Date
2025

Project Meridian

Business Challenge

MFIN - Team 8

Executive Summary

1	**THE OPPORTUNITY** Asia-Pacific private wealth >21% of global, projected $99T by 2029. Hong Kong & Singapore: $1.7T cross-border inflows, ~4,000 family offices. UK: $13T AUM with 80%+ advisor adoption of model portfolios.
2	**THE SOLUTION** AI-powered risk-intelligence platform that delivers downside risk management and differentiated analytics for institutional wealth managers. FinTech model, not asset management yet.
3	**THE STRATEGY** Phase 1 (0-6M): Non-dilutive capital, validate with pilots in Hong Kong Phase 2 (6-24M): Strategic equity, scale via platform integrations (UK + APAC) Phase 3 (24+M): Dual-path optionality — FinTech scale or asset management launch
4	**THE ASK** Strategic equity from family-office-aligned AI/fintech VCs to compress time to scale while preserving founder control and product-market fit validation.

"Generational Preservation"

The Problem

- Independent family offices lack the risk infrastructure of large hedge funds
- No internal "air-defence system" to manage regime shifts, correlation spikes, and drawdowns
- Scaling risk management internally is costly, slow, and operationally complex

Proposed Solution

- An end-to-end institutional AI decision-support layer
- Enhances existing strategies without replacing human judgment
- Delivers hedge-fund-grade analytics without hedge-fund overhead

The Outcome

- Capital preservation across generations
- Targeting growth-tier returns with materially lower downside volatility

Ingest

Live portfolio data identifies hidden factor and correlation exposures

Scan

AI continuously monitors global market regimes for early stress signals

Signal

Timely alerts enable shifts from vulnerable assets into cash or defensive positioning



Business Strategy: "Tech First, Fund Later"

Phase 1 (Current): FinTech / Research-as-a- Service

- Non-discretionary signals, analytics and portfolio diagnostics
- Immediate monetisation without licensing friction
- High scalability and global reach

Phase 2 (Future): Licensed Asset Management

- Activated once track record and credibility are proven
- Enables optional capture of asset-based fees

Strategic Logic: Build trust and data history before assuming regulatory cost and balance-sheet risk



Core Market: APAC (Hong Kong & Singapore)

21%

Asia's Global Wealth Share

Projected to reach USD 99T by 2029

$1.7T

Net Cross-Border Inflows

2019-2024

4,000

Family Offices

Across HK & SG

$5.8T

Intergenerational Wealth Transfer

Driving family office growth

Why APAC?

- Asia-Pacific is one of the fastest-growing private wealth regions globally Hong
- Kong & Singapore are Asia's two main private wealth and booking centres

Investment Priorities

- Capital preservation
- Downside risk management
- Alternatives

UK: Distribution Market

Market Size

UK AUM : USD 13T (36% of Europe) concentrated in major wealth platforms

- Platform-driven distribution enables scalable licensing (one-to-many)

Platform Shift

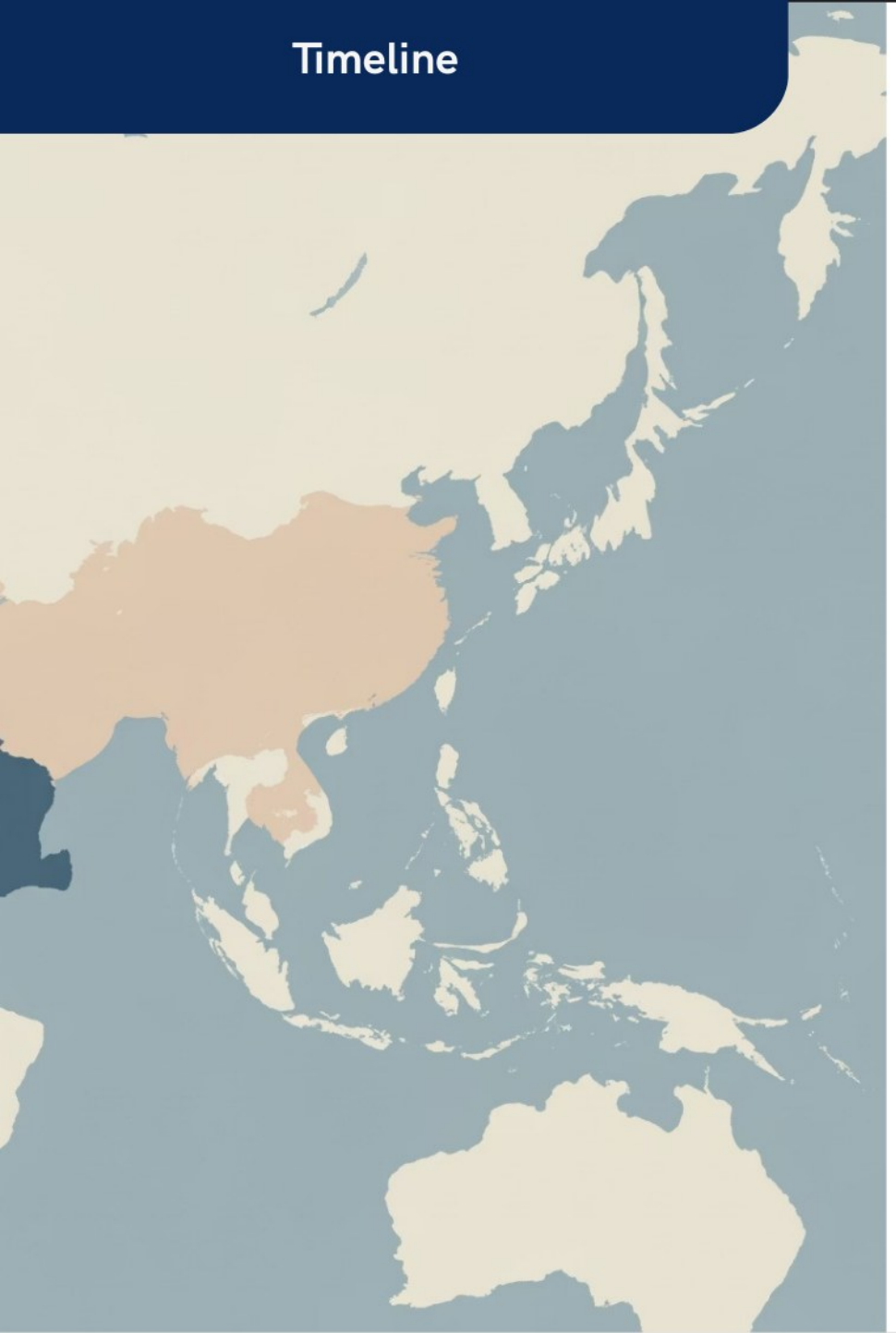
- Shift toward platformization and model portfolios
- Over 80% of advisors use model portfolios

Distribution Channels

Wealth platforms and RIAs as primary long-term license buyers

Regulatory Environment

Regulatory transparency increases demand for differentiated analytics



Strategic Focus & Expansion Path

1. **Hong Kong**
   Core validation and relationship hub
2. **Singapore**
   Natural APAC expansion for family offices
3. **UK**
   Scalable licensing and platform distribution
4. **Cayman Islands**
   Global fund-structuring hub supporting investment vehicles (not a client-acquisition market)



Why Focus on Family Offices in Hong Kong

Structural Demand

- Lean investment teams of 2 - 10 professionals managing complex, multi- asset portfolios
- 70% of APAC FO rely on customised mandates, not standard product
- High demand for transparent, explainable, human-in-the-loop AI
- Low tolerance for black-box or fully automated allocation

Strategic Fit

- Relationship-led FO ecosystem rewards trusted, credible entrants
- Lower customer acquisition cost and faster time-to-revenue
- Higher probability of near-term monetisation vs reallocating to new segments

Why the FinTech Model (vs Asset Management)

FinTech continuation	Switch to Asset / Wealth Management
Additional DCO salary:~$80k	SFC Licensing & Setup: $60k Compliance Officer: $80k Regulatory Reporting & Audits: $40k PI Insurance: $20k Fund Administration / Operations / Reporting: $80k Legal & Risk Support: $30k

Total Annual Cost	**FinTech: ~$80k** **Asset / Wealth Management: ~$310k + >$1 investment**
Conclusion	**FinTech path is 4x cheaper Structurally and 16x in total**



Regulatory Safety & Governance

Core Model

Who: Corporate / Professional Investors only (B2B) from Family Offices.

What:
- Market intelligence, benchmarks, probability signals.
- No recommendations, execution, or portfolio control.

How:
- Public 'Apply for Access' platform.
- Establishes publisher status, avoiding advisory classification.

Governance

Data Compliance Officer (DCO)
- Annual cost: ~$80k
- Focus: data integrity, bias, privacy, and auditability
- No investment decision authority

Snapshot Rule
- Outputs delivered as periodic briefings, not live execution feeds
- Reinforces classification as research publisher, not trading venue

Liability Protection

As-Is Data Disclaimer:
- Analytics for benchmarking only.

Anti-Collusion Covenant:
- No coordination of trades between clients.

Corporate Gate:
- B2B only — no consumer protection exposure.

Competitive Landscape & Pricing

Large Competitor: Bloomberg

- Revenue: ~$15B | EBITDAmargin:~40%
- Pricing: ~$28k per user per year
- Typical FO: $56-140k annually
- Strength: unmatched data breadth and workflow integration
- Limitation: generic analytics, no mandate specific strategy improvement

Regional Competitor: AQUMON (Hong Kong)

- QuantWealth platform focused on asset allocation & implementation
- 2024 revenue: ~$67.2M
- Monetises via AUM-linked fees and institutional partnerships
- Strength: scalable, regulated implementation
- Limitation: pre-defined models, limited flexibility for bespoke mandates

Proposed Pricing (More Attractive)

- Tiered annual subscription per family office
- One-time implementation & customisation fee
- Cheaper than competitors
- More flexible than AUM-based platforms like AQUMON

Not a Big Box Asset Manager We're AI Fintech

What We're Not

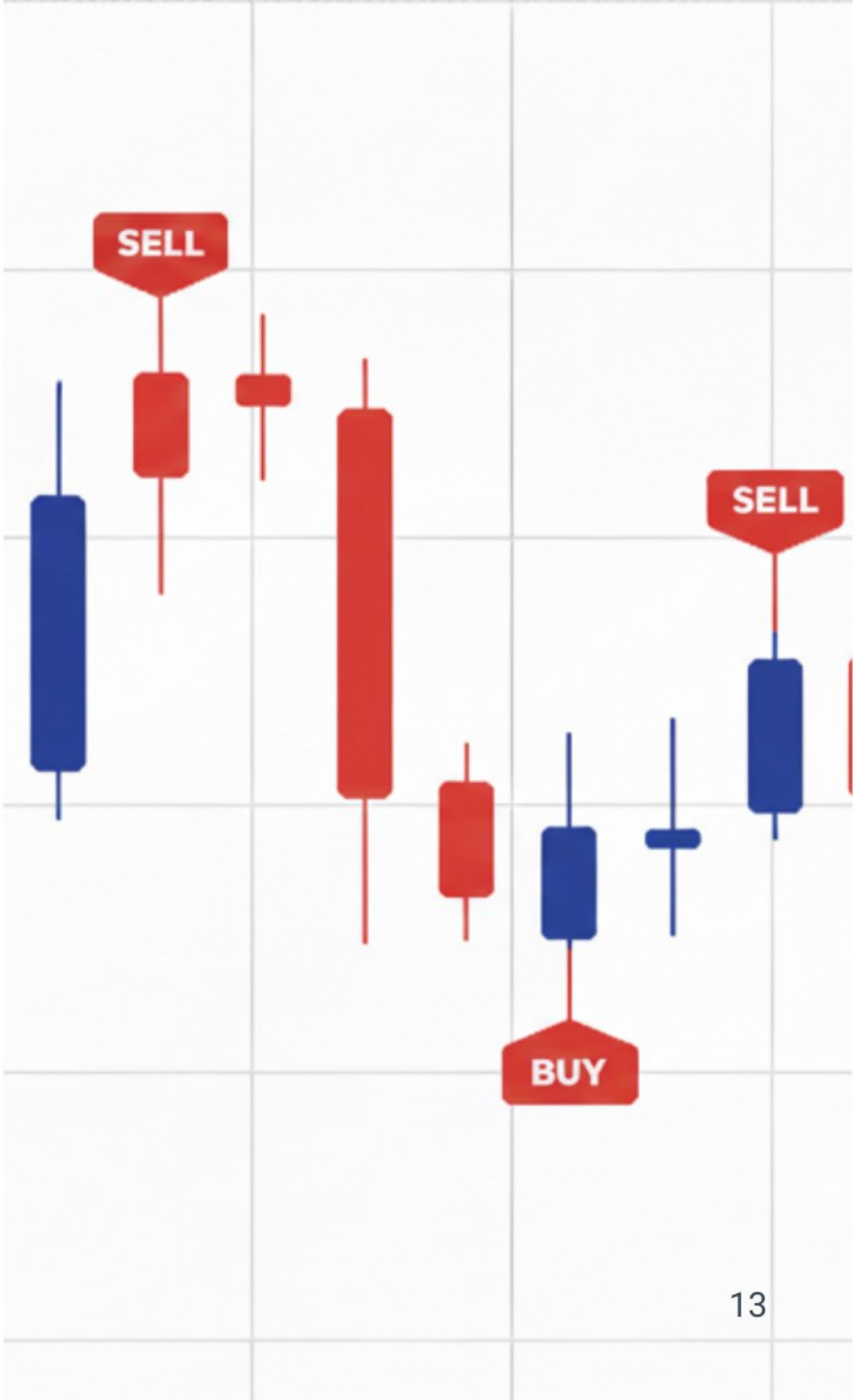
- Big Box asset manager
- Fund factory

What We Are

- AIFintech signals & reports
- B2B technology provider

Why It's Different: Explainable AI

- Every signal can be explained and audited, not a black box



Superior Economics & Unique Client Value

Monetization



Our strategy focuses on a highly scalable monetization model:

- Multiple distributors (wealth managers, ETF issuers, platforms)
- License-based scaling & signal volume
- High margins, light capital

Client Value



We provide unique value propositions to our family offices:

- Audited track record
- Fully customized strategy & research
- Structural advantage vs. competitors

Business Model



Our business model is designed for superior value creation:

- Software valuation multiples
- Asset-light scaling
- Recurring revenue

Credibility Before Capital

Short Term (0-6 Months)

Why This Phase Exists

- Prioritize institutional trust over valuation optimization
- Avoids premature equity dilution
- Aligns with proven fintech-intelligence precedents

Eligible funding opportunities

- Cyberport Incubation Program (Max HK$500 K)
- Enterprise Support Scheme (Max HK$10 million)
- British Business Bank (Max £10 Million)
- UK Research and Innovation (Fund total capacity: £100 million)

Outcome

- Embedded institutional usage
- Clear proof of institutional relevance
- Established credibility without equity dilution

Use Equity to Scale Distribution, Not Headcount

Medium Term (6-24 Months)

Why Equity

- Product already validated
- Equity accelerates reach, not experimentation

Capital Deployment

- Platform integrations with wealth-tech infrastructure
- Selective GTM expansion
- Strategic minority equity round
- **Target investor profile:**
  - Bank-affiliated venture arms
  - Asset-manager innovation funds
  - Wealth-tech corporate VCs

Outcome

- Structural scale without bloated headcount
- Faster access to family offices
- Distribution partnerships compress time-to-market

Long-Term (24+ Months): Dual-Path Scale Enabled by Equity

Objective: Preserve strategic choice while scaling globally.

Path A: FinTech-Only Scale

- Funding: Growth equity round
- Valuation: Benchmarked to listed fintech SaaS comparables
- Target investors: UK & APAC fintech-focused VCs
- Focus: International expansion, deeper AI capabilities, broader platform integrations
- Outcome: High-margin, asset-light intelligence platform

Capital from late-stage fintech VCs / corporate venture arms

Path B: Optional Asset-Product Extension

- Funding: Strategic minority equity (if pursued)
- Execution: ETFs, SMAs, or model portfolios via partnerships
- Target partners: Mid-sized, innovation-led asset managers
- Outcome: Asset products as an extension of proven intelligence

Available only once recurring revenues and family-office trust are established

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CONCLUSION

- By remaining fintech-only and family-office focused in the initial phases, the firm removes the primary barriers to adoption and accelerates institutional growth.

- By sequencing capital exactly as outlined, the firm converts credibility into scale without compromising strategic flexibility or ownership.

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APPENDIX

IV.1 Comparative Summary Table — Precedent Fintech Financing Paths

Company	Core Business Model	Financing Path	Product Evolution (Condensed)	Revenue Model	Credibility Catalyst	Scaling Outcome
SimCorp	Institutional investment infrastructure (software & analytics)	Organic growth → IPO (2000) → Strategic acquisition (2023)	Standalone portfolio software → Front-to-back system (Dimension) → Cloud-native platform → Open ecosystem (SimCorp One)	Enterprise software licensing/subscriptions	Adoption by asset owners (insurers & pension funds); creation of IBOR standard; acquisition by Deutsche Börse	Scaled to global mission-critical infrastructure without managing assets
Envestnet	WealthTech platform & advisor operating system	VC-backed → IPO (2010) → PE-led take-private (2024)	TAMP marketplace → Advisor desktop (Tamarac) → Data & planning ecosystem (Yodlee, MoneyGuide) → Integrated wealth platform	Asset-based platform fees → Hybrid SaaS + licensing	Mass adoption by advisors & broker-dealers; platform distribution power	Scaled via workflow lock-in and distribution control, not discretionary management
AlphaSense	AI-driven market & investment intelligence	VC-led from seed → late-stage growth equity (2019–2024)	Financial search engine → Proprietary content aggregation → Research workflow platform → GenAI-driven intelligence suite	Per-seat enterprise SaaS subscriptions	Buy-side adoption (hedge funds, asset managers) → corporate & regulatory uptake	Scaled pure investment intelligence via subscription revenue and platform depth
Yewno	AI knowledge graph & thematic discovery	Early-stage VC only → stalled growth → inactive	Scientific inference engine → Academic discovery tool → Attempted financial intelligence & index applications	Licensing/data partnerships (non-scaled)	Academic prestige (Stanford); index partnerships (Nasdaq, STOXX)	Failed to translate AI differentiation into sustained institutional adoption