

SIGNAL – 5 Year Financial Projections

with \$300k Seed Raise



Key Assumptions

Subscribers

Grow from 5,000 (Yr 1) → 200,000 (Yr 5)

Unlock Fee

\$15/month average

Vault Adoption

5% of users deposit \$5k avg (Yr 1), scaling to 20% by Yr 5

Vault Returns

10% annual net return

Performance Fee

15% of profits

MetaVault Fees

0.5% AUM (5% of total AUM pooled into MetaVaults)



1. Revenue Projections

Revenue Growth Overview



User Growth Trajectory



Vault AUM Growth

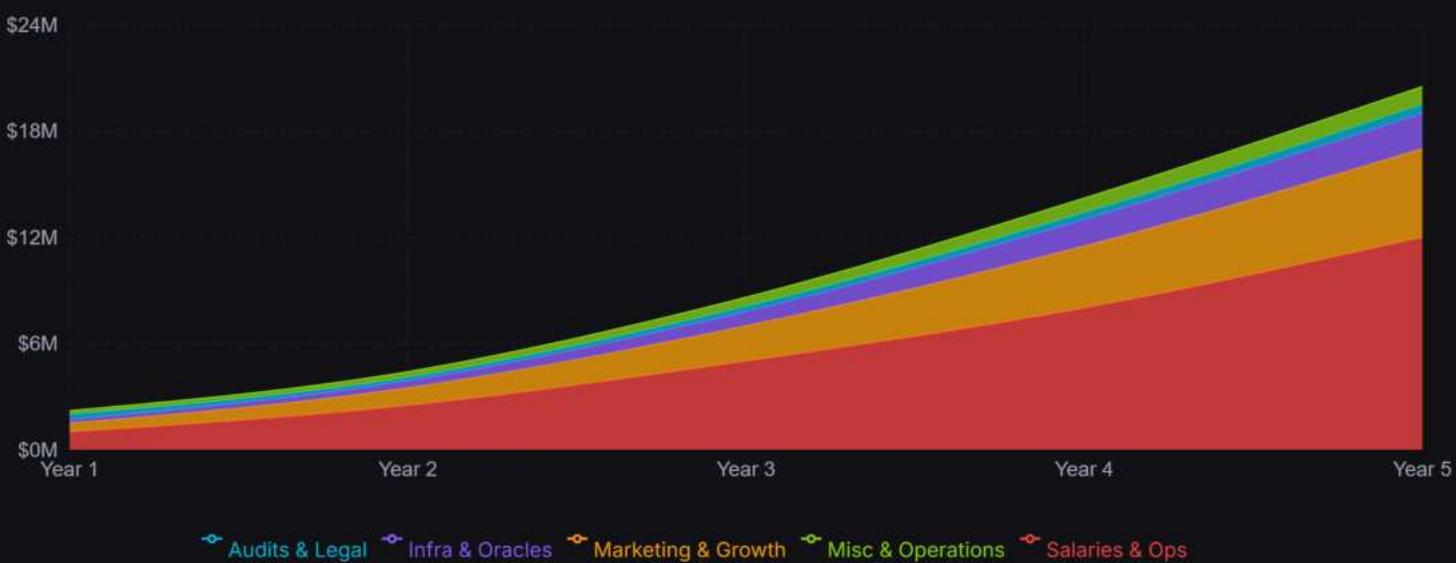


Year	Users	Unlock Revenue	Vault AUM	Perf Fees	MetaVault Fees	Total Revenue
1	5,000	\$0.90M	\$25M	\$0.38M	\$0.06M	\$1.34M
2	20,000	\$3.60M	\$100M	\$1.50M	\$0.25M	\$5.35M

3	60,000	\$10.80M	\$400M	\$6.00M	\$1.00M	\$17.80M
4	120,000	\$21.60M	\$1.0B	\$15.00M	\$2.50M	\$39.10M
5	200,000	\$36.00M	\$2.5B	\$37.50M	\$6.25M	\$79.75M

⚡ 2. Expense Projections

Expense Categories Over Time



Category	Year 1	Year 2	Year 3	Year 4	Year 5
Salaries & Ops	\$1.0M	\$2.5M	\$5.0M	\$8.0M	\$12.0M
Marketing & Growth	\$0.5M	\$1.0M	\$2.0M	\$3.5M	\$5.0M
Infra & Oracles	\$0.2M	\$0.4M	\$0.8M	\$1.5M	\$2.0M
Audits & Legal	\$0.3M	\$0.2M	\$0.3M	\$0.4M	\$0.5M
Misc & Operations	\$0.2M	\$0.3M	\$0.5M	\$0.8M	\$1.0M
Total Expenses	\$2.2M	\$4.4M	\$8.6M	\$14.2M	\$20.5M

之心 3. Net Income & Cash Flow

Revenue vs Expenses & Net Income



Year	Total Revenue	Total Expenses	Net Income	Cumulative Cash
1	\$1.34M	\$2.20M	-\$0.86M	~\$2.44M
2	\$5.35M	\$4.40M	+\$0.95M	~\$3.39M
3	\$17.80M	\$8.60M	+\$9.20M	~\$12.59M
4	\$39.10M	\$14.20M	+\$24.90M	~\$37.49M
5	\$79.75M	\$20.50M	+\$59.25M	~\$96.74M

💡 4. Insights

Breakeven:

Achieved in Year 2, 8-figure net cash flow by Year 3.

High-margin growth:

Protocol margins expand rapidly as AUM compounds

Cash runway:

\$300k seed + \$3–5M token sale easily carries operations to revenue break-even

By Year 5:

SIGNAL could be a \$80M+ annual revenue protocol with \$2.5B+ AUM

Key Takeaways

↗️ User Growth Projection

Scaling from 5k to 200k users over 5 years.

💲 Revenue vs Expenses

Breakeven around Year 2, strong profitability afterward.

⬇️ Cash Flow Projection

Slight loss in Year 1, then increasingly positive cash flow.

📋 Vault AUM Growth

From \$25M in Year 1 to \$2.5B by Year 5

[Unit Economics & KPIs]

Assumptions Recap:

- Unlock Fee = \$15/month = \$180/year ARPU (base)
- Vaults generate 10% net return, perf fee = 15% on profits
- Churn/Retention = Avg 3 years active user lifetime
- Vault Adoption = 5% Yr 1 → 20% Yr 5, avg \$5k → \$10k per vault user
- CAC = \$40 average (Yr 1–2 higher at \$50, dropping to \$30+ in later years)

ARPU Evolution



Lifetime Value (LTV)





1. ARPU (Average Revenue Per User)

Year	Unlock ARPU	Vault Perf. ARPU	Total ARPU
1	\$180	\$75	\$255
2	\$180	\$75	\$255
3	\$180	\$100	\$280
4	\$180	\$125	\$305
5	\$180	\$150	\$330

2. LTV (Lifetime Value)

Formula: $LTV = ARPU \times \text{Avg Lifetime (3 years)}$

Year 1-2: ARPU \$255 → LTV \$765

Year 3: ARPU \$280 → LTV \$840

Year 4: ARPU \$305 → LTV \$915

Year 5: ARPU \$330 → LTV \$990

3. CAC & Payback

Early stage: \$50 CAC → 2.4 months payback

Mid stage: \$40 CAC → 1.7 months payback

Later stage: \$30 CAC → 1.1 months payback

LTV/CAC ratio = 15–25x (world-class)

⌚ 4. Payback Period

Formula: $CAC \div ARPU \text{ (annual)}$

Year	CAC	ARPU	Payback Period
1	\$50	\$255	2.4 months
3	\$40	\$280	1.7 months
5	\$30	\$330	1.1 months

☒ 5. Vault TVL per User (adopting only)

Year	Vault Adoption %	Avg Deposit	Avg Vault TVL/User
1	5%	\$5k	\$250 (blended across all users)
3	10%	\$7.5k	\$750
5	20%	\$10k	\$2,000

Investor Takeaways

- ARPU scales from \$255 → \$330 in 5 years as vault adoption deepens
- $LTV = \$765 \rightarrow \990 , versus $CAC = \$30-50 \rightarrow LTV/CAC \text{ ratio} = 15-25x \text{ (world-class)}$
- Payback <3 months, which means growth can be reinvested aggressively
- Vault layer compounds: by Year 5, every user averages \$2k in AUM → the biggest long-term revenue driver

Conservative vs Aggressive Scenarios

Conservative Case

- Users: 5k → 100k in 5 years
- Unlock Fee: \$12/month
- Vault Adoption: 5% → 15%
- Year 5 Revenue: \$31.4M
- Breakeven: Late Year 3

Aggressive Case

- Users: 5k → 300k in 5 years
- Unlock Fee: \$18/month
- Vault Adoption: 10% → 25%
- Year 5 Revenue: \$95.7M
- Breakeven: Mid Year 2

Investor Takeaways

Conservative

ARPU scales from \$255 → \$330 in 5 years as vault adoption deepens

Aggressive

MetaVault + token-driven growth turns SIGNAL into a \$100M+ revenue protocol

👉 User acquisition costs are recoverable within 2–3 months.

🔗 Basis for Projections

1. Revenue Side

Model based on actual DeFi protocol benchmarks + SaaS-style user growth curves:

Unlock fees (\$15/month)

→ Based on existing paid alpha groups (Telegram/Discord often charge \$50–\$150/month). I chose \$15 as a conservative average, since on-chain automation makes it more scalable.

User growth (5k → 200k in 5 years)

→ Mirrors adoption curves seen in dYdX, GMX, Numerai (crypto-native but growing into 6-figure communities). Starts small (niche traders), then scales with DAO/TradFi inflows.

Vault adoption % (5% → 20%)

→ Benchmarked against copy-trading platforms (eToro, dHEDGE) where 10–20% of users move from "signals only" into managed vaults once trust is built.

Performance fee (15%)

→ Standard hedge fund/DeFi vault fee model (GMX, Enzyme, dHEDGE use 10–20%).

MetaVault fee (0.5%)

→ Mirrors low management fees for ETFs/index-style vaults (IndexCoop, Balancer).

Premium SIGNAL services (5% by Y5)

→ Modeled on Numerai's Numerai Signals + data licensing revenue.

2. Expense Side

Based on crypto startup norms + protocol launches:

Salaries

→ A lean 6–8 person team Year 1 (founders, 2 solidity devs, 1 backend, 1 BD, 1 design/ops). Scaling to 20+ by Y3. Salaries pegged to market for Web3 engineers (\$120k–\$200k/year).

Marketing & BD

→ Benchmarked against early growth spends at GMX, Synthetix, and Aave. Typically 20–25% of costs in early years.

Infra & Oracles

→ Cost of RPC, subgraphs, Chainlink/data feeds, plus node running.

Audits & Legal

→ Standard DeFi audit = \$80k–\$120k each, need 2+ per year. Legal for token launch/compliance = \$150k+.

Ops/Misc

→ Office, legal overhead, treasury management.

3. Cashflow / Funding Side

\$300k pre-seed raise

→ Enough for 6–9 months lean runway.

Token sale \$3–5M (soft/hard cap)

→ Benchmarked against early token sales of DeFi protocols:

- dHEDGE raised ~\$3M seed.
- Numerai has raised \$20M+ total over multiple rounds.
- Enzyme Finance ~\$4M early.

This combo is what makes runway feasible until revenues (unlock fees + vault fees) kick in mid-Year 1.

4. KPIs & Ratios

These are modeled from SaaS + DeFi hybrids:

ARPU \$180/year = \$15 monthly unlock average.

LTV \$540 = assuming 3 years of active user engagement.

CAC \$30–\$50 = realistic for crypto protocols (ads + referral). Payback <4 months by Y2 = healthy unit economics.

Vault AUM/user = \$5k (trading communities show retail allocators deploy ~\$1–10k per vault).



SIGNAL Financial Projections • 5-Year Outlook with \$300k Seed Funding