zilliqa

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HOUSE OF CHIMERA

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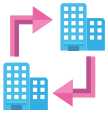
KEY TAKEAWAYS:

ZILLIQA APPROACH ON BLOCKCHAIN TRILEMMA

- Sharding to ensure scalability
- Practical Byzantine Fault Tolerance to ensure decentralization
- Scilla to ensure security



LATEST DEVELOPMENTS

- ZilSwap, next-generation Decentralized Exchange on the Zilliqa Ecosystem
- Governance Zilliqa, compliant fungible governance token
- Market Making

GROWTH STRATEGY

- ZilHive, an accelerator fund of Zilliqa to promote and support projects of the Zilliqa ecosystem
- Zilliqa Capital, a venture fund by Zilliqa, mainly targeting the ASEAN and India region.

MARKET POTENTIAL

- Zilliqa has strong dominance in the ASEAN and India region, actively targeting a 9.34 trillion USD market with a yearly growth rate of 5,6%.
- Market penetration with OpFI products, which can revolutionize the market.

STRATEGIC PARTNERS

- Zilliqa is backed by over 50 venture capitals, which allows Zilliqa to keep innovating.
- Notable partnerships with Xfers and HG exchange

PRODUCT RISKS

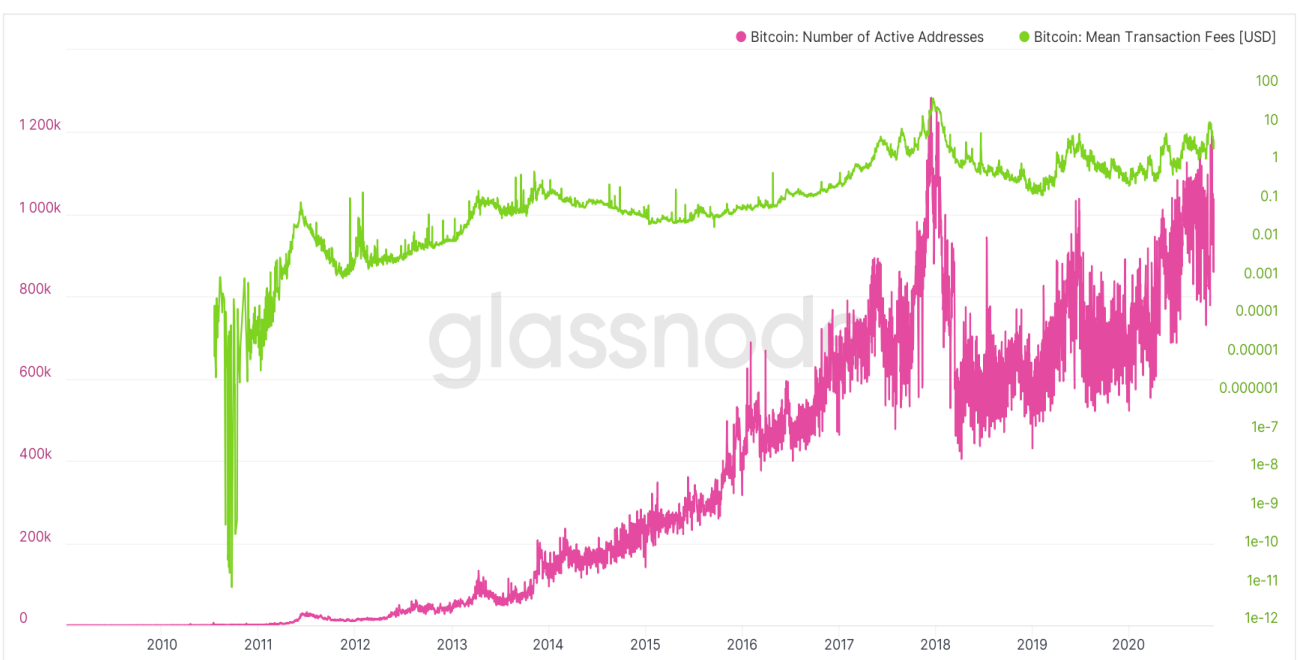
- Market penetration might not work.
- Highly competitive market.
- Accessibility issues of Scilla

TECHNOLOGY AND SCALABILITY

A recent study by McKinsey found that the average life-span of companies listed in the S&P 500 was 61 years in 1958. Today, that has fallen to solely 18 years. McKinsey believes that in 2027, 75% of the companies currently quoted on the S&P 500 will have disappeared. They will either be bought -out, merged, or go bankrupt like Enron and the Lehman Brothers. One of the factors of the decrease in the average life span of companies is the rapid developments in technology. Companies have to constantly adapt to new technologies to stay relevant within their competitive markets.

To put the shift of technology in perspective, In 1994 it was considered revolutionary to order a pizza online. This was made possible by PizzaNet, owned and operated by Pizza Hut. Besides the fact that back in the day the internet was not accessible as it is now and it was fairly hard to get a stable connection, the possibility to order a pizza online was back in the day incredible, and keep in mind this was solely 26 years ago. Today, you can order everything online from your groceries to your wedding ring with guaranteed delivery within a day. We can perform more actions online than we can perform offline, the online world is literally at your feet.

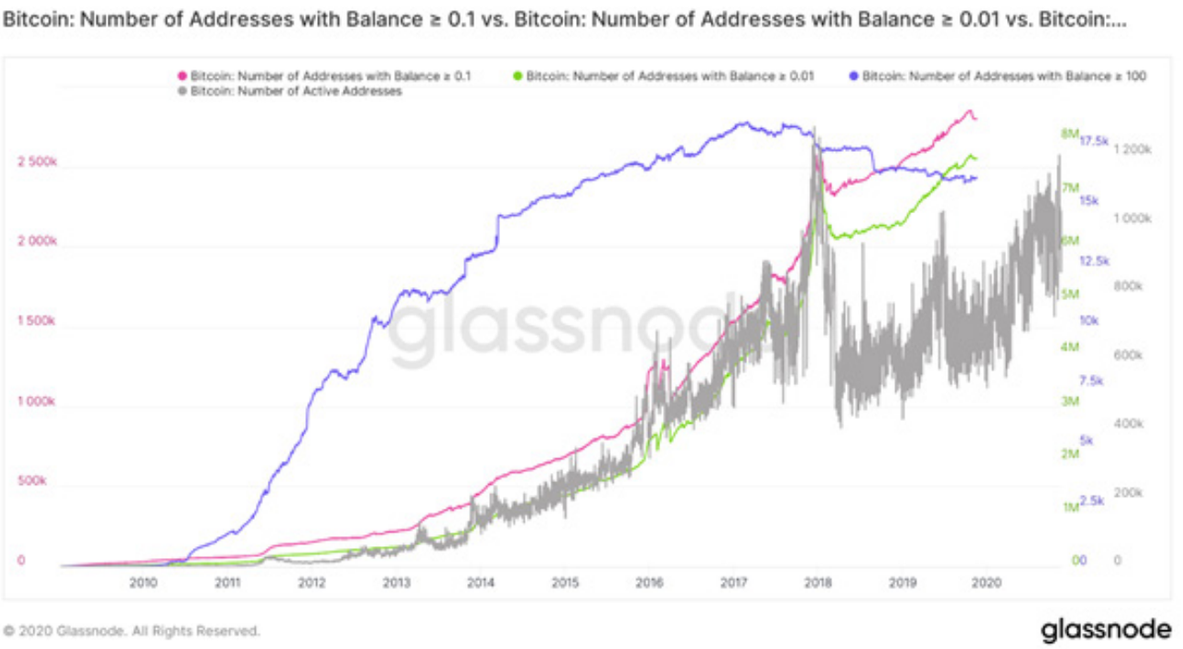
Bitcoin: Number of Active Addresses vs. Bitcoin: Mean Transaction Fees



This trend is also observable within the newly developed cryptocurrency market. In 2014 it was still relatively hard to buy cryptocurrencies online. There were many online brokers back then and most of them were highly unregulated and the whole experience of buying cryptocurrencies was still considered relatively bad and cumbersome. Today, buying cryptocurrencies is as easy as buying your online groceries. The accessibility of cryptocurrencies has exponentially increased over the last few years and it is extremely easy to acquire cryptocurrencies. A consequence of the increased accessibility is that this led to an influx of investors and users, which led to problems with exchanges and transaction fees. In other words, the scalability couldn't match the increased demand, this led to direct problems as transaction fees grew overnight or in the case of exchanges led to temporary malfunctions. Scalability is essential in that it contributes to competitiveness, efficiency, reputation, and quality.

The amount of high-performing blockchain is growing, these blockchains can scale to match a certain amount of demand. The interest in cryptocurrencies are increasing with the day, more and more people are getting drawn into the cryptocurrency space. This trend is observable within the two arguably most popular networks, Ethereum and Bitcoin. Both blockchains had their highest number of transactions in 2018, but are steadily increasing and are currently close to an all-time high in the number of transactions. The same trend is observable with the increasing amount of active Bitcoin wallets and especially the increase of wallets with <0.1 BTC and the decrease of wallets with > 100 BTC. The market is getting more diversified and the gap between the number of whales and small retail investors is getting more narrow. These are signs that the market is slowly maturing, however, there is still plenty of room to grow.

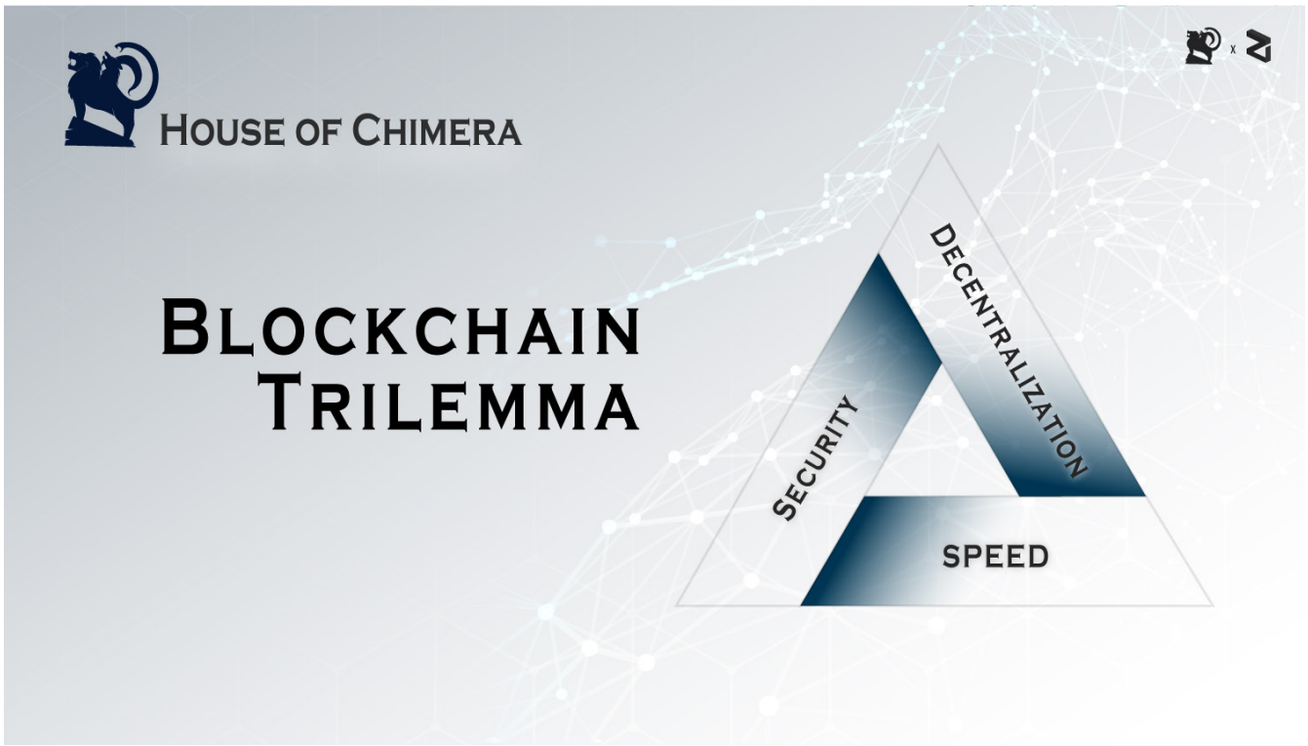
The consequence of increasing demand, as shown in graph 1, is the increase in transaction fees. The supply cannot match the demand, whereas the transaction fees grow until the fair market value is reached. The current transaction fee of a Bitcoin transaction is around 3-4$, this is arguably excessive. The amount of wallets which contain <0,01 BTC is roughly 7.5 million, shown in graph 2, 0.01 BTC translates to approx. 160$ with the current BTC price. The excessive transaction fees lead to excessive costs to move capital, by moving 0.01 BTC will cost 2,5% of that capital.



The lack of scalability within the current Bitcoin network is problematic and an imminent problem for the bitcoin ecosystem. The Ethereum ecosystem has comparable issues, the lack of scalability has a direct influence on transaction fees and the usability for real-world applications. The amount of high-performing blockchains is growing, these blockchains can handle a high amount of transactions per second. These blockchains can scale to the demands of investors which leads to low transaction fees and quick transactions. However, there are some misconceptions about scaling and the direct implications of scaling. The reason that there are misconceptions is because of the faulty ideology that the amount of TPS is the holy grail. However, there are a certain set of possibilities to artificially increase your TPS without a sustainable solution. Increasing the block size of a block might sound feasible at first, however, down the road it will have serious computational and bandwidth limitations. It might lead to a decrease in transaction fees and increase the speed of the network. However, the issue with increasing the block size is that eventually gets impractical. The size of the block is scalable until a certain stage and if that stage is reached, it will lead to bandwidth issues and computational issues. An indirect consequence is that the networks fall victim to centralization. The average miner might get pushed out of the network because his hardware and bandwidth are not able to keep up with the computational and bandwidth requirements. A valid way to increase the TPS of an ecosystem is to decrease the amount of data of every transaction to increase the number of transactions within one block. This allows the block size to be unchanged while there is a notable improvement to overall network capacity.

The most promising and tech-savvy scalability technology within the blockchain is sharding technology. The technology allows transactions to break up into ‘shards’ and different and unique nodes solely verify certain shards, effectively performing parallel processing to speed up the system. Ethereum will use this technology to increase the scalability of the ecosystem in their Ethereum 2.0 upgrade. However, implementing sharding is relatively hard considering it adds complexity and hurts security. There are a few projects which were able to pull it off, one of these projects is Zilliqa.

BLOCKCHAIN TRILEMMA



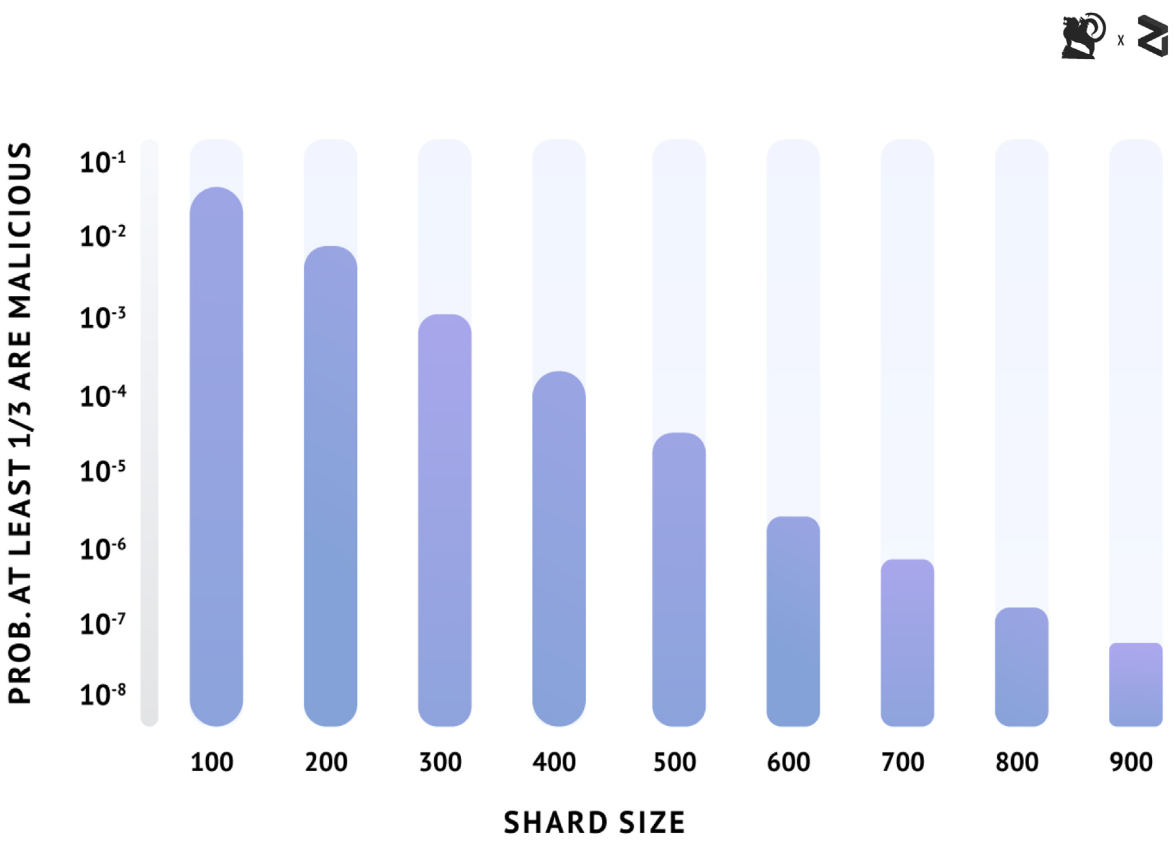
The amount of cryptocurrencies is higher than ever, the space is growing steeply. The cryptocurrency space is experiencing more competition with each year, more and more exceptionally bright projects are founded. Zilliqa is one of these exceptional projects and is widely praised for its tech-savvy approach, even by big traditional institutions like IMF. Scalability is one of the features Zilliqa is praised for, the ability to scale to meet the needs of a growing cryptocurrency space. The Zilliqa team was one of the first to successfully implement sharding technology. This allows lightning-fast transactions with an extraordinary low fee and allows users to perform several transactions without worrying about transaction costs. The ability to perform transactions quickly makes Zilliqa capable of usage for real-time applications. What sets Zilliqa apart is its method of being decentralized and trustless and having the potential to remain so on a large scale.

The blockchain trilemma is the limitation and interdependency of transaction speed, security, and decentralization. The issue is that these three components depend while conflicting with each other. The transaction speed directly conflicts with security, especially in a decentralized ecosystem. In the case of sharding solely a part of the data of the blockchain is stored by every node instead of the whole blockchain. The reason is that every shard is separated and merely processes its own assigned data, this could lead to corruption of shards which leads to loss of data and potential vulnerabilities within the ecosystem. The general rule is that the extent of decentralization of a blockchain has a direct impact on the speed of that blockchain. To put this in perspective, Bitcoin is decentralized and relatively slow in comparison with a centralized blockchain such as Stellar Lumens.

THE ZILLIQA APPROACH

The balance between decentralization, security, and speed has to be accurate and fair. To achieve this, there have to be several controlling points within a blockchain to ensure the fairness of the balance. Zilliqa tries to ensure the balance is fair with sharding, practical Byzantine Fault Tolerance (pBFT), and Scilla.

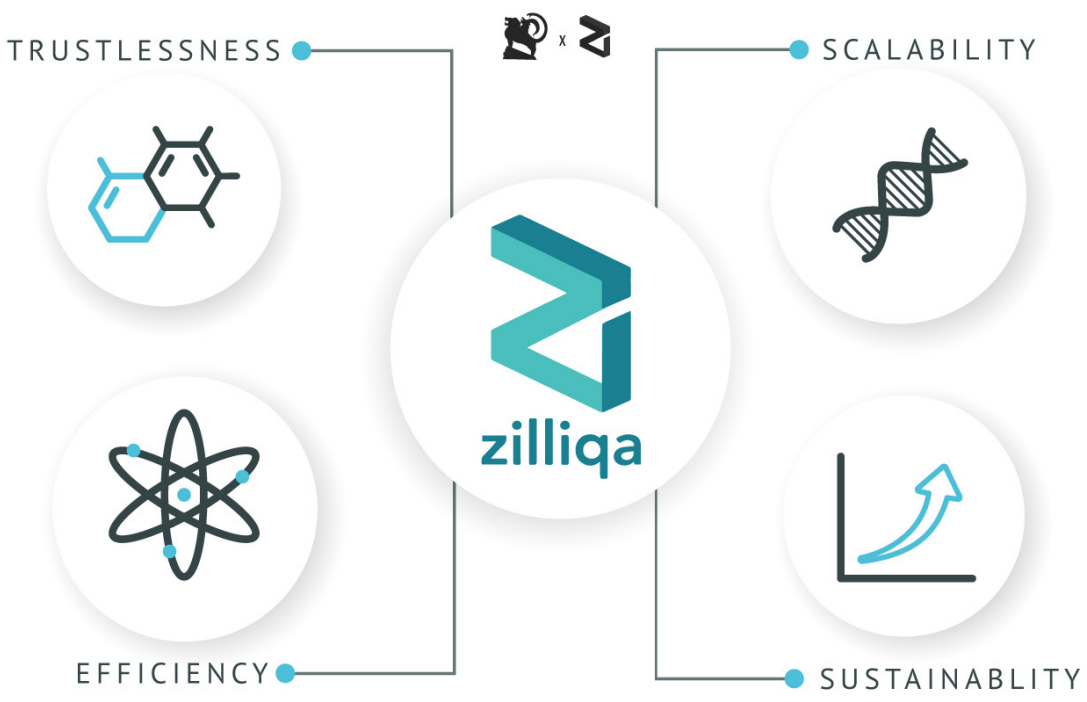
The scalability for a blockchain is crucial for further adoption. Zilliqa uses sharding technology to ensure the transaction speed can match the demand while having low transaction fees. Sharding begins with assigning nodes to units of certain sizes. This requires a mechanism that is (partially) independent from the sharding system to make it fair. Zilliqa handles this by using 600 nodes, the reason behind this is that by using 600 nodes, and assuming 1/3% of the nodes of a shard are malicious. There is a probability of 1 out of a million that a shard will turn malicious. As you can imagine, a malicious shard will have a negative influence and potentially try to influence any majority based decision making process i.e. Sybil attack. The selection of nodes is processed by a special shard called the 'Directory Service'. The selection is automatically done with a Proof of Work (POW) mechanism running at a long interval (~30K Blocks, approx. 18 days), after which a second POW is initiated to assign other nodes to shards into order with each shard. Every shard uses Practical Byzantine Fault Tolerance (read: pBFT). pBFT ensures decentralization of the network, considering it is one of the most decentralized consensus methods. Every new block is generated according to the equal votes of all the nodes in the network, to ensure efficiency and to prevent potential Sybil attacks the Directory Service committee randomizes the node assignment. The elegance of this mechanism is its high scalability while remaining energy-efficient and decentralized.



The security of a blockchain is decisive for the reputation of that blockchain. Zilliqa uses Scilla to ensure that their smart contracts are safe and secure. Solidity, smart contract language used by various blockchains – most notably Ethereum, has its fair share of vulnerabilities and hacks. The DAO hack was one of the most notable hacks that occurred in the early development of Ethereum. At the time, the contract held approximately 150$ million USD. The hackers hijacked an external call and forced the contract to execute further code, which in basics led to a comprisecompromise of the smart contract and lost funds. Zilliqa tries to prevent insecurities by using their programming language for their smart contracts; Scilla. One of the most important trade off's of Scilla is that it trades expensiveness for safety, to ensure safety and prevent any notable hacks. Scilla has a clear separation of different components of the programming language, this makes it more efficient and less vulnerable to potential security issues in comparison with Solidity.

ZILLIQA, THE SLEEPING GIANT

The cryptocurrency space is rapidly developing and is often referred to as the new 'internet hype'. On a daily basis, there are promising announcements and exciting releases of ambitious ideas and roadmaps. The industry is rapidly maturing, considering that traditional finance companies are slowly entering the market, and policymakers are building a legal framework.



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Zilliqa is one of the promising blockchain projects within the current industry. Zilliqa has an excellent answer to the blockchain trilemma, it handles transactions fast and can scale while being decentralized and secure. The Zilliqa team is actively developing the blockchain and growing the ecosystem. The latest development and growth of the ecosystem are noticeable, the amount of daily transactions is steadily increasing and the amount of projects building on the Zilliqa ecosystem is rising. The development of the ecosystem will be highlighted and the growth of the ecosystem in the following sections.

THE LATEST DEVELOPMENT OF THE ZILLIQA ECOSYSTEM

The Zilliqa ecosystem was founded in 2017 and has made significant steps forward. The ecosystem is actively developing, the GitHub of Zilliqa is ranked 55th of 229 major cryptocurrencies by the number of commits. The major release of Zilliqa of this year is ZilSwap, a decentralized exchange.

Decentralized exchanges do exist for a while now, in 2014 NXT announced the first decentralized exchange (DEX), and later that year the exchange was released. The demand for these decentralized exchanges is steadily increasing and reached its peak in the summer of 2020. The Decentralized finance (DeFi) hype was still going and UniSwap was completely dominating the DEX market. The idea that UniSwap could take over Binance in daily volume was not that far-fetched. However, the hype didn't last forever, and eventually, it had to cool down.

Zilliqa launched their DEX in august of 2020. The DEX is developed by SWITCHEO, a developer of cryptocurrency platforms. ZilSwap is a notable step of the Zilliqa team in the DeFi industry. Zilliqa holders can trade their assets on a stable and fast DEX and can add liquidity to pools. The congestion of the Ethereum network led to high fees for ERC-20 tokens. UniSwap is deployed on the Ethereum Network and the traders had to deal with these excessive fees. ZilSwap only uses a fraction of the Ethereum Network fees considering that Zilliqa is much more capable to match demand in comparison with Ethereum.

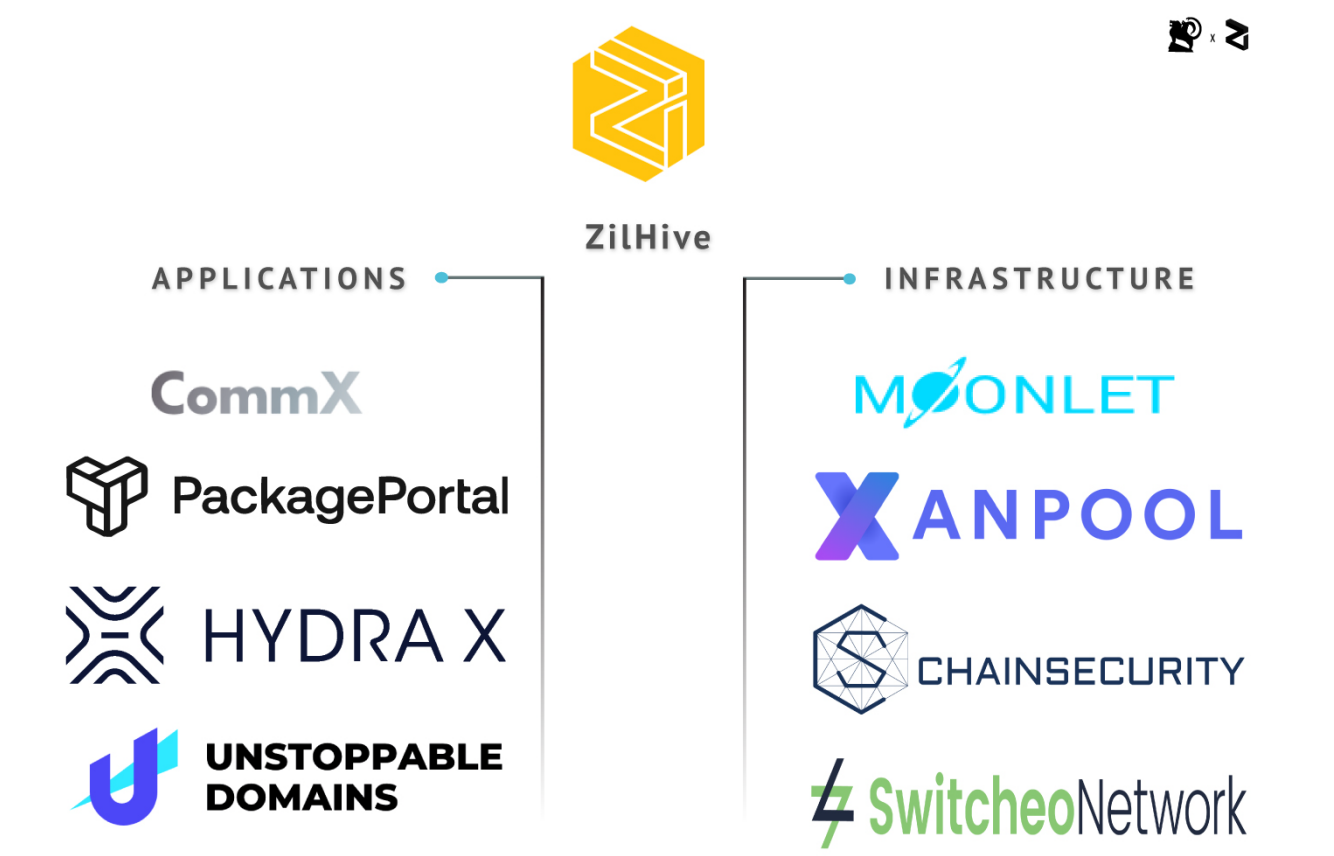
Liquidity is crucial for a DEX and to provide this ZilSwap will support ERC-20 tokens by an Ethereum bridge in Q4. ERC-20 tokens will be tradable for tokens on the Zilliqa ecosystem, this will have a significant influence on the liquidity of ZilSwap and make it a reasonable competitor to UniSwap. ZilSwap will play an important role within the Zilliqa ecosystem, as a trade haven and a launchpad for newly developed projects on the ecosystem. Newly built projects will have access to liquidity on ZilSwap without the struggle of potential listing fees of exchanges. On the other hand, it provides liquidity to Zilliqa as an asset which will lead to a potential increase of value considering the increasing demand for Zilliqa. There are a few notable assets listed on Zilswap and of them is Governance Zilliqa.

Governance Zilliqa (gZIL) is a compliant fungible token that can be earned alongside staking rewards. The token will only be issued for 1 year starting from the launch of non-custodial staking and has a maximum supply of 722.700 gZIL. The token derives part of its value from scarcity and the ability to have a voice within the Zilliqa ecosystem. The token gives holders of gZIL the ability to vote in a DAO-like structure and make decisions on community and partner projects powered by Zilliqa. Furthermore, gZIL adds more decentralization in the Zilliqa ecosystem considering it allows gZIL holders to have a direct influence on decisions that have an impact on the ecosystem. The devoted investor will be rewarded by staking their Zilliqa coins by receiving gZIL tokens. The mint period for gZIL is a year, this gives investors an additional incentive to stake and increases the number of validators within the ecosystem. However, temporarily moving assets from an exchange to a wallet for a staking program has potentially negative consequences. One of these consequences is a potential decrease in liquidity and an increase of slippage on exchanges.

The possibility of a potential decrease in liquidity on exchanges arises because that X percentage of the total supply is temporarily locked up within a staking program. The trading-books on exchanges can thin out and this increases slippage and the overall cost of trading. The instability of liquidity allows potential trading manipulation and exposes investors to excessive risk. Zilliqa is aware of these problems and is utilizing market makers to reduce slippage and increase liquidity. Market makers are essentially companies that profit on slippage, i.e. bid-ask spread. This allows market makers to add liquidity and reduce slippage, considering that they will utilize this slippage to benefit from. In the long term, it will benefit the value of Zilliqa, considering it will be more stable and lowers the risk for investors. The trading-books of exchange will be more rigid and meaningful, the probability of a liquidity trap decreases, the overall liquidity increases, and above all the probability of trading manipulation gets reduced. Besides that, the reputation of Zilliqa improves because of a stable investment environment which increases the probability of adoption.

GROWTH OF THE ZILLIQA ECOSYSTEM

The Zilliqa ecosystem is active in a competitive market and to constantly have an edge on the competitors, growth is needed. The Zilliqa ecosystem is growing, there are dozens of DApps being built on the ecosystem with notable DApps such as Unstoppable Domains and Krypton. The Zilliqa ecosystem has integrations of Chainlink to ensure smart contracts can access real-world data. Besides these integrations and DApps, the ecosystem is experiencing an increase in usage observable by the steady increase of daily transactions in the ecosystem. Zilliqa seeks to keep this edge on its competitors by encouraging two growth funds; ZIL Hive and Zilliqa Capital.



ZilHive is an accelerator fund, which means that this fund will mainly support established and promising new projects. Targeted investments enable Zilliqa to support promising projects and scale into a worldwide business, which has a direct influence on the Zilliqa ecosystem. There are currently 8 projects within the ZilHive Accelerator program; CommX, Lumiere, Moonlet, Moonlight, MugglePay, Notabene, Propine, and RupiahToken. These projects will play a prominent role in the Zilliqa ecosystem in the future and definitely are worthwhile to keep an eye on. ZilHive has supported over 70 projects from over 20 countries.

The Zilliqa Capital fund is a venture capital fund by Zilliqa. The ambition of this fund is to increase the number of promising projects on the Zilliqa ecosystem by funding projects mostly in the ASEAN and India region. The lack of notable venture capitals within these regions and the strong dominance of Zilliqa in these regions makes it a strategic point of interest. The fund will also be utilized to support promising projects on the Zilliqa ecosystem to scale their businesses. The fund will be raised by a security token and the funds raised by this token will be used to make Zilliqa's capital investments. The fund is currently still in the fundraising phase and will most likely get a release at the end of Q4.

These two funds are the backbone of the growth of the ecosystem and will enable Zilliqa to sustain the growth in the long term horizon. It allows Zilliqa to accelerate the growth and make focused investments in next-generation FinTech companies, creating an open and interoperable financial network.

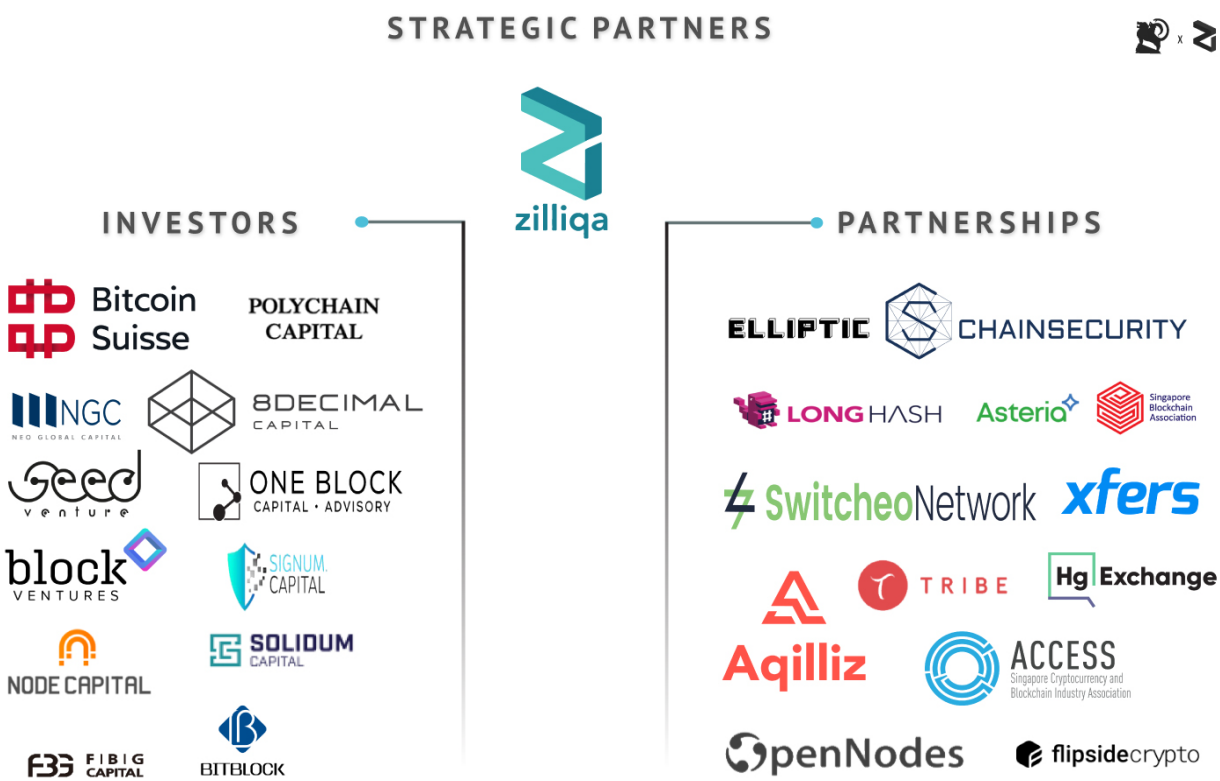
MARKET POTENTIAL

The current shift of the gravity of the economical center is imminent. One of the most impressive developments of the past 25 years has been emerging Asia's steep increase of consumption and its integration into the global flow of trades, innovation, and talent. The extraordinary yearly increase of GDP and progressively increase of Asian corporates make Asia an interesting region for investing and innovation. However, Asia still has its issues with extreme wealth gaps and a large portion of the citizens being unbanked.

Zilliqa has a strong focus on the ASEAN region and India and has strong roots in these two regions. The focus on the ASEAN region is logical, considering the growth of the population and economic growth is the highest globally. The ASEAN GDP of 2019 is estimated to be approx. 9.34 trillion dollars with a yearly growth rate of ~5,6%. The ASEAN population is 622 million, with a yearly growth rate of 1,6%. The biggest economy of the ASEAN region in Indonesia with a yearly GDP of 1.042 trillion USD. This makes Indonesia the 16th biggest economy based on GDP and the GDP growth of Indonesia is estimated at 5,2%. Indonesia is a cash-economy, considering that ~51% of the population is unbanked, this corresponds with the overall percentage of the ASEAN which is ~50%. The percentage of the unbanked population is alarming but allows cryptocurrencies like Zilliqa to penetrate the market and obtain market share. RupiahToken, the most-widely adopted rupiah-backed stablecoin that aims to drive a more inclusive and open financial system within the country is actively being supported by Zilliqa with their ZIL hive Fund. Considering that 51% of the people of Indonesia are unbanked, a stable coin could revolutionize the financial Indonesian industry. The Zilliqa team is well represented by the ASEAN and India region and most likely will have strong roots within these two regions, which will help with potential strategic partnerships and strategic investments with their Zilliqa Capital Fund.

Zilliqa is also actively targeting Open Finance (OpFi). Open finance is the next step in the evolution of banking. The shift from traditional banking to fintech will reduce the costs and improve the speed. Platforms as Zilliqa are being used to create innovative financial infrastructure and products such as stable coins (RupiahToken) and tokenized assets. The OpFi industry is one of the fastest-growing industries within the cryptocurrency industry. In 2018, the total crypto loans originated was approx. 1.1 billion USD this surpassed over 10 billion USD in 2020, which is an increase of 900%. Since January 2016, stable coin Tethers market cap has grown a whopping 1.9 million % from 951K to 18.5 Billion USD. The estimates are that the OpFi industry is at the starting point of the growth phase, especially considering that traditional payment providers are entering the cryptocurrency market.

STRATEGIC PARTNERS



A stable and strategic network is key to accelerate and drive adoption to specific industries. Zilliqa is currently backed by over 50 venture capitals and has a dozen notable partnerships. One of these partnerships is Hg Exchange, a private exchange founded by an alliance of leading financial intermediaries, licensed and regulated by the Monetary Authority of Singapore. HG exchange is the first Zilliqa enterprise project to use smart contracts to represent digital assets, securities, and privately held shares. Another notable partnership is Xfers, a payment solution for businesses in Singapore. XSGD, a token pegged 1:1 to the Singapore dollar wasdollar, was launched by Xfers and powered by Zilliqa. As highlighted before, the stable coin market is increasing rapidly and is one of the most anticipated developments in the cryptocurrency space.

PRODUCT RISKS OF ZILLIQA

Smart contracts are arguably one of the most progressive subjects within the blockchain industry. The probability of smart contracts being adopted into traditional companies is relatively high. The nature of smart contracts leads to fewer costs and a more open work field. There are a few notable projects which are constantly pioneering with smart contracts and because of the self-executing characteristics of a smart contract, a vulnerability can be devastating.

HOUSE OF CHIMERA	ZIL	ETH	ADA	NEO	EOS
Market Cap	$238,605,695 USD	$60,171,996,854 USD	$4,159,529,077 USD	$1,213,528,508 USD	$2,826,256,849 USD
TPS	2828~	15~	250~	1000~	2500~
Transaction Cost	0.00024$	2.375$	0.001051$	0.00135$	0$
Consensus Method	PoW + pBFT	PoW	Ouroboros + PoW	dBFT	dPoS + aBFT
Smart Contract Language	Scilla	Solidity	Plutus	C++, C#, Js/Ts, Python, Go	C++*
Sharding	Yes	No	No	No	No
Mainnet Launched	31-01-2019	30-06-2015	29-09-2017	10-2016	-
Smart contract support	Yes	Yes	No	Yes	Yes

*IN THEORY YOU CAN USE ANY LANGUAGE THAT CAN COMPILE WASM, BUT THE MOST APPROVED LANGUAGE IS C++.

Ethereum is considered the most sizable network and is using solidity as smart contract language. Ethereum has its fair share of security issues and vulnerabilities in these smart contracts, such as DAO and the Parity wallet freeze. Zilliqa uses Scilla which has one clear benefit, increased security. However, there is one major negative effect of Scilla, it is a harder smart language than Solidity and less accessible for developers, it is considered as an 'intermediate' smart language. Earlier in this report, the significance of accessibility has been highlighted. In general arguably how more accessible your product is, the probability of getting adopted by a target audience will increase.

Zilliqa is mainly focusing on the ASEAN market, which is arguably a logical thing to do. However, focusing on a specific geographical region and using your resources to achieve a certain target could lead to a neglection of other regions. Ethereum is by far the biggest competitor of Zilliqa considering that Ethereum has the largest market share and amount of goodwill. Ethereum is well known, especially in the Western world, and Zilliqa still has to achieve this in the Western world.

A benefit of operating in a competitive rational market is that innovation will be rewarded. The reasoning goes as follows; In a rationally efficient market, solely projects which bring innovation will eventually succeed. A rational investor will not invest in a BBB project if there is a similar top-notch project. If we follow this reasoning, Zilliqa will prevail and if their growth strategy works as intended it could set a new standard for the cryptocurrency and financial industry.

AMA

COMMUNITY QUESTIONS:

Question: What is the reason that the team is mainly focused on the ASEAN market but seems to neglect the US market? (@Aurumcollective)

> *We do not neglect the US market or any other market, but we believe that countries in the ASEAN region have very different needs compared to other markets specially given that billions of adults in that region do not have access to basic finanical products and services. Also, a product and service that may work in other countries may not work very well in the ASEAN region. To this end, we have been working with partners to develop blockchain-backed products and services to serve the market needs. This includes a Singapore dollar backed stablecoin issued by our partner Xfers to be followed by an Indonesian Rupiah backed stablecoin, a security token exchange called HGX among others.*

Question: Are there projects moving from the Ethereum network to the Zilliqa Network and how many projects are taking this opportunity? (@Adam91107088)

> *We do not have concrete data but yes there are projects moving to Zilliqa from Ethereum. Most noticeably because of the high fees. One of these project is called UFFS (see https://uffsports.com/). They are currently working on integrating with Zilliqa and preparing for launch. Stay tuned…*

Question: Last year, Zilliqa did sell off tokens which led to distrust in the team. What will prevent the team to do this again? (@SatoZilNakamoto)

> *We are very mindful of tokens being moved for investment or for other purposes. Naturally, each project has the right to use the tokens which is why they are being allocated to the team. But we do understand the concerns of community members which is why we focus on providing the right context in case this happens.*

QUESTIONS BY HOUSE OF CHIMERA

Question: If you had to choose one clear advantage on the Ethereum network (Besides speed of transactions) what would it be and why would it be this advantage?

Zilliqa leverages proof-of-work (PoW) to establish identities and perform sharding. However, unlike several existing blockchain platforms (such as Ethereum and Bitcoin), Zilliqa does not employ PoW to achieve consensus. This provides several advantages: 1. PoW can be performed after, say every few hundred blocks. As a result, the high energy cost often associated with PoW will not apply in Zilliqa. In fact, we estimate that the cost of running a Zilliqa node will be about 1/10 of running an Ethereum node today.

Since miners reach consensus on several blocks with a single PoW, Zilliqa ensures a much more stable payout with low variance.

Furthermore, the unprecedented throughput of Zilliqa implies that the processing fee per transaction can be very low. In many of today's popular blockchains, users have to compete for the few transactions processed per second. As a result, transactions with low or insufficient fees experience delays in processing. Such issues will be significantly alleviated in Zilliqa as the number of transactions processed per second becomes several hundred more and beyond.

Zilliqa will also support a smart contract platform with a formally verifiable language that is sharding-friendly, i.e., it will allow users to compute programs in parallel, harnessing the full computational capacity of the mining network. For instance, the Zilliqa platform will allow users to build distributed advertising networks, decentralized exchanges, conduct parallel auctions, deploy MapReduce-style trading algorithms, run a shared economy, etc.

Question: How will Zilliqa be sustainable and especially have the edge on direct competitors, considering it is a highly competitive market Zilliqa is in.

We have intentionally focused on building a robust design for our blockchain from the start and also developed a safe-by-design smart contract language that fits well with the protocol. What you see now is that many of these blockchains are somewhat speculative in their design choices. Proof of Stake as a consensus mechanism for example is somewhat new and hasn't been battle tested yet for smart contract protocols. It's still in its infancy and there have been many articles (e.g. from Haseeb https://haseebq.com/how-defi-cannibalizes-pos-security/) talking about the potential issues that could arise. This is why projects like Ethereum are very careful when moving towards ETH 2.0 as it still is very experimental and new. This also applies to all the other new consensus mechanisms that are being developed and tested.

Proof of Work on the other hand has been battle tested for about 10 years now and PBFT has strong academic roots. It is also extremely important to ensure that a smart contract deployed on a blockchain is bug free and safe. As you can see recently in the news, there have been so many hacks and problems on Ethereum due to unsafe smart contracts. We therefore also developed Scilla to prevent this. Both advantages mentioned above we think can give us an edge.

Question: Is there an exciting feature, listing, or partnership within the short term horizon, you would like to share with us and the cryptocurrency community

We cannot announce 'secret things' in advance but there are many exciting things coming up. Zillacracy, Zilliqa's community hub, is working on some exciting stuff. ZILHive is growing and expanding and adding really interesting projects, Zilliqa Capital is on its way to raise funds and launch to inject more capital in the Zilliqa ecosystem and more projects are joining us and working with our new Commercial Technology team to launch on Zilliqa. So 2021 will be a good year!