

MINTED DATA ROOM MEMO

Use of Funds

How the \$5M seed round funds 18 to 24 months of runway through mainnet launch and Year 1 of operations.

Capital is deployed against four launch gates, not exploratory R&D.

Sales, BD, and Partnerships is the largest single line at 35%. The protocol is built, so engineering spend is mainnet readiness and integration, not ground-up development.

OpEx scales sublinearly with revenue. Operating margin expands from 70-75% at \$250M TVL to 85-86% at \$1B TVL.

\$5M

Seed round funding target

18-24 mo.

Runway through launch and Year 1

35%

Largest allocation: institutional BD

85-86%

Projected margin at \$1B TVL

Allocation Summary

Budget is structured around Minted's actual operating model: regulated financial infrastructure, institutional distribution, partner-led custody and issuance, and a lean Canton technical core. We are not building a large engineering organization. Core protocol work is focused, while the highest-leverage spend is institutional BD, legal and compliance, issuer and custody partnerships, and reserve operations.

Current OpEx composition (pre-mainnet operating run rate)

CATEGORY	ALLOCATION	AT \$5M	DETAIL
Sales, BD, Partnerships <small>PRIMARY</small>	35%	\$1,750,000	Founder-led institutional sales, strategic partner coverage, family office and asset-manager pipeline, issuer and custodian relationships, Canton ecosystem BD.
Legal, Compliance <small>CORE</small>	25%	\$1,250,000	Entity structuring, issuer agreements, securities analysis, stablecoin reserve framework, Cayman, BVI, Lux, and US counsel.
Engineering <small>CORE</small>	25%	\$1,250,000	In-house Daml team. Protocol is built. Spend is mainnet readiness, integration, and maintenance, not ground-up development.
Reserves and Treasury Ops <small>CORE</small>	5%	\$250,000	Pre-launch baseline. Scales with TVL post-mainnet against the reserve management framework.
G&A <small>CORE</small>	5%	\$250,000	Lean overhead. Scales sublinearly with revenue.
Audit <small>CORE</small>	5%	\$250,000	Softstack retainer covering Canton Protocol and Institutional Vault scope. Current-architecture audit in progress.
Total	100%	\$5,000,000	18 to 24 months runway through mainnet launch and Year 1 of operations.

Capital Deployment Gates

Capital is sequenced against four near-term gates rather than a quarterly burn schedule. Each gate defines a specific operational state Minted reaches before the next tranche of spend activates.

GATE	OPERATIONAL DEFINITION	FUNDED BY
1. Mainnet protocol architecture stability GATE	Production-grade Daml protocol on Canton with mint, settle, redeem, and vault flows live. Independent audit and 5North sandbox validation complete.	Engineering, Audit
2. Entity infrastructure operational GATE	BVI mUSD issuer live. Cayman SPC plus Bermuda DABA administrator live for the smUSD Institutional Yield Vault. Texture Capital perimeter active. Anchorage or BitGo Stage 3 partner selected.	Legal, Compliance
3. Day-1 institutional onboarding pipeline activation GATE	First counterparties moved from MOU and LOI into definitive documentation. Initial \$25M to \$50M minting volume committed across pre-coordinated institutions.	Sales, BD, Partnerships
4. Reserve management framework live GATE	Reserve held with regulated banking and custody partners. Daily mark-to-market and reconciliation operational. Monthly disclosure and proof-of-reserves attestation cadence established.	Reserves and Treasury Ops, Audit

Projected OpEx at \$250M TVL

Operating composition shifts post-mainnet as the protocol matures and reserve operations scale with TVL.

CATEGORY	ALLOCATION	ANNUAL \$	DETAIL
Sales, BD	35%	\$1,050,000	Dedicated institutional BD hires; regional coverage across Asia, ME, EU; issuer, custodian, and marketplace onboarding.
Engineering	22%	\$660,000	Core team on a built protocol; integration and feature work, not new-build.
Legal, Compliance	22%	\$660,000	Multi-jurisdiction regulated operations; Stage 2 and 3 (Lux and MiCA) preparation. US issuance.
Reserves and Treasury Ops	9%	\$270,000	Custodian fees, daily mark-to-market, monthly disclosure reporting.
Audit	8%	\$240,000	Softstack retainer plus recurring attestations; Big Four reserve attestation begins.
G&A	4%	\$120,000	Lean overhead.
Total Annual OpEx	100%	\$3,000,000	Revenue \$10-12M (sublinear interpolation). Operating margin 70-75%.

Estimated revenue at \$250M TVL: ~\$10-12M (sublinear interpolation between \$4.13M @ \$100M and \$49.08M @ \$1B). Estimated operating margin: 70-75%.

Projected OpEx at \$1B TVL

At scale, BD remains the primary growth investment while engineering, legal, and audit are contained against the fixed regulated multi-entity structure. Reserves and Treasury Ops scales with TVL.

CATEGORY	ALLOCATION	ANNUAL \$	DETAIL
Sales, BD	38%	\$2,660,000	Multiple regional institutional BD leads and account management; the primary growth investment.
Engineering	20%	\$1,400,000	Mature built protocol; feature scope (cross-chain, additional vault strategies, institutional API).
Legal, Compliance	16%	\$1,120,000	Full Stage 1, 2, and 3 operational; US Stage 3 activation amortized.
Reserves and Treasury Ops	15%	\$1,050,000	Custodian fees, attestation, monthly disclosure; scales with TVL.
Audit	7%	\$490,000	Quarterly attestations across jurisdictions; Big Four ongoing.
G&A	4%	\$280,000	Lean overhead.
Total Annual OpEx	100%	\$7,000,000	Revenue \$49.08M per Pro Forma V4. Operating margin 85-86%.

Estimated revenue at \$1B TVL: \$49.08M per Pro Forma V4. Estimated operating margin: 85-86%.

Scaling Logic

Three structural patterns drive sublinear OpEx scaling against revenue.

1. Institutional BD is the primary investment and the moat

Minted is a financial services company. Value is created by onboarding issuers, custodians, marketplaces, and allocators into real settlement workflows, which is relationship-driven and slow. BD is the largest line and the one that grows with the business.

2. Engineering, legal, and audit are contained

The core protocol is built, so post-mainnet engineering is integration, maintenance, and feature work, not ground-up development. It scales with feature complexity rather than TVL and declines as a share of OpEx as the company scales. Legal, compliance, and audit are largely fixed against the regulated multi-entity structure.

3. Operating margin expansion

At \$250M TVL the margin is constrained by foundational fixed costs amortizing across a smaller revenue base. At \$1B TVL the same fixed cost base supports a 10x revenue line, expanding operating margin from 70-75% to 85-86%.

Critical Hires

Smallest high-leverage team expansion required to move from founder-led momentum into repeatable institutional execution. Sales and BD is the primary growth investment and the moat.

ROLE	MANDATE	WHY IT MATTERS	OUTCOME
Institutional BD Lead, regional HIRE	Convert qualified Canton-native pipeline into definitive counterparties. Regional coverage across Asia, Middle East, and EU.	BD is relationship-driven and slow. The largest spend line is the largest moat. This hire converts founder pipeline into repeatable institutional flow.	First institutional counterparties moved into implementation across mUSD and smUSD workflows.
Senior Protocol Engineer, Daml HIRE	Own production workflow implementation, integrations, observability, and reliability across mint, settle, redeem, and vault flows.	Reduces technical concentration risk and speeds delivery of launch-critical infrastructure.	Production-grade technical redundancy and faster implementation velocity post-mainnet.
Legal, Compliance, Transaction Execution HIRE	Coordinate multi-jurisdiction documentation, diligence requests, transaction timelines, and partner paper execution across BVI, Cayman, Lux, and US counsel.	Institutional execution slows quickly without dedicated transaction management at this entity count.	Faster definitive-paper conversion and less founder time lost in process management.
Reserve and Treasury Operations HIRE	Day-to-day reserve operations with the regulated trust-bank issuer and custody partners. Reconciliation, attestation coordination, monthly disclosure reporting.	Reserve discipline is what makes mUSD underwritable for institutional risk committees. Required at mainnet, not after.	Institutional-grade reserve operations and proof-of-reserves cadence active from Day 1.