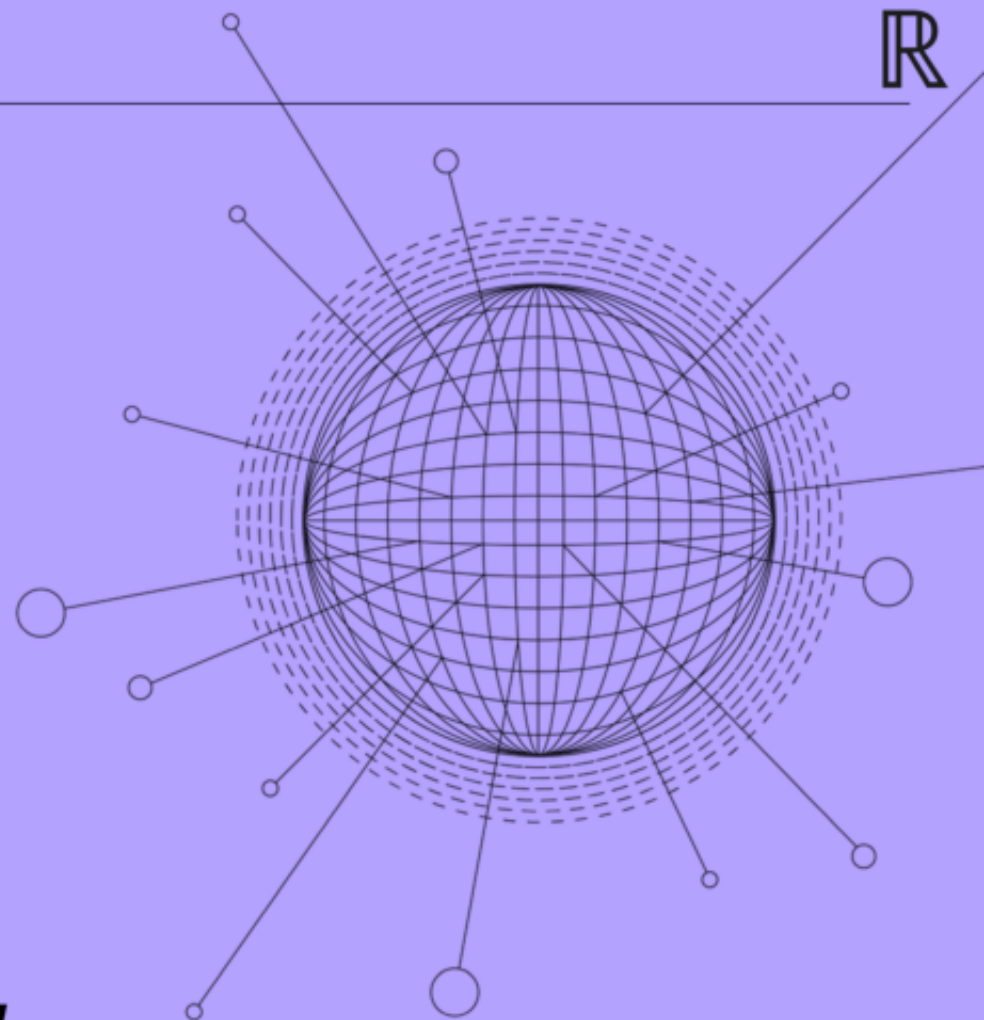
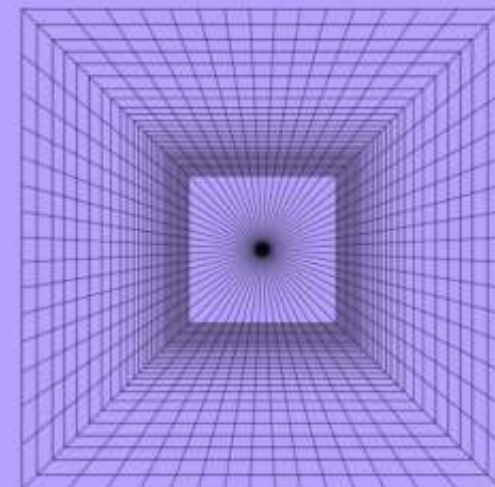


AI Act // GenAI



*Finding the delicate balance
between productivity and safety*



Tarry Singh

CEO DK AI Lab, CEO,
Real AI & VC @ Various AI
startups

e-mail: tarry.singh@deepkapha.com

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ABOUT US

REAL AI

A **deepkapha** Company
AI Research



Unleashing AI from Labs to Production

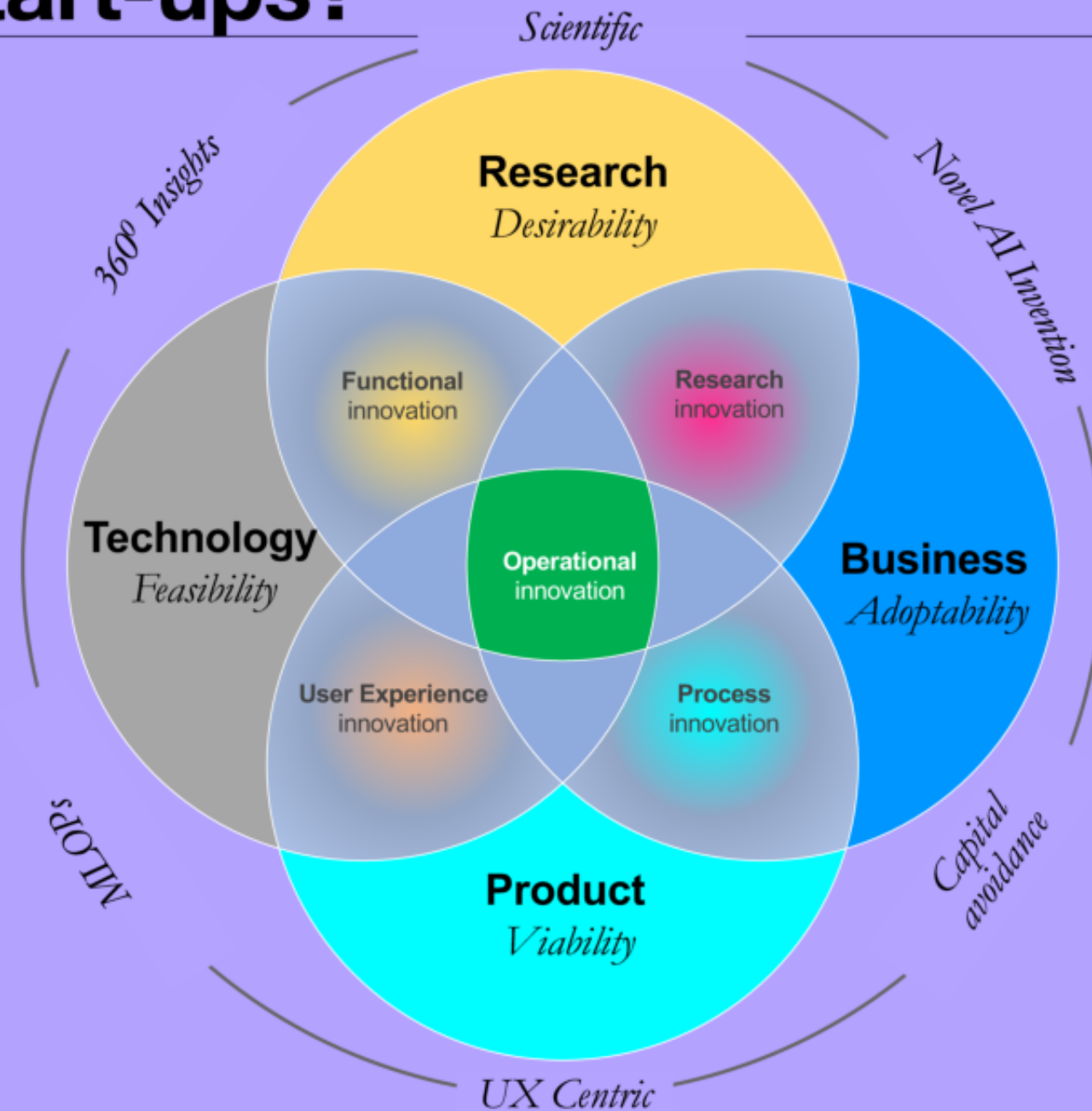
We love building awesome and intuitive applications for our clients

Where we play?



Real AI, a deepkapha.ai company, is an Enterprise AI start-up that develops production-grade AI products, solutions and services for global enterprises.

How we build start-ups?



The Founders



Foke Van Der Helm
Chairwoman & CFO



Tarry Singh, Drs
CEO, CCO



Tanni Maiti, Dr
Head Engineering



Narendra Patwardhan
Head AI

1



PRODUCTIVITY

STATE OF GEN AI IN 2023

Artificial Intelligence

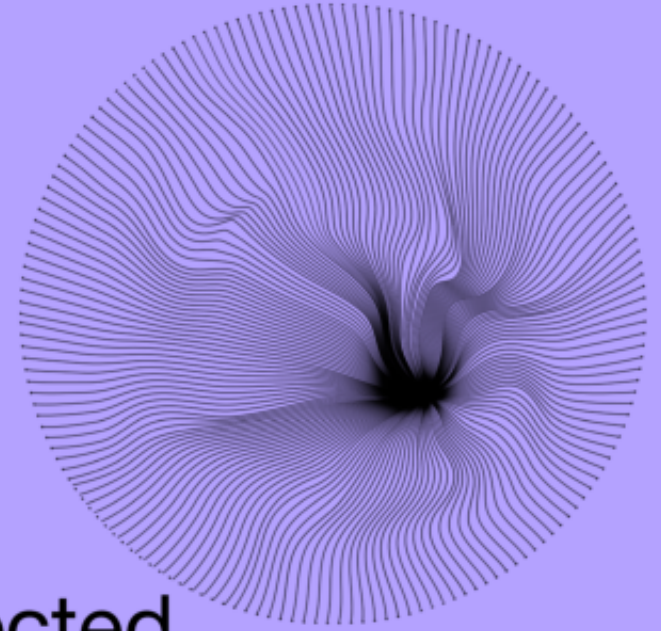


Creating The Assembly Line For Knowledge Workers

Generative AI **doubles** knowledge worker productivity with AI coding assistants.

AI training costs dropping **70% annually**, expected to continue.

AI could **boost global labor productivity at least 4x** by ~\$200 trillion by 2030.



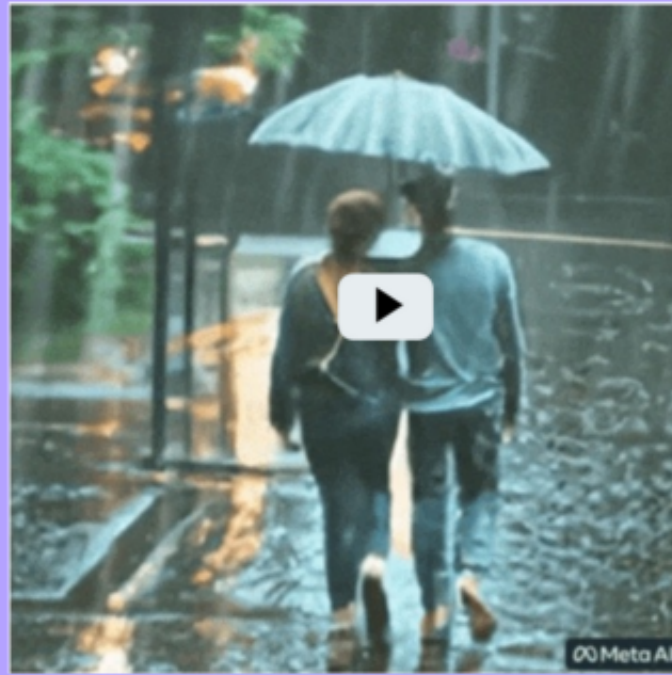
Generative AI – 2022 and beyond



Prompted by a short text, generative AI models can produce images, code, text, audio, and video. In less than one year, dozens of generative AI projects created models that progressed from grainy images to high-quality 3D models and videos.



DALL-E 2: "An astronaut riding a horse" Publicly available September 2022



Meta Make-A-Video Announced September 2022



Open-Source Stable Diffusion 2.0: Released November 2022

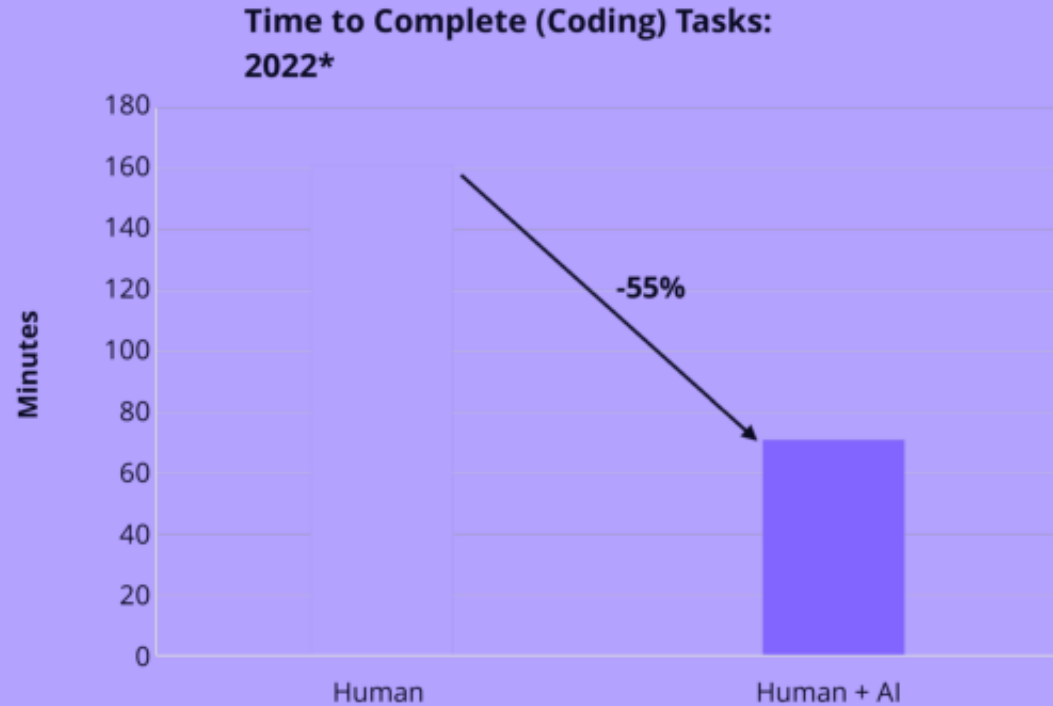
Increasingly Dropping Cost



AI Is Increasing The Productivity Of Knowledge Workers

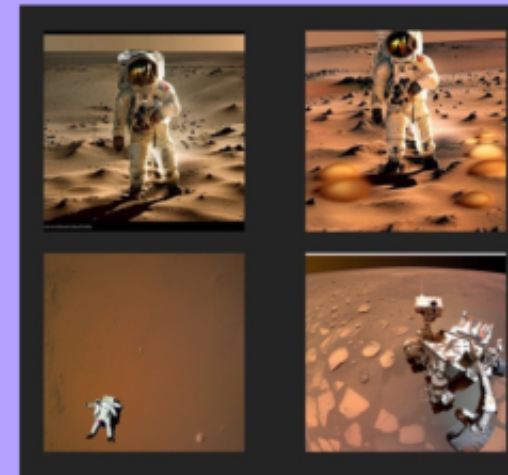
Coding Assistants

Software engineers completed a coding task in less than half the time with AI coding assistant GitHub Copilot.



Generative Image Models

According to our research, AI can create a graphic design for just \$0.08** in minutes —a *di minimis* cost compared to \$150 for human labor.



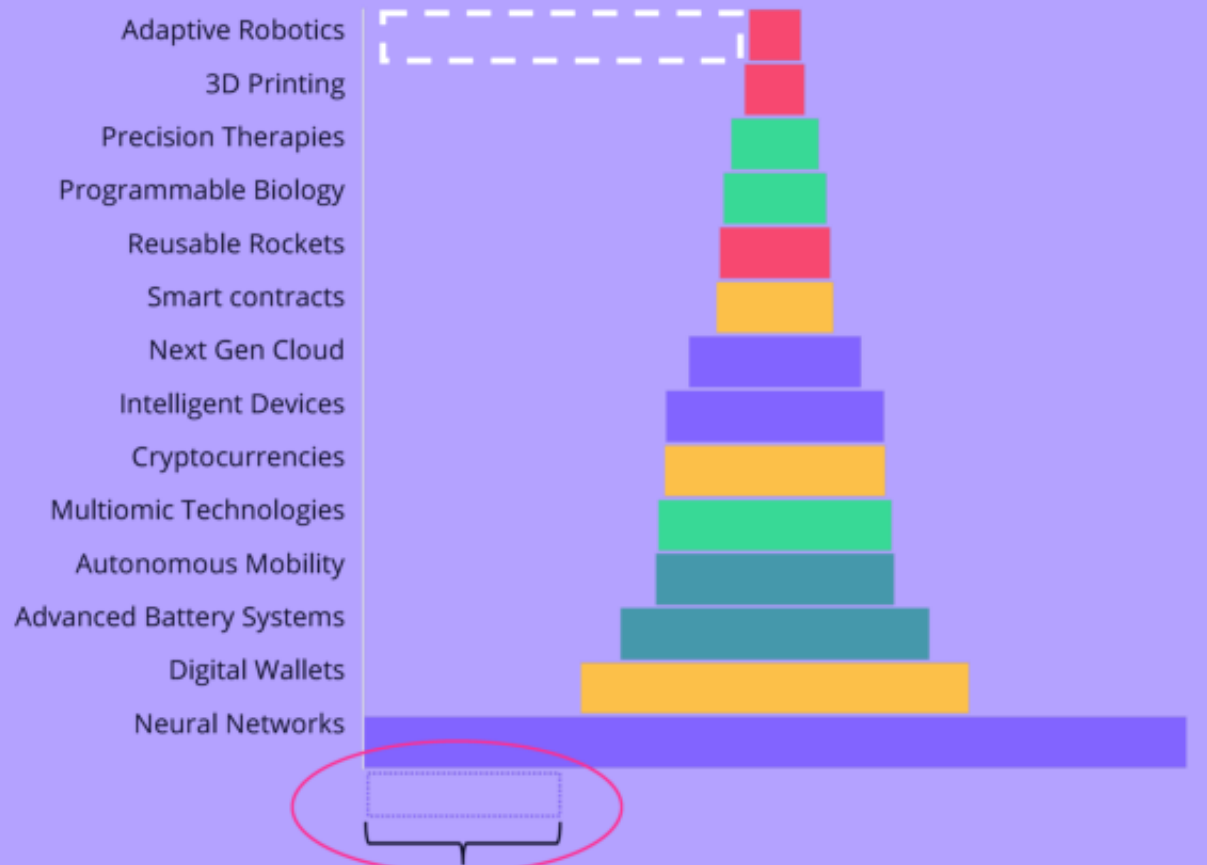
<u>Human</u>	
Cost	\$150
Time	5 Hours
<u>Generative</u>	
AI Cost	\$0.08
Time	< 1 Minute

*Based on data from GitHub. **Generative AI models translated “a picture of an astronaut on Mars” into multiple images in just a few seconds. Sources: ARK Investment Management LLC, 2023. Kalliamvakou, E. 2022. Forecasts are inherently limited and cannot be relied upon. For informational purposes only and should not be considered investment advice or a recommendation to buy, sell, or hold any particular security. Past performance is not indicative of future results.

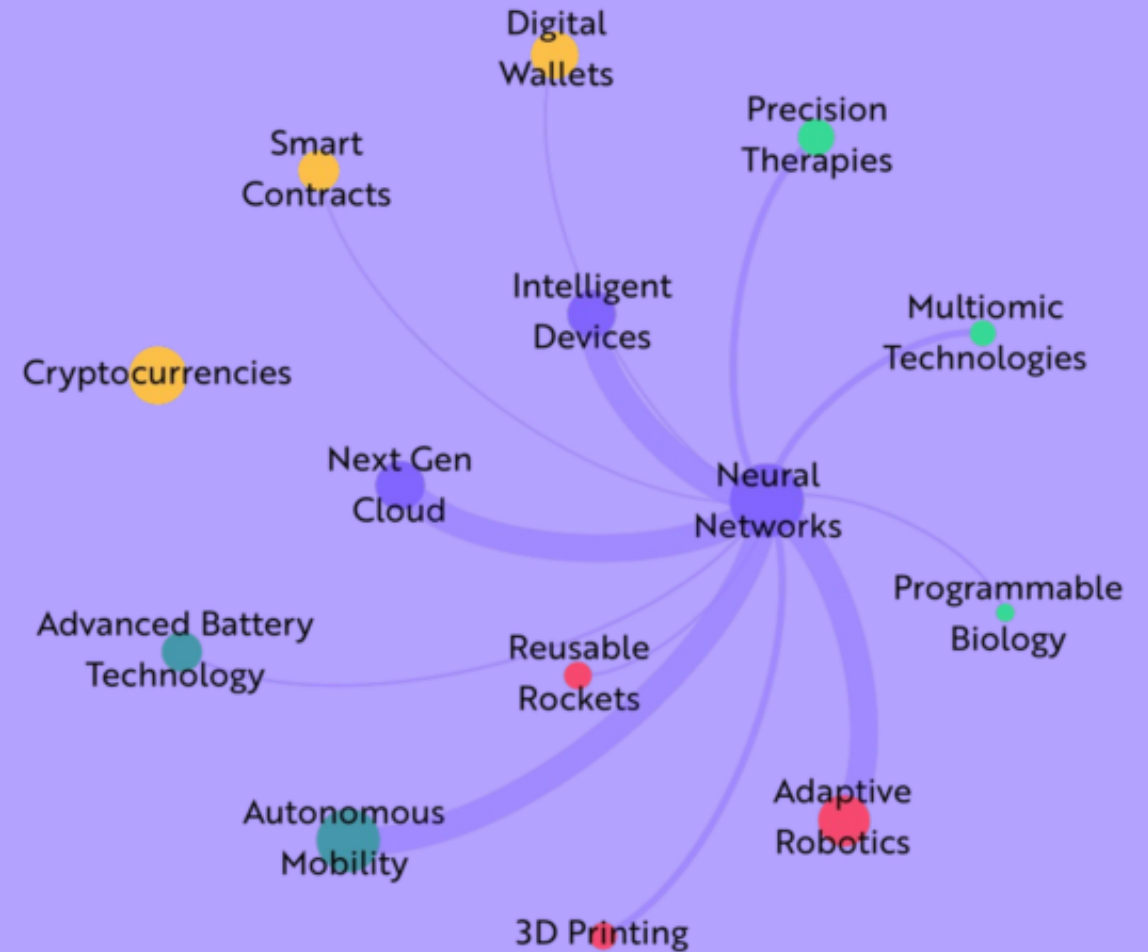
And Neural Networks Are The Foundations



Relative Importance as a Catalyst



Represents an **order of magnitude** increase in the commercial potential of another technology.



* Sources: ARK Investment Management LLC, 2023.

Manufacturing and AI



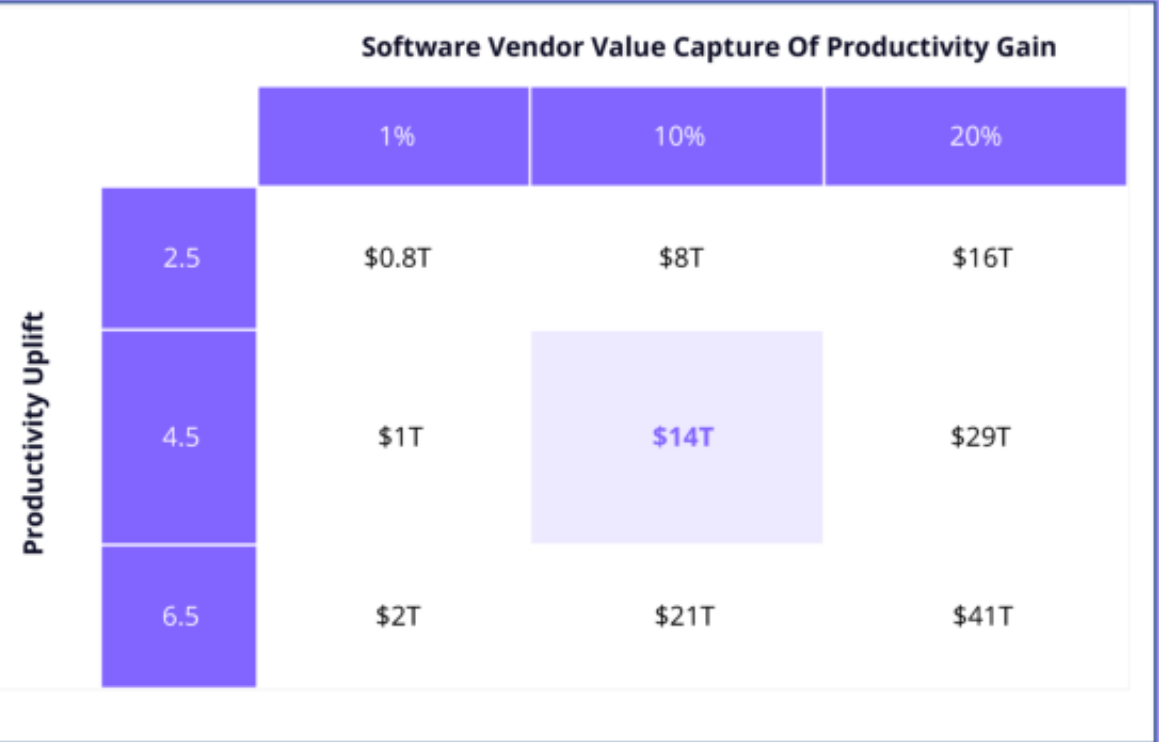
AI Should Increase Knowledge Worker Productivity Dramatically

AI adoption could quadruple productivity, rivaling 2030's global GDP projections

Estimated Human Knowledge Work Wages Relative To AI Spend In 2030

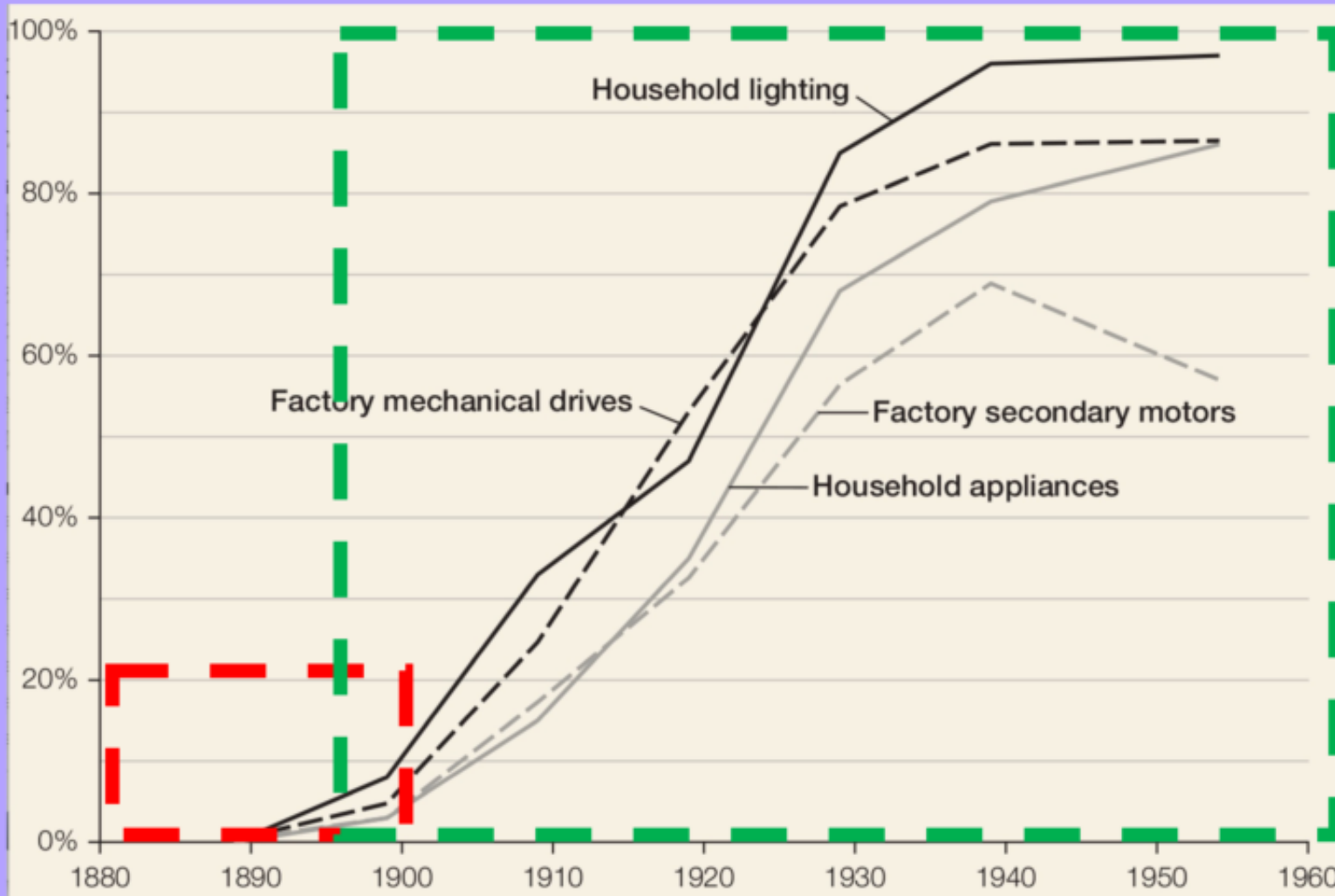


AI Total Addressable Market (TAM) Forecast In 2030



* Sources: ARK Investment Management LLC, 2023.

The Great Decoupling in coming Next, just like what happened with Electricity



AI, like electricity, shifts value from "**lower cost of prediction**" to enabling "**vastly more productive systems**" by decoupling prediction from decision-making aspects.

2



SAFETY

STATE OF AI ACT GLOBALLY

EU

US

AU

ME

AF

SA

CN

IN



Establishing International Standards.

Enhanced Consumer Protection

Potential for Responsible Innovation

Limited Extraterritorial Impact

Risk of Losing Competitive Advantage

Potential for Miscalculation

US

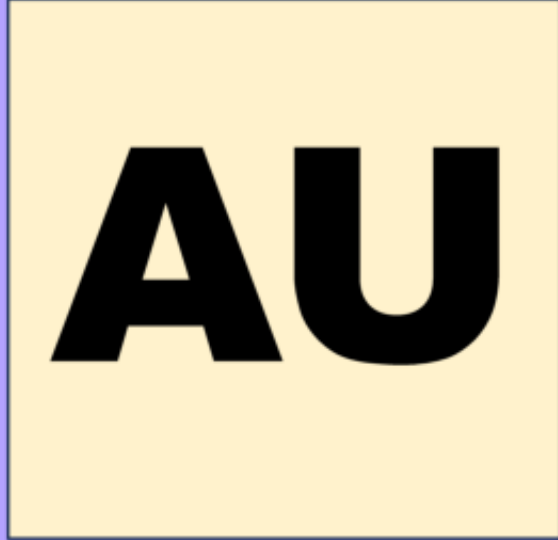
Extraterritoriality clause may push the USA to regulate AI more thoroughly.

High-risk apps could come under stricter scrutiny.

Potential for Responsible Innovation

Increased costs and potential reorganization of business models

Potential conflicts between the EU and US



Increased safety and privacy

Transparency and Accountability

Better Risk Management

Regional Conflict with Non Compliant Nations

Potential impact on Costs and Worker Productivity (Due to added Regulatory Constraints)

ME

NA

Establishing International Standards.

Enhanced Transparency

Consumer Protection

Potential Barriers to AI Adoption

Uneven Impact

Uncertainty and Lack of Clarity

BRIC

All are working on some form of AI bill or Law (No Act).

- Digital India Bill (WIP)
- Brazilian House of Representatives has approved a bill to regulate AI
- Russia Experimental legal regime known as "digital sandboxes" (Federal Law No. 258-FZ)

EU AI Act has certainly put all nations in thinking mode.

No single AI Bill, Directive or Law will be same.

Nations with large younger population seem to be pro-AI developments and maybe less inclined to finally follow through with AI Act.



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We are an employee-owned firm, operating globally from offices across Europe, HQ in North America, and are soon to announce expansion to MENA and Asia Pacific.

We are AI experts in oil & gas, energy, financial services, education, manufacturing, logistics, government and public services.

Our deep industry domain knowledge together with skills in management consulting, AI technology and innovation allows us to foster unconventional thinking and deliver exceptional results with sustained longer term impact.