



Ideas for today and tomorrow

**Better foreign exchange
experience**

DOESAT Team

EXECUTIVE SUMMARY

Have you ever been hassled with the inconvenience of inter-currency exchange? Whether you are obliged to make overseas payment or planning for long-term currency exchanges, oftentimes you have to repeatedly check the current rate until it fits your desired rate. Look no further because Stu provides an intermediary with the best exchange rate.

The Open Banking initiatives made it possible to access most profitable exchange rate across global banks. This data enables us to get the best rate in making overseas transactions. Stu leverages this technology to assist customers in avoiding temporary high exchange rates through the instant and planes exchange features.

To support the main features, Stu also provides value-added services to gain insight into specific currencies, do international finance-related activities such as P2P lending, and e-commerce payment.

The advancement in technology highlights the rising trend in worldwide purchases. Connect with e-commerce and enterprises around the globe with Stu. Join us to enjoy inter-currency transactions, and let's build a connected world together.

Stu 2022

Better rate, better experience

OUR TEAM



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INTRODUCTION

Stu is a digital wallet based in Hong Kong specializing in building a trustworthy digital transfer service for inter-currency transactions. Our main objective is to develop a convenient way for currency exchange and overseas payment with a relatively low exchange rate. We provide service leveraging multiple access channels to different banks with the application of open API, as well as providing services to international P2P lending.

Launched in 2022, Stu aims to deliver financial services democratizing international transactions. We empower and make it easy for currency differences to achieve what you want, save more money, and live life to the fullest. As a smart bank, Stu operates exclusively on your mobile phone, and all you need to register on your phone.

BACKGROUND

Globalization has made online international transactions more common than ever. One of the problems emerging is that people often struggle to get the best inter-currency price. The factor of owning a single or few bank accounts only limits customers from enjoying the best deal out of multiple banks offers. A particular person tends to exchange their currency on their only bank, even if the rate is relatively expensive.

Secondly, customers are often disadvantaged by temporary currency price fluctuation. A situation in which one needs to execute an immediate payment in the middle of a high-rate results in relatively expensive currency exchange. Take for example an international university student who needs to pay for his dorm in the coming week and the current exchange rate is relatively higher than usual due to a temporary crisis. It will be unfortunate to convert the currency at that higher price since the rate may be better in the coming period.

PROBLEM STATEMENT

With the advent of open banking, what types of open banking functionalities would be the most relevant to the Gen Z audience? What would

the customer journey be like to ensure customers remain loyal to their chosen banks and enhance their engagement? (You can consider local open banking initiatives such as Hong Kong's HKMA Open API)

From the chosen problem statement, our company identify 2 key strategies that Stu will leverage:

1. Integration of open banking functionalities that is inclusive towards Gen Z customers.
2. Ensuring the loyalty of customers by offering a comprehensive range of an easy-to-use value-adding solution.

PROPOSED SOLUTION

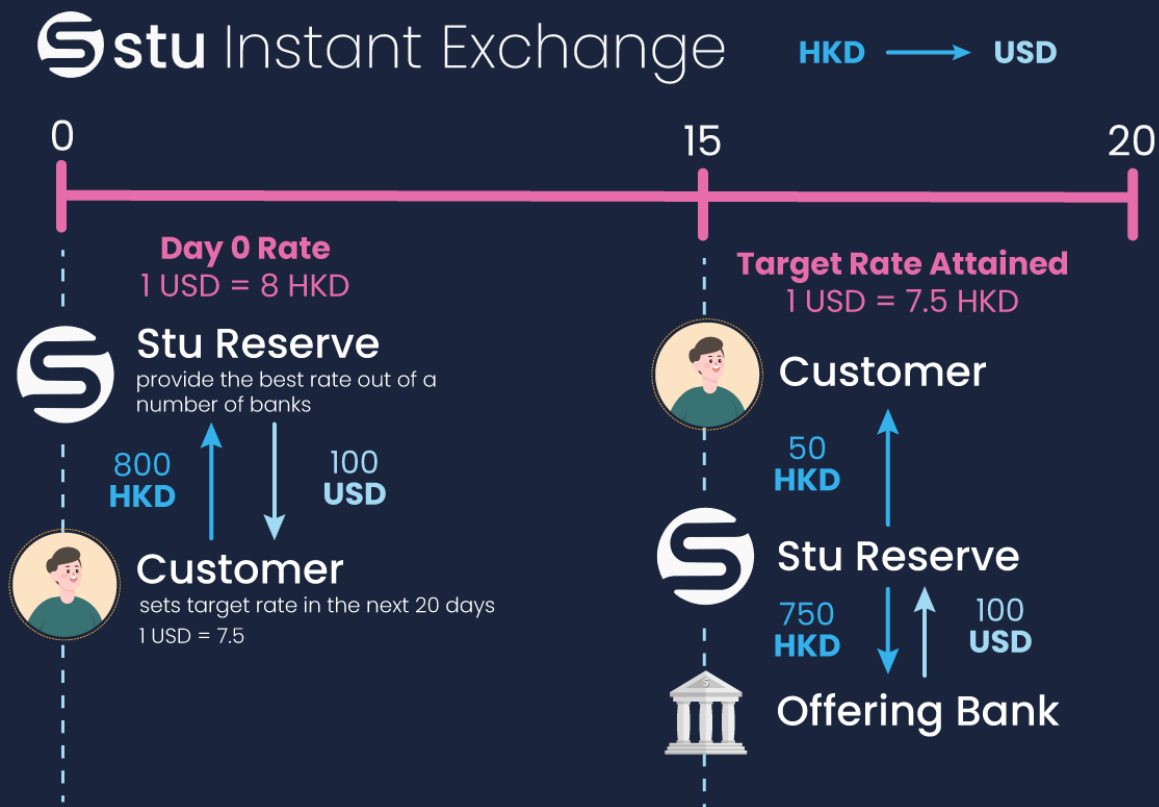
The emergence of open banking initiatives enables third parties to have access to different bank products and offerings including the currency rate provided in every bank. Stu leverage this accessible information to find the best price for inter-currency exchange.

Stu eliminates the barrier of limited information and bank access. Our customers will be able to enjoy the best rate, even if they do not have an account at that particular bank. This technology will be the underlying concept of our two main features: instant exchange and planned exchange.

MAIN FEATURES DESCRIPTION

Instant Exchange

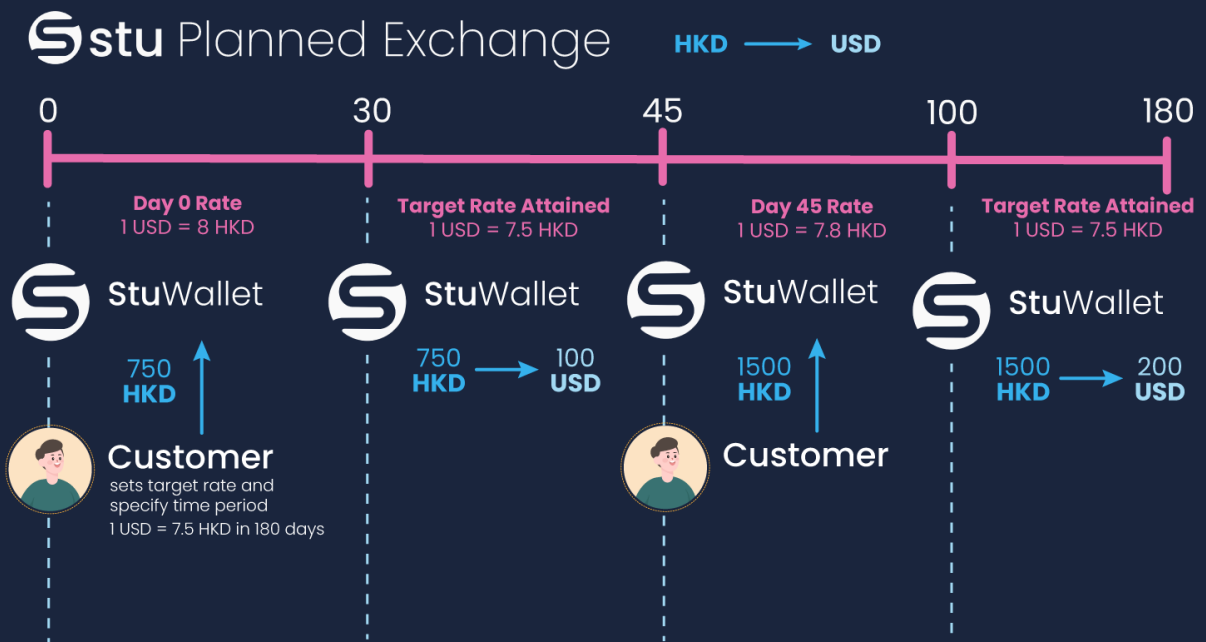
This feature aims to accommodate the need for immediate exchange. The feature finds the best exchange price from a list of rates offered by multiple banks. In order to assist and protect customers in temporary rate-surge conditions, customers will be able to set a target price that may save some of their money (see diagram). If the user's target rate is achieved within 20 days, Stu gives a cashback which is the difference between the executed and target rate.



This feature gives our customers an opportunity to be disadvantaged by the temporary exchange rate hike while still fulfilling their immediate needs for an inter-currency exchange.

Planned Exchange

This feature aims to accommodate customers' needs for a relatively long time period. Given the fluctuations of rates, one may want to get the best rate for currency exchange. However, they may not have the time or ability to monitor for the best price every day. With this planned exchange feature, customers can plan and specify the acceptable rate at which the user wants to execute currency exchange for a specific time period. Based on this, Stu will execute the currency exchange when the rate hits the acceptable rate within the time period (see diagram).



SIDE FEATURES DESCRIPTION

Budget Planning

Create plans to spend your money individually or you can invite your friends to plan together. You can use the 'calendar' feature to plan your spending on a time basis, or the 'pie-chart' feature to plan on a utility basis. You will be able to plan easily and accordingly to your (and your friends') currency holdings.

Transfer History & Monthly Statement

Each transfer in, transfer out, and deposit will be recorded and updated immediately on your ledger which is always visible to you. You will be notified with the complete identification and e-wallet address every time a transaction happens. More than that, at the end of the month, you will receive a statement of your whole spending which will be attached to your profile as well.

Portfolio Management & Insights

You will be able to analyze which currency is the cheapest at the real-time figure and diversify your holdings. Stu provides information about currency around the world and insights into the current macroeconomic state respectively.

International P2P Lending

Using the smart contract, Stu brings both borrowers and lenders to eliminate the need of using third-party to make deals. They can interact and even meet other lenders and borrowers through Stu and utilize the e-wallet to transfer or receive and monitor. From the lender's perspective, you can search for potential lending by nominal or by e-wallet address and discuss the segmentation of payment with the 'chat now' feature. From the borrower's perspective, you can alert your request as in nominal or your time availability to repay your loans.

TECHNOLOGY UTILIZATION

Listed below are the web app technologies that we are using to create our full-stack application.

Vue.js

Vue is a JavaScript framework for building user interfaces that helps you efficiently develop front-end applications, be it simple or complex. We chose Vue because of its flexibility, adaptability, and simplicity.

Strapi.js

Strapi is a Node.js based headless CMS that enables fast API development and content management. We used Strapi to reduce inefficiency in our API design process and streamline our content delivery across multiple devices.

REVENUE MODEL

Commissions and Transaction Fee

As a financial intermediary, every transaction executed on Stu requires a low transaction fee. As a comparison to credit cards, the average transaction fee charged is ranging from 1.3% to 3.5%. Therefore, to gain exposure from customers, we charge a low transaction fee of 0.4%.

Reserve profit

With the access to different rates offered by banks, Stu leverages to buy currencies at a relatively low price for reserve stabilization purposes. When sold at a higher price, this scheme will generate profit for Stu.

Advertisement Revenue

With the increase in customer base, Stu aims to leverage the platform to be an advertisement board, especially for financial services.

Revenue from Value-added Services

We aim to provide value-added services such as e-commerce and P2P lending. These services will be additional streams to the company by charging service fees.

MARKETING & SALES STRATEGY

Social Media Advertisements

Social media unquestionably is growing at a high rate and can foster relationships between individuals in the community. Stu plans to advertise the service on Instagram, Twitter, and YouTube to target their customers. A study shows that more than half of Instagram customers make them more connected to each other without geographical constraints. While Twitter is a microblogging platform putting forward freedom and fast-spreading news, we believe it is beneficial to reach out to its users. YouTube on the other hand is a

video-sharing platform that has consistently ranked the 3 most used platforms for Gen Z.

E-commerce Integration

Besides social media, we would like to propose a partnership with a worldwide e-commerce platform by offering a service with the possibility of getting lucrative rewards in return, and a cheaper exchange rate. We target worldwide e-commerce companies like Amazon and Walmart as an example because they have high recognition among Gen Z and integrate it as a payment method. On the other hand, our company will receive more exposure for potential customers.

Search Engine Optimization (SEO)

Our product is available to use both on mobile phones (in form of an application) and in website form. By applying this strategy, our company aims to organize the website's content to improve the likelihood of appearing in search results. Therefore, we maximize the process of gaining exposure and avoiding traffic from search engines. We increase the visibility of our website every time people search for something related to our products. As result, the higher the visibility, the better our company can reach out to prospective customers.

Client Referrals

This strategy aims to grow the networking and enlarge the Stu community. Existing customers who successfully invite new customers with their respective referral code will be granted an exclusive bonus from Stu which will keep on multiplying if they keep on reaching out to people to join with the referral. However, during the registration process, new customers are required to verify their identity to anticipate the infinity loop of getting rewards, which we avoid happening.

Inbound Marketing

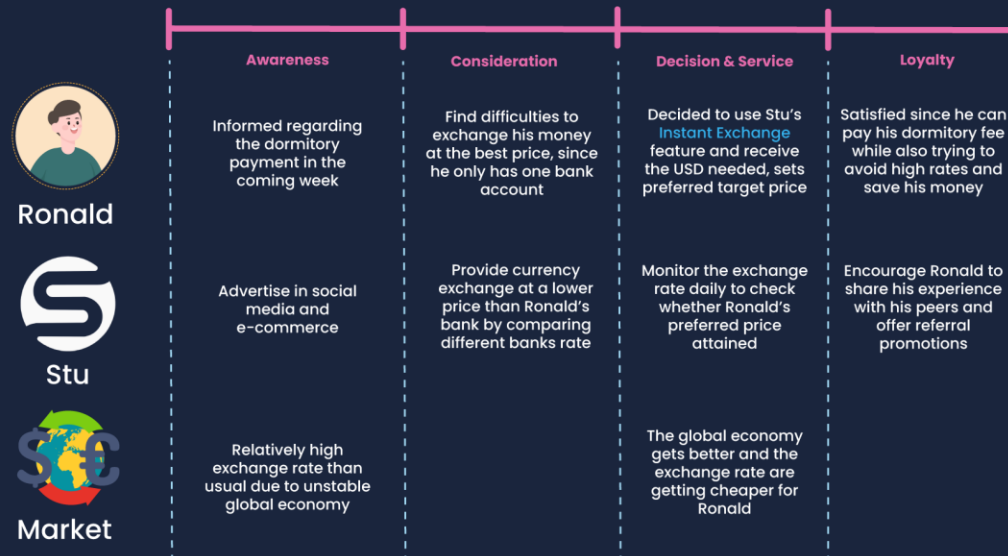
Other than providing a platform for financial services, Stu also notifies the current news regarding a fiscal or monetary state of a certain country that might affect the price volatility of the currency. With this feature, we aim to

invest in clients' education with the implicit strategy of 'inbound marketing'. In other words, we would like to grow the curiosity of our user to keep spending time of their own to research and find out themselves.

CUSTOMER JOURNEY

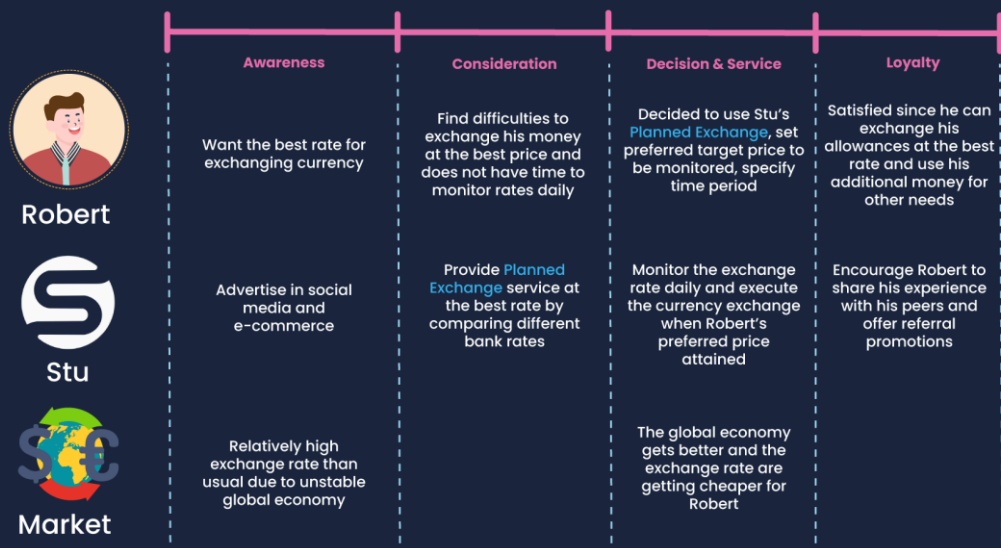
Stu Customer Journey

Ronald is an international student studying in the United States. As an international student he does not have USDs available for large payments. He needs an immediate currency exchange amid unstable global economy.



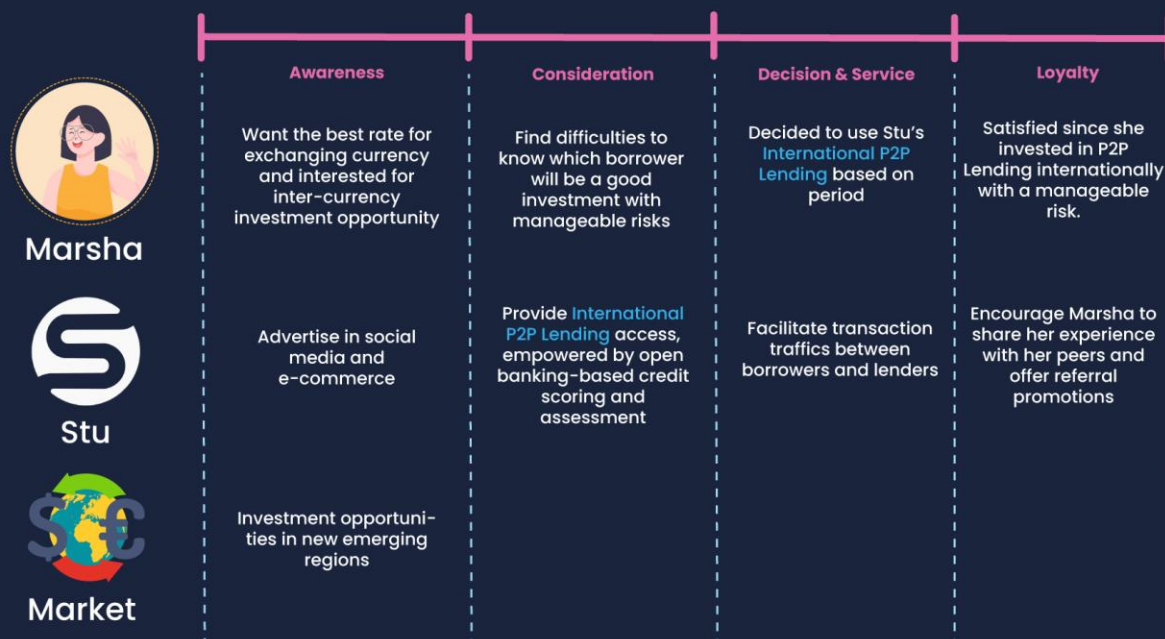
Stu Customer Journey

Robert is an international student studying in the United States. He gets his allowances from his parents on 3-month basis in his local currency. He needs to convert it to USD but he does not require it immediately.



Stu Customer Journey

Marsha is a member of Z generation who has been engaged with globalization and open to international opportunities such as P2P lending.



VALUE PROPOSITION

Broad Access

Utilizing open banking API enables Stu to provide broad access to different bank exchange rates and help customers to get the cheapest price out of them. It eliminates the limited access to used banks only.

Opportunity Capturing

Both our exchange features enable customers to capture opportunities of cheap price. The instant exchange empowers customers amid the relatively bad timing for immediate inter-currency exchange. While the planned exchange help customers to enjoy the best currency rate.

Convenience

Built on a user-friendly UI/UX, especially for Gen Z consumers. Stu offers a convenient integrated platform in which customers can convert their currency and directly use it in the digital wallet for transactions such as international e-commerce payment and international P2P lending.

SWOT ANALYSIS

Strength

1. The more customers meaning there are more transactions executed, resulting in more commission
2. Existing customer can enlarge the community by inviting new user with referral codes
3. Maintaining a strong relationship with e-commerce

Opportunity

1. Selling supplementary products can increase profit
2. Cost-effective marketing strategy to reach out customer and allocate the fund to other sectors
3. Invest in educating customer to build their curiosity and become loyal
4. Maintaining external partnership to keep exposure

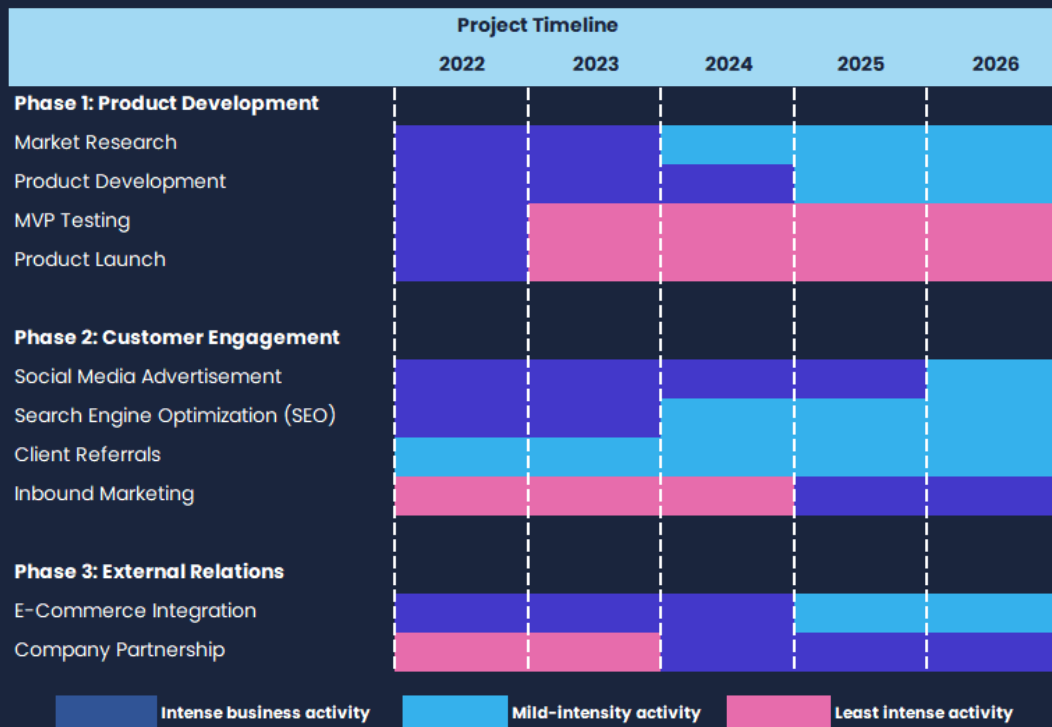
Weakness

1. Without effective bureaucracy in operational activities, it may affect the net income.
2. Only having a singular focus on service quality without finding strategy to expand consumer-based engagement is also a weakness

Threat

1. Similar financial service methods
2. The ease of developing fintech application

PROJECT TIMELINE



FINANCIAL PROJECTIONS

in thousands (currency: HKD)					
Year	1	2	3	4	5
Customer Number	0.10	5.00	20.00	100.00	1,000.00
Average Transaction Value (ATV)	0.50	1.00	1.50	2.50	3.00
Total Processed Value (TPV)	50.00	5,000.00	30,000.00	250,000.00	3,000,000.00
Revenues					
Exchange Service Fee Revenue	0.20	20.00	120.00	1,000.00	12,000.00
Reserve Revenue	0.12	12.00	78.00	650.00	8,400.00
Advertisement Revenue	0.03	3.00	18.00	150.00	1,800.00
Revenues from Other Value-added Serv	0.01	1.00	12.00	150.00	2,400.00
Total Revenue	0.36	36.00	228.00	1,950.00	24,600.00
Expenses					
App & Web Development Expenses	20.00	50.00	100.00	50.00	50.00
COGS	0.07	6.48	34.20	292.50	3,690.00
Marketing & Promotional Expenses	25.00	980.00	1,500.00	4,000.00	9,000.00
Operational Expenses	0.32	30.60	171.00	1,170.00	11,070.00
Total Expenses	45.40	1,067.08	1,805.20	5,512.50	23,810.00
Net Profit	(45.04)	(1,031.08)	(1,577.20)	(3,562.50)	790.00

RISK & MITIGATION

We identify these risks that are possible to occur including:

Liquidity is the ability to provide cash or collateral obligations without sustaining unacceptable losses. Meanwhile, the risk that might occur is when the intermediary is unable to meet its obligations which is a possible threat to the financial state. In this case, there might be a chance of being illiquid if a default occurs in our P2P lending feature.

How Stu mitigate the risk:

Monitoring net working capital and forecasting cash flow. Have an in-depth understanding of currencies fluctuations and their affect financial position. Besides that, have a robust cash flow forecast that can help to face key financial parameters of cash flow and profit.