drink to be correctly safeguarded through initiatives such as PDO. However, the PDO sometimes can be misled or manipulated.

FOODCHAIN technology is deploying the origin tracing platform that can demonstrate un-tampered data with important information such as ownership, producer, time information and logistics, etc. Base on the industrial background of the FOODCHAIN members, wine and rice are the fields FOODCHAIN will include in the platform in the beginning.

The Wine Industry



The market is valued at USD 287.39 billion in 2016 and is expected to reach USD 402 billion by 2023, at a 5.8% CAGR during the forecast period 2018 - 2023. The wine market is huge, largely dominated by the European and North American countries. The Spain, France, Italy, and USA are the largest producers and consumers of wine. In the international trade, the European region has more than 50% share of the global wine trade. Currently, there are about one million small and big wine makers globally and the world's most famous brands (around 84%) are French. The wine consumption is declining in the traditional markets. It is growing rapidly (x4 since 2000) in the Asian markets. Asia-Pacific accounts for 16% of value of global wine imports.

The global wine market is driven by the consumption habits of wine, rapid urbanization, the changing lifestyles and high disposable incomes, and popularity of wine products during social celebrations and aging population preferring wine over hard drinks. Another important growth driver of the market is the increasing wine production in developing countries and new markets. The consumption of wine is increasing around the globe, and it is mainly due to the increasing consumption of wine by the younger generation.

Wine Fraud

Grand cru is most popular with consumers. Because its guaranteed quality, limited production and content by the international market. While Bordeaux and Burgundy Vintage Wines are the focus of most fine wine investors, many emerging markets are starting to come online. Innovation in wine products with flavored wine is also a huge opportunity for the companies for investment.

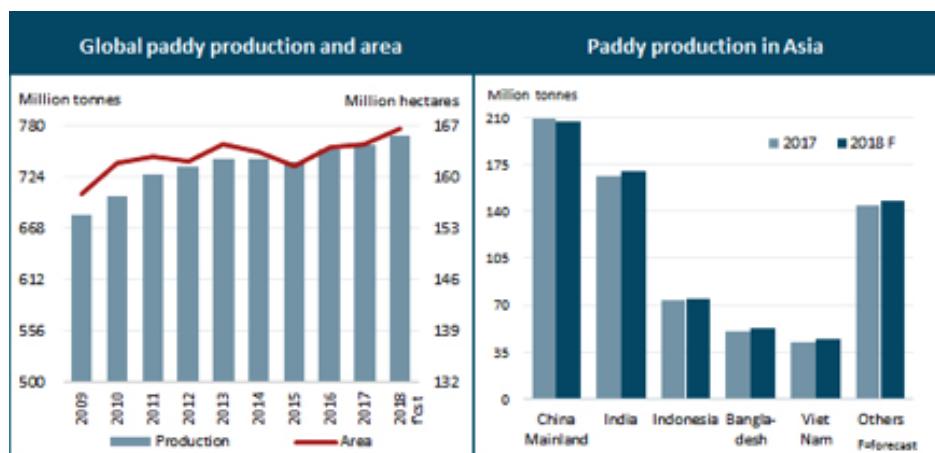
However, Fraud in wine production is enormous, it refers to the use of additives in order to deceive. This may include coloring agents such as elderberry juice, and flavorings such as cinnamon at best, or less desirable additives at worst. Some varieties of wine have sought after characteristics. For example some wines have a deep,

dark color and flavor notes of spices due to the presence of various phenolic compounds found in the skin of the grapes. Fraudsters will use additives to artificially create these characteristics when they are lacking. Fraud in the selling of wine has seen much attention focused on label fraud and the investment of wine market. Counterfeit labeling of rare, expensive, and cult wines, and unregulated investment wine firms characterize this type of fraud.

The pervasiveness of counterfeit wines in the fine wine world is a lot larger than people know, or are willing to admit to, was 5% of the total, which would amount to \$15bn, that fake bottles were prevalent in the secondary market, particularly in Asia. There are a lot of disputes in the fine wine distribution channels and the origin tracing mechanism is an immediate demand. FoodChain platform and blockchain technology is the best solution nowadays.

The Rice Industry

Assuming normal growing conditions, Food and Agriculture Organization of the United Nation's first forecast of world paddy production in 2018 sees global output staging a 10.3 million ton annual expansion to a new high of 769.9 million tons (510.6 million tons, milled basis). The major rice production happens in Asia.



In fact, China, as the top paddy producer in Asia, is facing pollution problems. Poor regulation and oversight of manufacturing

operations is the main cause of the widespread pollution. Many heavy metal mines hardly take any measures to treat production waste. Untreated industrial wastewater containing excessive heavy metals is also discharged into rivers and onto land, and then passed to rice crops through irrigation. Thus the origin tracing record for the rice paddies is extremely critical to the ordinary consumers. By setting up the database of the land registration, production monitoring, granary and logistic tracking and distribution channel recording, Foodchain enables to build a digital ecosystem for a certain brand of rice from end to end. The system will protect the brand rice consumer from exposed to toxic rice and at the time benefits the supplier with more income. The un-tamper records builds trust and transparent to all the parties on the chain.

Overview of the Block Chain Tracing

By using the FoodChain platform, we can build a quick, easy and effective solution for seamless data exchange between companies with safety and integrity. It enables quick integration with the blockchain to a company's existing systems in a scalable and cost-efficient way.

Direct users of the FoodChain platform deliver value as:

- product authentication,
- product journey visibility,
- product recall efficiency,
- product freshness for perishables,
- chain of custody with accountability,
- ownership tracking,
- CSR activities support,
- supply chain mapping and optimization,
- inventory management,
- alert systems (exception management),
- supply chain compliance assurance,
- customs, audit and regulations process optimization,

- and any other supply chain application that requires transparent supply chain as a starting point.

Security Implications

Trusted intermediaries that hoard the data have always had security holes. In 2017 alone, there were a lot of successful hack attacks on systems that should be secure, like Sabre and Equifax. A master key for a database that contains important data and even billions of funds has a big flaw. It can be hacked, and sometimes from within the company itself.

Section 3:

Problem & Solution

The current state of supply chain data management solutions involves a number of localized information systems, ERP systems and custom solutions. In order for them to communicate, custom integrations need to be implemented. Often referred to as "data storage", these centralized systems lack a common technical environment, security, and exchange protocols to facilitate data sharing.

Because of this low interoperability of data and other technical hurdles (e.g., different security policies, separate infrastructures and environments), useful real time knowledge on supply chain product context has not been available to interested stakeholders (e.g., consumers, certification and governmental bodies, and operating companies in the supply chain). Thus trust is easily broken and value chains integrity compromised.

Many organizations today aim to bring more order and integrity to complex supply chains, including global standard providers in supply chains, certification organizations and information systems providers. Yet, none of these organizations can ensure entire chain integrity by creating a stand-alone solution due to centralized logic of data collection and sharing.

Typically, only parts of global supply chains get audited and involved which leads to partial data collection, poor verifiability of collected data, and eventually diminished trust.

Blockchain based, open and decentralized solutions are highly compatible technologies to overcome the above mentioned challenges. However, none of the current solutions provides high performant functionalities of storing, processing and interacting with highly interconnected data that is inherent to supply chains.

Solutions such as IPFS and Storj are great for decentralized storage of documents, but they fail to provide the functions needed for advanced search, cumulative analysis and flexibility in handling interconnected data, which is the domain of professional database

solutions. BigchainDB provides some database functionalities, though not a fitting, flexible model for supply chains, and has a different intended use in its permissioned governance model.

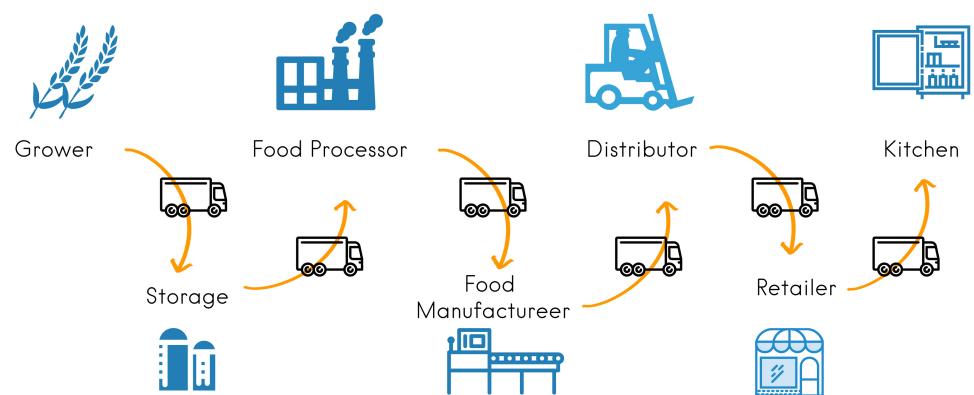
FoodChain is a protocol solution allowing IT providers to easily set up blockchain supported data sharing in supply chains. It enables building transparency, protecting brands from fraudulent behavior and driving efficiencies for all stakeholders.

Section 4:

FOODCHAIN Platform

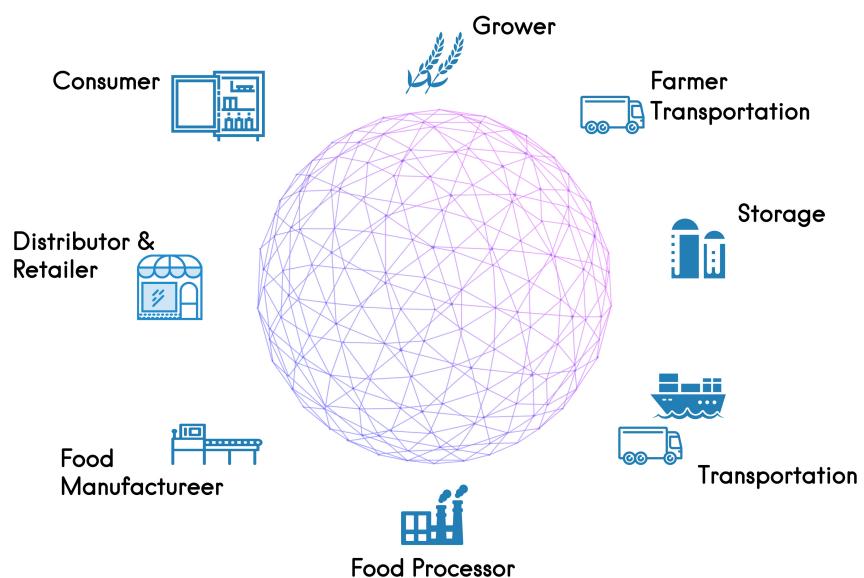
FOODCHAIN is a web and mobile application platform designed for products and services origin tracing. With an interface designed for ease, a user-friendly experience is guaranteed for both consumers and vendors. Precise products and services information and tracing capacity are the platform's focus through the utilization of blockchain technology and Ethereum smart contracts.

Traditional food supply chain



By using the FOODCHAIN platform, a consumer looking to track the products' origin, logistic, storage, distribution will not need to go through the hassle of the entire process. The convenience of the platform will offer all these with ease and comfort for consumers and business providers.

Food Supply Chain tracing through BlockChain



Food distribution is also all about bundling. Whenever you make a purchase, it's not just the product, but often a combination of multiple different segments. Bundling is made extremely simple with FOODCHAIN. The platform demonstrates a chain of ownership that makes the product traceable.

Participants in the ecosystem can see how other parties perform over time and how reduced distribution costs affect their financial bottom line and relationship with others.

The FOODCHAIN platform's code is open-source and completely transparent for anyone to study and propose changes. It's a truly decentralized blockchain solution in the food tracing industry.

The platform, more importantly, will be owned by the community itself. Participants in the marketplace will be able to create and vote on proposals to change the marketplace code, using governance tools we're currently building for the platform.

FOODCHAIN facilitates travel distribution in all of its different aspects by making it cheaper, faster, more enjoyable for consumers, and easier for new business models to emerge in the business. Products and services origin tracing. With an interface designed for ease, a user-friendly experience is guaranteed for both consumers and vendors. Precise products and services information and tracing capacity are the platform's focus through the utilization of blockchain technology and Ethereum smart contracts.

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Section 5:

FOODCHAIN Token

FOODCHAIN Token is an ERC20 standard token based on the Ethereum Blockchain Technology with the token symbol of “FCT”. Tokens in the Ethereum ecosystem represent mediums of exchange as cryptocurrency or digital money.

FCT grants users access to the FOODCHAIN ecosystem network and allows for a secure, private and decentralized method of transactions within the network. FCT is a utility token used as a unit of transaction between consumers, business owners and service providers within FOODCHAIN’s global platform.

The FCT token will act as a medium to secure traces within the platform and direct interaction with Ethereum smart contracts to execute binding agreements between parties involved in a transaction; increasing reliability, transparency and speed of execution.

ERC20 Token Symbol: FCT

Token Price: 1000 FCT/ETH

Decimals: 9

Contract:

Link:

Minimum transaction amount per wallet address: 0.2 ETH

Maximum transaction amount per wallet address: 9,900 ETH

Section 6:

Initial Token Offering

FOODCHAIN shall have a single Token Creation Event where a total of 500,000,000 FCT will be created. Wherein, 200,000,000 shall be reserved for sale to investors at a price of \$0.20 per token, 50,000,000 FCT shall be reserved for bonuses to investors, and 50,000,000 FCT shall be reserved for the team, marketing, technology developers, corporate officers and directors.

The token bonuses shall be based upon token sale timelines to be determined and updated in the company website.

Token Supply: 500,000,000

Token for Sale: 200,000,000

Token Price: 1000 FCT/ETH (ETH pricing subject to change. Dated 09/30/2018)

Token Reserve for Bonuses: 50,000,000

Token Reserve for Team: 50,000,000

Phases of the Initial Token Offering

- Start date: January 1st, 2019
- Duration: 8 weeks, until March 30th
- Token distribution

75% - public TCE participants

20% - founders, advisors, employee pool, etc.

5% - long-term foundation budget (released according to schedule below)

- Price: 1000 FCT/ETH
- Number of tokens generated: decided by the market

- Token availability: FCT token will be distributed over the course of 7 days after the end of the fundraiser Maximum funds initially received by Foundation: \$10 million USD
- Token availability: FCT token will be distributed over the course of 7 days after the end of the fundraiser

Section 7: Soft Cap & Hard Cap

In order to fund the development and continued growth of the FOODCHAIN platform and network, an initial token offering will be held. Funds raised will be distributed in accordance with the Section 8 of this whitepaper. The soft cap for this project is \$10M. This is the amount, if received, will determine whether the crowd sale shall be considered a success. It is the minimal amount required by the project for the platform development and launch.

The hard cap on the other hand is \$40M, which is the maximum amount the crowd sale is expected receive. Being able to raise the target hard cap will not only ensure development and launch of the FOODCHAIN platform but will also ensure it is able to market and brand its services globally.

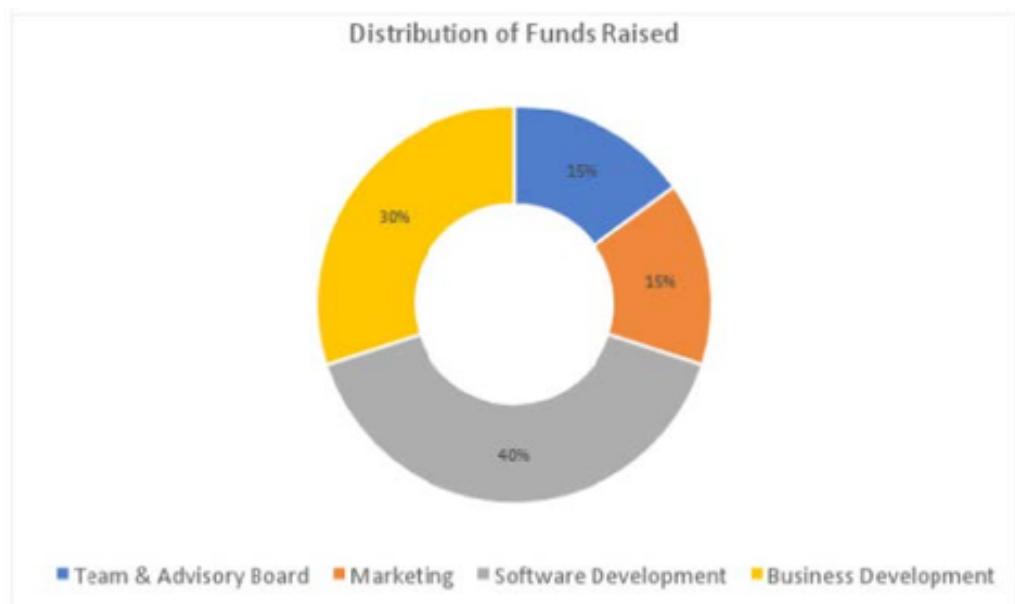
Soft Cap: 50,000 ETH = \$4,300,000

(ETH pricing subject to change. Dated 12/15/2018)

Hard Cap: 200,000 ETH = \$17,200,000

(ETH pricing subject to change. Dated 12/15/2018)

Section 8: Crowdfunding Distribution



Team & Advisory Board (15%) – Team expansion is a priority as FOODCHAIN looks to expand its development, userbase, and affiliate base. Advisors are essential to any blockchain project looking to navigate the complex and fast-paced cryptocurrency space.

Marketing (15%) – Marketing is an essential business activity which promotes business growth, brand loyalty and awareness. A portion of the crowdfunding will go directly to efficient marketing channels which will promote the FOODCHAIN Network and FCT to the correct demographic.

Software Development (40%) – This includes development of the website, the cryptocurrency being developed (FCT), and the FOODCHAIN platform and network. The majority of the crowdfunding budget is reserved for development (and maintenance) of the core components of the business.

Business Development (30%) – These funds will be reserved to explore, develop and implement growth opportunities which will attract consumers and influencers to the platform.

Section 9:

Road Map

January 2019

a.Private Sale of FCT Tokens

b.Hongkong Event

c.Russia Blockchain Summit

February 2019

a.Ongoing Private Sale of FCT Tokens

b.Newsletter Development

c.Token Distribution

d.ASEAN Blockchain Summit

March 2019

a.Token Launch

b.Public Sale of FCT Tokens

c.Platform Development, 6-month projection

April 2019

a.Ongoing public sale

May 2019

a.Listing of FCT on exchanges

Section 10:

The FOODCHAIN Team

King Jin - Founder & CEO



Graduated from Chinese Academy of Social Sciences, CASS with a economic master degree, ATA marketing director qualification holder, King Jin has over a decade experience in internet food safety certification system. He is the Funder to establish the Foodchain platform to serve the world food industry with many sourcing information and contracted business partners.

Andrew Kang – Co-Founder



Graduated from Louisiana Tech University with a master degree in Manufacturing-System Engineering. Andrew Kang has over 20 years of experiences at executive level managing operations and sales for several multinational companies such as 3M, KNH and Noon tea Technology. He serves as partner of the Foodchain Technology Co., Ltd.

Justin Mao – CFO



Graduated from Nanjing University of Finances and Economics with a bachelor's degree in Business Administration, Mr. Mao has 20 years of experience in the accounting and company merging and acquisition. He serves as the chief financial officer in the Foodchain Technology Co., Ltd.

Jack Wang – CTO



Jack Wang is a skilled veteran in the technology industry. He takes pride in being able to develop decentralized applications or Dapps with Blockchain protocol in just a day.

Sophie Zhou - CMO



Graduated from Renmin University of China with a master's degree in Business Management, Sophie Zhou has about 10 years experience in wine industry. She is the chief marketing officer in the Foodchain Technology Co., Ltd.

Kevin Lu – Advisor



Kevin Lu graduated with a bachelor's degree in Mechanical Engineering from The University of British Columbia. Despite this, he has over a decade experience with financial advisory. He serves as an advisor in the development of Foodchain Technology Co., Ltd.

Victor Yu – Advisor



Graduated from Northwestern Polytechnic University with a master's degree in Business Management, Victor Yu has 20 years of experience in the maritime industry (include further information). He serves as an advisor in the development of Foodchain Technology Co.,

Qi Deng – Partner



Professor Qi Deng is the founder, CEO and chief scientist of Cofintelligence BlockCloud Technology Ltd. He earned a Doctor of Business Administration (DBA) in finance from Grenoble Ecole de Management, a Master of Science in Electrical Engineering from Purdue University, and a Bachelor of Science in Physics from Peking University. Prof. Deng has developed more than 10 artificial intelligence and machine learning models for quantitative modeling and algorithmic trading and has been awarded seven US patents. He has 25 years of experience in quantitative finance, artificial intelligence, deep learning, and blockchain technology. Prof. Deng was a quantitative researcher at Bear Stearns and a vice president of AltoBeam. He is the co-founder, investment manager, and chief scientist of Shanghai Zepound Asset Management, and founder, CEO, and chief scientist of Cofintelligence BlockCloud Technology Ltd. He currently serves as associate professor in finance and PhD supervisor at the International Business School Suzhou of Xi'an Jiaotong-Liverpool, honorary professor in finance at University of Liverpool (UK), adjunct professor and DBA supervisor with Grenoble Ecole de Management, academic advisor for Shanghai Lixin Institute of Accounting and Finance.

Zihao ZHU



2008 - 2012 HK University Economic
2013 - 2014 China CITIC Bank International
Assistant Relationship Manager
Job Functions: Business Development,
Customer Service,Relationship Management
2014 - 2017 Bank of China Limited
Relationship Manager
2017 - 2018 Hang Seng Bank Limited
Relationship Manager

Section 11:

Legalities and Disclaimers

FOODCHAIN tokens (FCT) are not securities

User acknowledges, understands, and agrees that FOODCHAIN tokens are not securities and are not registered with any government entity as a security, and shall not be considered as such. User acknowledges, understands, and agrees that ownership of FOODCHAIN tokens does not grant the User the right to receive profit, or other payments or returns arising from the acquisition, management or disposal of, the exercise of, the redemption of, or the expiry of, any right, interest, title or benefit in the Foodchain platform or any other Foodchain property, whole or in part.

Absence of guarantees of income or profit

There is no guarantee that FOODCHAIN tokens (FCT) will grow in value. There are no guarantees that the price of FOODCHAIN tokens will not decrease due to some unforeseen events, or events over which the developers have no control, or because of force majeure circumstances.

Risks associated with Ethereum

FOODCHAIN tokens (FCT) are ERC20 utility tokens that will be issued on the Ethereum blockchain. Therefore, any failure or malfunctioning of the Ethereum protocol may lead to the trading network of FOODCHAIN tokens not working as expected.

Regulatory uncertainty

Blockchain technologies are subject to supervision and control by various regulatory bodies around the world. FOODCHAIN tokens (FCT) may fall under one or more requests or actions on their part, including but not limited to restrictions imposed on the use or possession of digital tokens such as FOODCHAIN tokens (FCT) which may slow or limit the functionality or repurchase of tokens in the future.

Digital Tokens are not an investment

FOODCHAIN tokens (FCT) are not official or legally binding investments of any kind. In case of unforeseen circumstances, the objectives stated in this document may be changed, as will be indicated by a change in the date on page number 1. We intend to reach all goals described in this document, however all persons and parties involved in the purchase of FOODCHAIN tokens (FCT) do so at their own risk.

Risk of lost funds

Funds collected during the Pre-sale are in no way insured by any party. If they are lost or lose their value, there is no private or public insurance representative that buyers can reach out to.

Risks of utilizing new technology

In addition to the risks mentioned in this document, there are additional risks that the FoodChain team cannot foresee. These risks may manifest themselves in other forms of risk than those specified herein.

Section 12:

FoodChain Technology Co., Ltd

Contact us

Address:

Unit 08, 33/F., Clifford Centre, 778 Cheung Sha Wan Road, Kowloon,
Hong Kong

Email:

king.yuan@foodchaintek.com

Conclusion

The origin tracing industry is in dire needs of innovation and decentralization due to a variety of factors including quality assurance by corporations, outdated infrastructure, and the forgery activities in the supply chains which have little incentive to change the status quo.

Using block technology, FOODCHAIN offers food supply chain stakeholders a way to distribute their products with perfect prove for genuineness and ownership. This new marketplace will inevitably provide consumers with more confidence and the opportunity to presell a product within a transparent and un-modifiable decentralized platform.

Owned and governed by its own community instead of rent-seeking gatekeepers, FOODCHAIN represents a more egalitarian and progressive way forward for the global food industry. Join us on our journey to redefine the food products distribution landscape.

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