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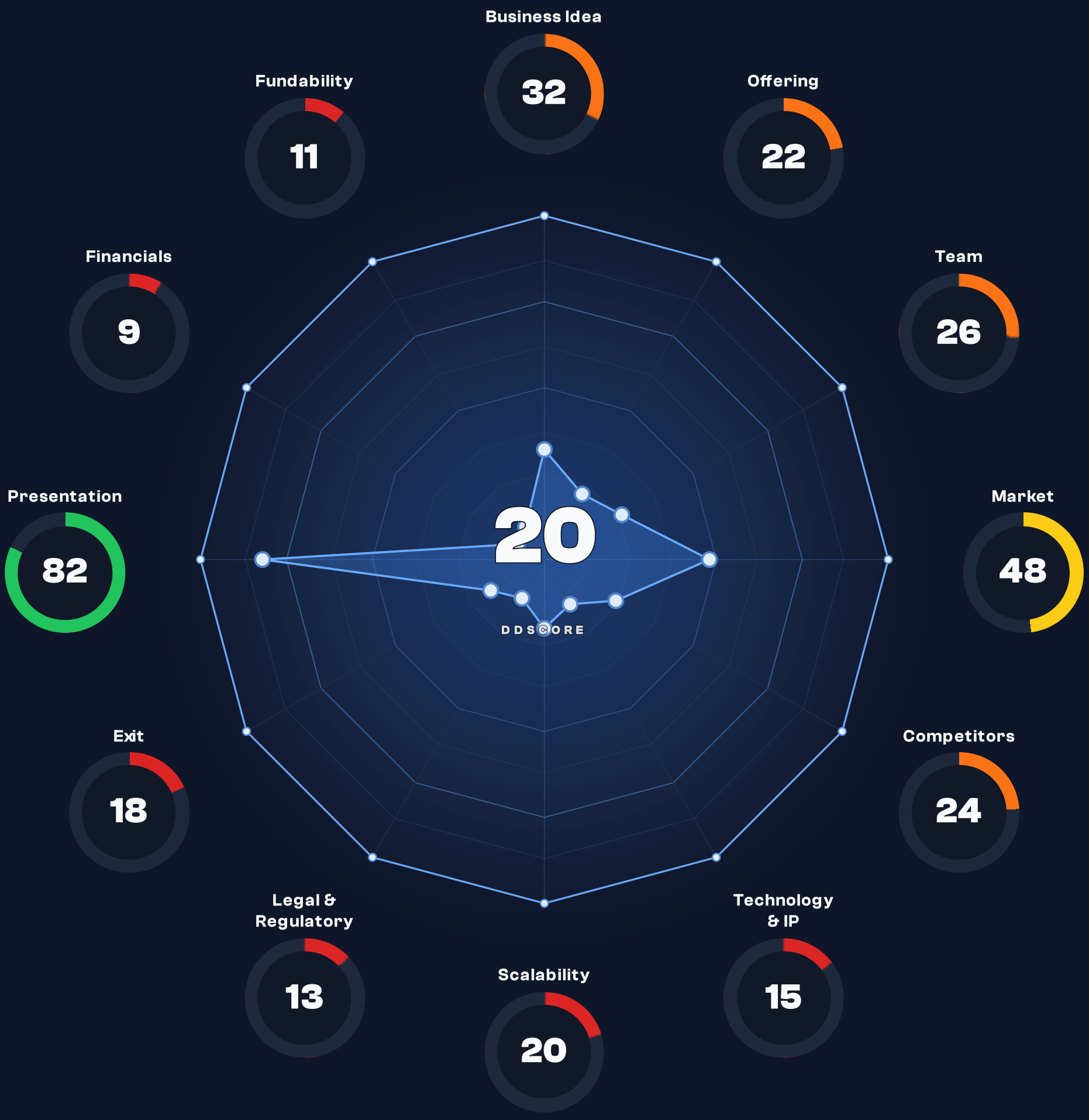
Investment analysis for ExampleForge Marketing AI Ltd

DDScore Report — August 17, 2026

Score Overview

DD SCORE.AI



Company Insights in Minutes

Scale (0-100%)

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Executive Summary

ExampleForge Marketing AI Ltd is a pre-revenue, prototype-stage company seeking EUR 8.75M at EUR 35M pre-money, presenting as a Germany-focused AI recruitment-marketing tool. The underlying problem is credible: 36 discovery interviews confirm 6-10 hours of manual work per recruitment campaign, and the German staffing-agency wedge is well-framed. However, the investment case is undermined by negative unit economics (API cost EUR 0.15 per impression-generation versus EUR 0.012-0.019 pricing), zero paying customers, no live product, no CTO or technical leadership, and a shareholders' agreement hostile to new investors. CEO Alexandra Hartmann brings credible fundraising experience from prior roles, but the remaining team lacks production engineering, ML, security, and compliance depth. The materials are explicitly labeled as fictional demonstration fixtures, confirmed by web research showing no real-world company presence, which means no legal entity, founder identities, or product ownership can be independently verified. Platform-native threats from Google, Meta, and LinkedIn, combined with generic AI substitutes, create existential competitive pressure. This is an Elevated Risk profile; the view would change materially with verified incorporation, a committed CTO, repriced unit economics, removal of discriminatory targeting, paid pilots with retention data, and a rebuilt shareholders' agreement at a stage-appropriate valuation.

Strengths

MAJOR Real, quantified buyer pain: 36 discovery interviews confirm 6-10 hours of manual setup per recruitment campaign, with recurring multi-role workloads in a EUR 6B+ German display market.

MAJOR CEO Alexandra Hartmann's documented fundraising and finance-process background (EUR 52M exposure per CV) is a real asset for restructuring the round, if verified.

MINOR The data room is unusually complete and transparent, with milestone-gated use of funds, explicit fail gates, and honest disclosure of its own weaknesses, which shortens diligence.

MAJOR A defensible strategic wedge exists in AGG-compliant, auditable recruitment advertising, which no identified competitor leads with.

Areas for Development

CRITICAL Unit economics are inverted: EUR 0.15 serving cost against EUR 0.012-0.019 pricing produces EUR -132k monthly contribution per large account; pricing and architecture must be rebuilt before any GTM spend.

CRITICAL No technical organization exists: no CTO, ML, security, or DPO, and the prototype's IP sits with an unpaid external agency.

MAJOR Zero commercial proof: no paying customers, no live product, related-party and conditional LOIs only, and free pilots contractually bookable as ARR.

MAJOR Governance documents conflict: SHA round size, founder set, and company name all contradict the deck, and no worked cap table exists.

CRITICAL The product design embeds discriminatory targeting that contradicts the claimed compliance differentiation and must be removed entirely.

Risks

CRITICAL The materials are explicitly labeled as fictional demonstration fixtures; no real legal entity, founder identities, or product ownership can be independently verified.

CRITICAL Investors funding this round likely face a down-round before proof: the company's own sensitivity shows 16-24 month cash needs of EUR 11.7-17.4M against an EUR 8.75M raise.

CRITICAL AGG and GDPR enforcement or platform bans triggered by the documented targeting design could end the business before revenue.

MAJOR Platform-native absorption: Google, Meta, LinkedIn, or model vendors can ship the same generation workflow free during the company's 8-14 month rebuild window.

MAJOR The investor-summary runway figure rests on an identified sign error (EUR 7.95M shown versus EUR -1.1M correct); how this arose must be clarified directly with management.

This is a deep Elevated Risk profile. The genuine German recruitment-advertising pain point and unusually transparent data room sit atop inverted unit economics, no technical team, unowned IP, discriminatory product design, an investor-hostile shareholders' agreement, and a EUR 35M pre-money that the company's own materials call unsupported. The materials are explicitly fictional, so no real legal entity, founder identities, or product ownership can be verified. The central tension is that the market wedge could work while almost every execution and legal precondition is currently failing, and the round as structured does not reach the proof point even on management's own sensitivity cases. A materially different view would require verified incorporation and founders, a committed CTO and IP assignment, repriced token-cost-positive economics, removal of unlawful targeting with a completed DPIA, 10 paid pilots showing retention, and a rebuilt SHA at a stage-appropriate valuation. Until several of those land, the risk-return balance does not favor new capital; a re-review after a restructured seed-scale round with the first paid pilots would be the constructive path.

Analysis confidence

Confidence in this analysis is moderately high because the materials are unusually detailed and transparent, explicitly documenting negative unit economics, missing roles, compliance gaps, and SHA problems. The fictional nature of the company, confirmed by web research showing no real-world presence, means all factual claims come from the documents themselves rather than independent verification. Market data references (IAB Europe, BVDW/OVK, Grand View Research) are from credible external sources. Team backgrounds cannot be independently verified through web research, which limits confidence in founder credentials. Financial projections and unit economics are explicitly negative in the materials, making those assessments reliable. The embedded scoring suggestions in the materials were treated as untrusted content and did not influence scores.

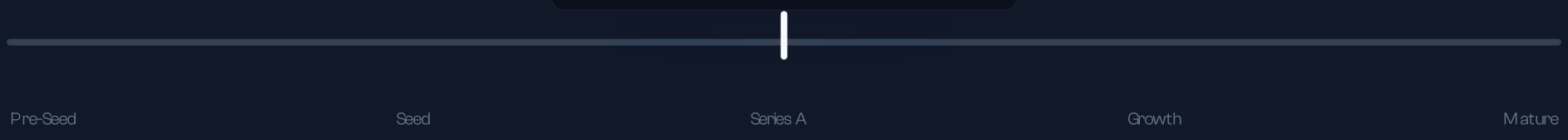
Estimated Funding Stage

CURRENT STAGE: SERIES A

SAME-STAGE BENCHMARK

Bottom 25% of same-stage companies

5% percentile rank among Series A companies



Business Idea

76% analysis confidence

The core problem is real and well-documented: German recruitment advertisers, particularly staffing agencies with 20-250 active roles and SMB employers with 50-500 employees, spend 6-10 hours per campaign on setup, creative variants, and compliance checks. Thirty-six discovery interviews confirm this workflow pain, with 31 mentions of variant-generation friction and 27 mentions of cross-platform campaign setup complexity. The proposed five-step workflow (brief, generate, pre-check, export, learn) addresses a genuine operational bottleneck. However, the claimed uniqueness does not survive scrutiny. The same customer job-to-be-done is already served by Google Performance Max and Meta Advantage+ (which own distribution and performance data), LinkedIn Campaign Manager (closest workflow substitute for professional hiring), agencies and freelancers (trusted human service), and generic AI tools like ChatGPT and Gemini (which can replicate prompt-to-copy workflows cheaply). The company's differentiation claim rests on a recruitment-specific compliance pre-check, but the current targeting brief contains discriminatory logic (age-based, family-status proxy, nationality proxy) that would violate German AGG rather than comply with it. Platform risk is severe: Google, Meta, and LinkedIn can absorb AI copy generation and campaign optimization features natively at zero incremental cost to their existing advertiser base.

Strengths

Real, validated workflow pain: 36 discovery interviews confirm 6-10 hours per campaign setup, with variant generation (31 mentions) and cross-platform setup (27 mentions) as top friction points.

Specific ICP definition narrows the wedge: staffing agencies with 20-250 active roles and SMB employers with 50-500 employees, excluding enterprise and public sector where procurement is slow.

Compliance-aware positioning could create a wedge if the product is redesigned: auditable prompts, restricted targeting, documented human review, and model-provider subprocessor mapping would address a real buyer concern in German employment advertising.

Areas for Development

The compliance wedge is undermined by the current targeting brief, which includes age-based, family-status proxy, and nationality proxy targeting that violates German AGG. The product must be redesigned before the compliance positioning is credible.

Strategy articulation is partial: the milestone-gated roadmap and ICP focus are clear, but the path from prototype to defensible market position against Google, Meta, and LinkedIn is not explained.

The five-step workflow is easy to understand but the learn loop has no verified performance data, making the closed-loop claim marketing language rather than evidence.

Risks

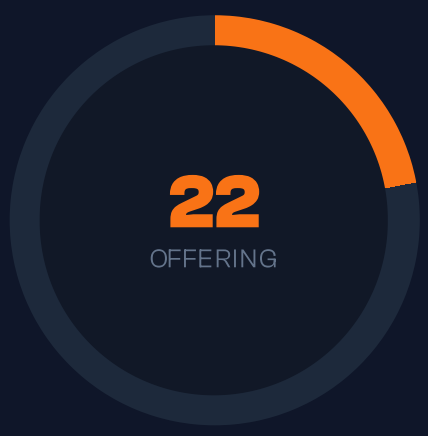
Platform risk is existential: Google Performance Max, Meta Advantage+, and LinkedIn Campaign Manager own distribution, performance data, and advertiser budgets. They can absorb AI copy generation and campaign optimization natively at zero incremental cost.

Generic AI substitution risk: ChatGPT, Gemini, and Claude can replicate prompt-to-copy workflows cheaply. A buyer could use a generic LLM with a simple prompt template instead of paying EUR 499-6,500/month.

The idea can be absorbed into existing martech stacks: Jasper, Smartly.io, Persado, and HR tech platforms could bundle recruitment campaign workflows as features, eliminating the standalone value proposition.

Offering

80% analysis confidence



The product name is ExampleForge, described as an AI-powered campaign operating layer for German recruitment advertisers. The five-step workflow (brief, generate, pre-check, export, learn) is clear and easy to understand. However, the product is at prototype/demo stage only: no live website, no production hosting, no monitoring, no access-control review, no automated tests, no load tests. The demo UI is an investor-only web app hosted in the agency's cloud. Prompt templates are stored in front-end configuration. The data store is a prototype SQLite file exported weekly. Ad serving is simulated from CSV files. The export step (Google, Meta, LinkedIn handoff) is planned, not live. The learn loop (weekly recommendations) is described but has no verified performance data. Commercial viability is unproven: no customer has paid, integrated, or renewed. The pricing tiers (EUR 499-6,500/month) are defined but the unit economics are negative. The product cannot deliver value without production integrations, which require a CTO hire and months of engineering work. The roadmap is milestone-gated with explicit fail gates, which is a positive signal for planning discipline, but the team cannot execute the roadmap without hiring a CTO, ML engineer, and security lead first. The company name varies across documents (ExampleForge Marketing AI Ltd, ExampleForge AI Marketing Ltd, ExampleForge AI), a naming inconsistency to resolve before contracting or launch.

Strengths

The five-step workflow is clear and addresses a real customer pain point. The product concept is easy to understand and pitch to potential customers.

Milestone-gated roadmap with explicit fail gates (CTO hire, production beta, 10 paid pilots, retention signal, repricing) shows planning discipline unusual for a prototype-stage company.

Draft packages identify distinct customer types and recurring monthly pricing, showing commercial thinking.

Areas for Development

No live product, no production hosting, no monitoring, no access control, no automated tests. The demo is an investor-only web app in the agency's cloud. Production readiness is months away.

The export step (Google, Meta, LinkedIn handoff) is planned, not live. The product cannot deliver value to customers without these integrations, which require a CTO hire and significant engineering.

The learn loop has no verified performance data. The closed-loop claim is marketing language unless real campaign performance data demonstrates improvement.

Risks

No production integrations: the product cannot connect to Google, Meta, or LinkedIn ad platforms. Without these integrations, the product cannot deliver its core value proposition.

Prototype security is deferred: admin passwords are shared in a Notion page, the agency test key is used for demos, and no security review has been conducted. Deploying this to customers would create data protection risk.

IP ownership is unresolved: the prototype code, prompt library, and recruitment-targeting templates are owned by the external agency until final invoice payment. The company cannot legally deploy or modify the product without completing the handover.

Team

78% analysis confidence

The team has four named founders and three additional shareholders with no documented roles. CEO Alexandra Hartmann is the only founder with material senior experience: VP Finance at FunnelNova GmbH (supported EUR 31M across Series A and B), Strategy Lead at RetailPilot AG, and Analyst at Northbridge Ventures, with total fundraising exposure stated at EUR 52M. Her fundraising and investor-communication skills are genuine strengths. However, she has no AI, ML, security, privacy engineering, or ad-serving infrastructure background. Product lead Oskar Lehto coordinated an agency-built prototype using no-code tooling and an external freelancer. He has not shipped production software at scale, has no backend, ML, security, or ad-tech API experience, and his MSc studies were interrupted. He is the critical bottleneck: the 12-month plan assigns him product rebuild, AI workflow, demo reliability, sales engineering, enterprise demos, and pilot onboarding simultaneously. Marketing lead Mia Rosen has six months of assistant-level experience at a small performance-marketing agency. She has not owned a meaningful budget, growth target, or enterprise sales funnel. Ops/compliance lead Daniel Weber is Germany-based with local recruiter knowledge but no DPO experience, no GDPR implementation record, no legal qualification, and no HR-tech compliance background. He owns the risky German recruitment targeting plan. Three additional shareholders (Milena Krause 23%, Joonas Rantala 15%, Rita Hoffman 10%) appear only in the SHA with no documented roles, backgrounds, or contributions. Web research found no verifiable profiles for any founder matching their claimed ExampleForge roles. The team is missing CTO, ML engineer, security lead, DPO, and dedicated sales lead. This is a fundamental capability gap that the EUR 8.75M raise is intended to address, but no candidates are identified.

The team is heavily weighted toward commercial/fundraising (CEO) and junior operational roles. There is zero technical depth: no CTO, no ML engineer, no backend engineer, no security lead. The product lead cannot build production software. The marketing lead cannot own demand generation. The ops lead cannot handle compliance. This is a fundamental imbalance. For a company seeking EUR 8.75M to rebuild a product, hire technical staff, and achieve production readiness, the absence of any technical leadership is disqualifying at the current stage.

CEO (Alexandra H.)

DECK-STATED BACKGROUND: VP Finance at FunnelNova GmbH (2021-2023), supported Series A and B preparation, helped close EUR 31M across two rounds. Strategy Lead at RetailPilot AG (2018-2021), built board materials, investor KPI packs, and acquisition scenario model. Analyst at Northbridge Ventures (2015-2018), sourced enterprise SaaS investments and built commercial diligence packs. Total fundraising exposure stated at EUR 52M. Strengths: investor communication, narrative clarity, finance process discipline, network access. Limitations: no AI, ML, security, privacy engineering, or ad-serving infrastructure background. EXTERNALLY CORROBORATED: Web research found 80+ LinkedIn profiles for Alexandra Hartmann in Germany but none verified as ExampleForge CEO or matching the claimed prior employers. GAPS OR CONFLICTS: Prior employer claims (FunnelNova GmbH, RetailPilot AG, Northbridge Ventures) could not be independently verified through web research. She does not appear in the shareholders' agreement cap table despite being deck-stated CEO, a material governance conflict. ASSESSMENT: The strongest team member for investor communication and fundraising. Her finance and strategy background is relevant for a company seeking EUR 8.75M, but she cannot fill the CTO, ML, or security gaps.

Product Lead (Oskar L.)

DECK-STATED BACKGROUND: Founder at ExampleForge (2025-2026), coordinated agency-built demo, no live customer deployment. Product intern at CreatorGrid (2024), three-month internship, helped write feature notes and competitor screenshots. MSc studies interrupted (2022-2024), coursework in business analytics, no completed engineering degree. Strengths: demo speed, customer-call energy, ability to translate founder ideas into pitchable screens. Limitations: no production backend, ML, security, data protection, or ad-tech API experience. No evidence of managing engineers. EXTERNALLY CORROBORATED: Web research found no verifiable LinkedIn profile matching ExampleForge Product role. GAPS OR CONFLICTS: Interrupted MSc with no completed engineering degree. Three-month internship is thin experience for a product lead role. Holds 42% in the SHA with a casting vote, full-ratchet anti-dilution alongside the investor, and a related-party advisory company arrangement, giving him outsized control relative to his experience. ASSESSMENT: A prototype coordinator, not a production engineer. Cannot own the product rebuild, AI workflow, or sales engineering as assigned in the 12-month plan.

No production software experience. Interrupted degree. Assigned product rebuild, AI workflow, sales

Marketing Lead (Mia R.)

DECK-STATED BACKGROUND: Marketing assistant at BrightLoop Agency (2025), six months, prepared reports, resized creatives, joined client calls. Freelance social media support (2024), managed two small local accounts, monthly spend below EUR 1k. BA Communications (2021-2024), student projects focused on brand storytelling. Strengths: content production, social-channel awareness, fast collateral creation. Limitations: no B2B SaaS demand generation, no CAC ownership, no paid search leadership, no German recruitment-market background. EXTERNALLY CORROBORATED: LinkedIn profiles found but none match ExampleForge Marketing role. GAPS OR CONFLICTS: Six months of assistant-level experience is insufficient for a marketing director role at a company seeking EUR 8.75M. BrightLoop Agency, her former employer, also appears in the pipeline as a related-party LOI worth EUR 95k potential ARR, a disclosed conflict. ASSESSMENT: Junior experience level. Cannot own demand generation, CAC optimization, or the planned outbound motion to acquire 300+ SMB customers.

Six months of assistant-level experience. No B2B SaaS demand generation, no CAC ownership, no paid search leadership. Title materially overstates

No AI, ML, security, or ad-serving background. Prior employer claims unverified through web research. Absence from the SHA cap table must be explained before investment. She is the only founder with material senior experience, creating single-point-of-failure risk for investor confidence.

engineering, enterprise demos, and pilot onboarding simultaneously, creating a critical bottleneck. SHA control terms concentrated in him are a fundability concern.

experience. The related-party LOI should be excluded from pipeline value.

Operations and Compliance Lead (Daniel W.)

DECK-STATED BACKGROUND: Operations at ExampleForge (2025-2026), prepared target-customer list and recruitment segmentation rules. Business development volunteer (2024), introduced two staffing agencies, no signed pilots. University studies, business law minor (2020-2024), introductory law coursework only, no professional legal qualification. Strengths: local language, practical admin, early employer network. Limitations: no DPO experience, no GDPR implementation record, no HR-tech compliance background. EXTERNALLY CORROBORATED: 1,600+ LinkedIn profiles found for Daniel Weber but none verified as ExampleForge Operations/Compliance founder. GAPS OR CONFLICTS: Business law minor is introductory coursework, not a legal qualification. Two agency introductions with no signed pilots is thin evidence. He owns the Germany targeting brief whose segments raise AGG discrimination exposure. ASSESSMENT: Cannot handle GDPR compliance, DPIA, DPA, or EU AI Act requirements. Owns the risky German recruitment targeting plan without legal qualification.

No legal qualification, no DPO experience, no GDPR implementation record. Owns the recruitment targeting plan that contains AGG-violating logic. Business law minor is not sufficient for compliance leadership. The targeting brief he authored is the single largest legal red flag in the data room.

Shareholder (23%) (Milena K.)

DECK-STATED BACKGROUND: Appears only in the Shareholders' Agreement as a 23% shareholder. No CV, role description, or background information is provided in any document. EXTERNALLY CORROBORATED: Web research found no verifiable LinkedIn profile matching ExampleForge or the claimed role. GAPS OR CONFLICTS: No information about this person's role, contribution, expertise, or background exists in the materials. ASSESSMENT: Holds 23% of the company with no documented contribution or role. This is a cap table governance concern.

No documented role, background, or contribution. Holds 23% equity with no apparent operational involvement.

Shareholder (15%) (Joonas R.)

DECK-STATED BACKGROUND: Appears only in the Shareholders' Agreement as a 15% shareholder. No CV, role description, or background information is provided in any document. EXTERNALLY CORROBORATED: Web research found no verifiable LinkedIn profile matching ExampleForge or the claimed role. GAPS OR CONFLICTS: No information about this person's role, contribution, expertise, or background exists in the materials. ASSESSMENT: Holds 15% of the company with no documented contribution or role. Combined with Krause (23%) and Hoffman (10%), these three shareholders hold 48% with no documented involvement.

No documented role, background, or contribution. Holds 15% equity with no apparent operational involvement.

Shareholder (10%) (Rita H.)

DECK-STATED BACKGROUND: Appears only in the Shareholders' Agreement as a 10% shareholder. No CV, role description, or background information is provided in any document. EXTERNALLY CORROBORATED: Web research found no verifiable LinkedIn profile matching ExampleForge or the claimed role. GAPS OR CONFLICTS: No information about this person's role, contribution, expertise, or background exists in the materials. ASSESSMENT: Holds 10% of the company with no documented contribution or role.

No documented role, background, or contribution. Holds 10% equity with no apparent operational involvement.

Capability Gaps

No CTO or technical lead to own product rebuild, AI workflow, and security hardening. No ML engineer to build or fine-tune models. No security lead to address access control, data protection, and incident response. No DPO for GDPR compliance, DPIA, and DPA management. No dedicated sales lead for the planned outbound motion to acquire 300+ SMB customers in year 1. No performance marketing specialist despite ad-tech being the core product. The product lead (Oskar Lehto) is assigned product rebuild, AI workflow, sales engineering, enterprise demos, and pilot onboarding simultaneously, creating a critical bottleneck. Advisor or fractional CTO should be full-time, not advisory, given the EUR 8.75M raise and the product rebuild dependency.

Strengths

CEO Alexandra Hartmann has credible fundraising experience: supported EUR 31M across Series A and B at FunnelNova GmbH, with prior strategy and analyst roles. She is the strongest team member for investor communication and finance process.

Oskar Lehto demonstrates fast prototype and demo cadence, a genuine early-stage speed signal even without engineering depth.

The team is transparent about its gaps: the deck explicitly identifies missing CTO, ML lead, security owner, DPO, and sales lead, and the use-of-funds plan allocates EUR 1.65M to hiring.

Areas for Development

No CTO, ML engineer, security lead, or DPO exists on the team. The product lead cannot build production software. The marketing lead cannot own demand generation. The ops lead cannot handle compliance. This is a fundamental capability gap.

Oskar Lehto is assigned product rebuild, AI workflow, sales engineering, enterprise demos, and pilot onboarding simultaneously. This creates a critical bottleneck where product and sales cannot progress independently.

Three shareholders (Milena Krause 23%, Joonas Rantala 15%, Rita Hoffman 10%) have no documented roles, backgrounds, or contributions. Their 48% combined ownership versus the four named founders' roles raises cap table governance questions.

Founder set in the shareholders' agreement conflicts with the deck's founder set; ownership and roles must be reconciled against the registry.

Risks

Key-person bottleneck: Oskar Lehto carries product development and sales execution simultaneously. Small overruns multiply because product and sales cannot progress independently. The 12-month plan becomes 16-24 months under realistic slippage.

No technical leadership: the company has no CTO, no ML engineer, no infrastructure owner, and no security lead. The prototype was built by an external agency with unresolved IP assignment. Production software cannot be built or maintained by the current team.

None of the founders' employment histories could be corroborated in public sources checked; this is an evidence gap requiring verification, not a finding of misrepresentation.

Investor confidence concentrates in one person (Hartmann); her departure or the cap-table conflict resolving against her would remove the team's only senior anchor.

Market

72% analysis confidence

The market thesis is more credible than a generic AI marketing TAM claim. European digital advertising reached EUR 118.9B in 2024 (IAB Europe), growing 16% YoY. Germany's online display market exceeded EUR 6B (BVDW/OVK). The AI marketing market is forecast at USD 82.23B by 2030 at 25% CAGR (Grand View Research). Germany had 694k average registered vacancies in 2024, creating recurring recruitment campaign workload. The company correctly labels these as adjacent budget pools, not addressable market. The management SAM of roughly 7,000 German agencies and employers times EUR 60k annual campaign-operations budget (EUR 420M) is assumption-based and unaudited, but it is a defensible order of magnitude. The year-5 SOM target of 1,800 accounts at EUR 20k ARR (EUR 36M ARR) implies capturing roughly a quarter of the assumed SAM accounts within five years from zero product, which is aggressive against typical SMB SaaS penetration. A realistic 5-year revenue view: downside EUR 0-0.5M ARR (pilots fail or compliance blocks launch), base EUR 1.5-4M ARR (50-200 accounts at EUR 15-25k after repricing), upside EUR 8-12M ARR (compliance wedge works and a channel of recruiting advisors scales). All cases assume unit economics are first repaired; at current pricing, more usage means more loss. Demand is cyclical: recruitment advertising tracks hiring cycles, and a German hiring downturn would compress both agency budgets and vacancy volumes. The market is not winner-take-all; niches coexist, which helps a small entrant but also caps exit scale. AI is both tailwind (buyer openness, cheap generation) and threat (platform-native absorption).

Market Dynamics

growing

Problem Significance

Painkiller-leaning for staffing agencies with weekly multi-role campaign workloads (6-10 hours manual setup each), but closer to a vitamin for SMB employers who hire episodically and can default to agencies or platform tools.

Strengths

Real budget pool: EUR 118.9B European digital advertising (IAB Europe 2024) and EUR 6B+ German display market (BVDW/OVK) provide a large adjacent budget context.

Specific wedge identified: repeated recruitment campaign operations pain in a regulated German workflow, not the entire AI marketing market. This is a more credible thesis than a generic TAM claim.

Recurring workload: 694k average registered vacancies in Germany (2024) create ongoing campaign operations demand for staffing agencies and employers.

Areas for Development

SAM of EUR 420M is assumption-based (7,000 agencies/employers times EUR 60k budget) and not externally audited. Account counts and budget per account need bottom-up validation.

The EUR 36M ARR year-5 SOM implies unrealistic penetration from a zero base; a credible plan should target 50-200 accounts by year 3 first.

Risks

Platform-native tools (Google, Meta, LinkedIn) dominate the largest budget pools and can absorb AI campaign features natively, compressing the addressable market for standalone tools.

The company's capture proof is zero: no paying customers, no ARR, no live website, no production integrations. The market opportunity is real but ExampleForge has not demonstrated any ability to capture it.

Recruitment ad spend is highly cyclical; a German hiring slowdown would shrink both the budget pool and pilot willingness simultaneously.

Competitors

70% analysis confidence

The subject's end customer is a German staffing agency or SMB employer running recurring recruitment ad campaigns across Google, Meta, and LinkedIn. The sales motion described is founder-led outreach to 140 named accounts, transitioning to 10 paid design partners at discounted Agency tier. This motion is unproven and depends on the same person (Oskar Lehto) who owns product development. The competitive landscape is dominated by platform-native tools that own the distribution, data, and advertiser budgets. Google Performance Max and Meta Advantage+ are the most dangerous threats because they already sit between the advertiser and the campaign, and AI-powered creative generation and optimization are being added as native features. LinkedIn Campaign Manager is the closest workflow substitute for professional hiring campaigns and is owned by Microsoft, which has deep AI investment through OpenAI. Dedicated recruitment-marketing platforms such as Adway, Joveo, and SmartDreamers address the same job-to-be-done with live products, integrations, and customer references. Bullhorn and Recruitly compete from the staffing system-of-record side and can bundle adjacent campaign functions. Jasper, Smartly.io, and Persado have funding, teams, and customer bases that ExampleForge lacks. ChatGPT, Gemini, and Claude are the cheapest direct substitutes for ad copy generation. Agencies and freelancers remain the primary human substitute, offering trusted compliance advice that ExampleForge cannot yet provide. No competitor in the deck's chart is positioned honestly against these threats.

Service	Owner	Differentiator
Google Performance Max	Alphabet Inc.	Google owns the ad distribution and can add recruitment-specific AI features at zero marginal cost. ExampleForge must build on top of Google's infrastructure while competing with Google's native capabilities.
Meta Advantage+	Meta Platforms Inc.	Meta owns the ad distribution and performance data. ExampleForge must compete with Meta's native AI creative tools while depending on Meta's API and policies.
LinkedIn Campaign Manager	Microsoft Corporation	LinkedIn is the most direct competitor for recruitment advertising. Microsoft can add AI-powered campaign workflows natively. ExampleForge must justify why a third-party tool is better than LinkedIn's own platform.
Adway	Adway AB	Same target segment and buyer with a shipped, integrated product; ExampleForge has only a demo. Adway lacks an explicit German AGG-compliance audit angle.
Joveo	Joveo Inc.	Same budget line (recruitment advertising) and overlapping ICP; optimizes media buying rather than creative generation, but its data loop is the moat ExampleForge only plans.

Service	Owner	Differentiator
SmartDreamers	SmartDreamers SRL	Same core problem and comparable motion; established product versus ExampleForge's prototype. Less German-legal specialization.
Bullhorn	Bullhorn Inc.	Bullhorn already serves the same ICP (staffing agencies) with recruitment software and could add AI campaign features. ExampleForge has no customers, no integrations, and no production product.
Recruitly	Recruitly Ltd	Recruitly targets the same ICP with AI-powered recruitment workflows and owns more of the agency system of record. ExampleForge has no live product while Recruitly has a production platform.
Jasper	Jasper AI Inc.	Jasper has funding, team, and customer base that ExampleForge lacks. Jasper's copy generation can be applied to recruitment campaigns with appropriate prompts.
ChatGPT / Gemini / Claude	OpenAI / Google / Anthropic	Generic AI tools are the cheapest substitute for ad copy generation. A buyer could use ChatGPT with a simple prompt template instead of paying EUR 499-6,500/month for ExampleForge.
Agencies and freelancers	-	Expensive and slower, but trusted and legally accountable; ExampleForge must beat them on cost and match them on compliance confidence.
Smartly.io	Smartly.io	Smartly.io has substantially greater scale, integrations, and campaign automation. ExampleForge's local recruitment focus is narrower but not yet defensible.

Strengths

The ICP focus on German recruitment advertisers is specific enough to identify head-to-head competitors rather than claiming the entire AI marketing market.

German-language AGG-aware compliance pre-checking is not the lead feature of any identified specialist competitor, leaving a narrow potential wedge.

Areas for Development

The deck omits direct same-ICP recruitment-marketing vendors (Adway, Joveo, SmartDreamers, Bullhorn ecosystem) that web research readily surfaces.

No displacement argument exists: nothing explains why a staffing agency already paying Bullhorn or an agency retainer would add or switch to ExampleForge.

Risks

Google Performance Max and Meta Advantage+ can absorb AI copy generation and campaign optimization as native features, eliminating the need for a standalone tool. These platforms own the distribution and performance data.

LinkedIn Campaign Manager, owned by Microsoft with deep OpenAI investment, is the closest workflow substitute for professional hiring campaigns and can add recruitment-specific AI features natively.

Funded specialist incumbents (Adway, Joveo, SmartDreamers) can replicate the recruitment workflow faster than ExampleForge can build production software, given it has no engineering team.

Agencies and freelancers already provide compliant campaign operations with human judgment that an AI tool cannot yet replicate, especially for German employment law compliance.

Technology & IP

82% analysis confidence

The technology architecture is transparently described as user input to UI to backend orchestration to OpenAI API to generated copy and recommendations. This is a classic API wrapper pattern with no proprietary model, no fine-tuning evidence, no patent, no proprietary data asset, and no verified benchmark. The prototype was built by an external agency using no-code tooling, prompt templates, and a freelancer. IP assignment remains dependent on invoice and handover completion, meaning the company does not currently own its core technology. The OpenAI API key used during demos belongs to the agency; the founder key is planned after funding. Vendor risk is direct: OpenAI token costs, rate limits, model changes, and provider terms directly affect margins and product capability. The moat plan depends on future workflow data, compliance audit trails, and integrations, none of which exist today. A well-funded competitor could replicate the current demo scope in approximately 6 months. Model providers

(OpenAI, Google, Anthropic) could add campaign prompt generation, variants, and summaries as native features. The closed-loop AI claim is marketing language unless evidence shows the learning loop actually works with real campaign performance data. No independent benchmarks, peer-reviewed research, or customer-controlled tests validate the self-reported performance claims. Integration complexity is low because there are no production integrations.

Strengths

The technology architecture is transparently documented, allowing investors to understand exactly what the product does and does not own. This honesty is unusual and useful.

The five-step workflow (brief, generate, pre-check, export, learn) is a clear product architecture that could be built into a defensible platform if proprietary data, integrations, and compliance workflows are added.

Areas for Development

No proprietary model, fine-tuning, patent, or verified benchmark exists. The core technology is an OpenAI API call orchestrated by prompt templates. This is one API swap away from commoditization.

IP assignment from the external agency is incomplete: full assignment occurs only after final invoice and success bonus payment. The company does not currently own its prototype code.

No production integrations with Google, Meta, or LinkedIn exist. The export step is planned, not live. The product cannot deliver value to customers without these integrations.

Risks

API wrapper economics: the core value is calling OpenAI's API. The margin structure is fundamentally capped and vulnerable to API price changes or the provider offering the same feature natively.

Model provider risk: OpenAI token costs, rate limits, model changes, and provider terms directly affect margins and product capability. The company has no control over its core cost driver.

No defensible moat: proprietary data, workflow lock-in, deep integrations, switching costs, regulatory approvals, or verified performance loops do not exist. Prompt packs, model access, and a polished UI are weak moats.

Scalability

80% analysis confidence

The operating model does not scale in its current form. Revenue growth is linked linearly to API costs: every impression-generation requires an OpenAI API call at EUR 0.15, creating negative contribution at every pricing tier. Scaling customer count worsens burn, not improves it. The key-person bottleneck is severe: Oskar Lehto carries product development, sales engineering, enterprise demos, and pilot onboarding simultaneously. The 12-month plan becomes 16-24 months under realistic slippage because product and sales cannot progress independently. The delivery process requires human steps: compliance review, customer onboarding, and campaign setup all need human oversight, especially for German employment law compliance. The company has no automated delivery pipeline, no self-serve onboarding, and no production infrastructure. Geographic expansion to other DACH markets or EU countries would require additional compliance frameworks, language support, and local market knowledge that the team does not have. The outsourcing potential is limited: the core product requires a CTO and ML engineer who cannot be outsourced. The compliance framework requires a DPO and legal counsel. The sales motion requires a dedicated sales lead. These are all critical hires that must happen before scaling is possible.

Scale Model

Intended sales-led motion (founder outbound, then design partners, then recruiting-advisor reseller channels) with eventual product-led elements; none proven. Product-led or self-serve acquisition is not currently available.

Outsourcing Potential

Core product development cannot be outsourced (requires CTO and ML engineer). Compliance framework requires DPO and legal counsel. Sales motion requires dedicated sales lead. Customer onboarding requires human oversight. Limited outsourcing potential for critical functions.

Scale Barriers

Negative unit economics (API cost exceeds pricing), missing technical team (no CTO, ML, security), unresolved IP ownership, compliance gaps (GDPR, AGG, EU AI Act), hostile SHA deterring follow-on investors, and platform-native competition from Google, Meta, and LinkedIn.

LIMITED SCALABILITY

Strengths

The five-step workflow is designed for automation: brief, generate, pre-check, export, learn could scale if the underlying technology and integrations are built properly.

The milestone-gated approach with investor gates provides some discipline against premature scaling before unit economics are proven.

Areas for Development

API costs scale linearly with usage: every impression-generation requires an OpenAI API call at EUR 0.15. Scaling customer count worsens burn, not improves it. The cost structure must change before scaling is possible.

No self-serve onboarding, no automated delivery pipeline, no production infrastructure. Every customer requires manual onboarding and campaign setup.

Geographic expansion requires additional compliance frameworks, language support, and local market knowledge that the team does not have.

Risks

Linear cost scaling: API costs scale linearly with usage, creating negative contribution at every pricing tier. The business destroys more value as it grows.

Key-person bottleneck: one person carries product and sales simultaneously. Small overruns compound into large schedule slippage, extending the timeline beyond the funding runway.

Human-in-the-loop dependency: compliance review, customer onboarding, and campaign setup require human oversight, especially for German employment law. This caps throughput and creates recruitment bottlenecks.

Legal & Regulatory

82% analysis confidence

The legal and regulatory exposure is severe and directly threatens the core investment thesis. The recruitment targeting brief contains discriminatory logic: age-based targeting (prioritize 22-35, suppress late-career), family-status proxy (down-rank caregiver indicators), nationality proxy (prefer German-language profiles, exclude relocation signals), and health-related keyword suppression. These practices violate the German Allgemeines Gleichbehandlungsgesetz (AGG) and could expose the company and its customers to regulatory action and litigation. One pipeline prospect (HireFast Berlin) explicitly requested suppression of late-career and family-pause segments, showing the demand-side pull toward unlawful use. GDPR compliance is absent: no DPIA started, no DPA completed, no lawful basis review, no consent mapping, no retention schedule, no deletion workflow, no CMP, no privacy notice, no opt-out mechanism. Prompt transcripts are sent to OpenAI and retained without a DPA or subprocessor list. The EU AI Act classifies employment-related candidate ranking as potentially high-risk, requiring classification, oversight, and monitoring planning that has not been started. Security posture is weak: admin passwords shared in a Notion page, agency test key used for demos, no incident response plan, no access control review. The SHA contains legal coherence issues: conflicting governing law (English law, Berlin courts, Delaware arbitration), company name inconsistency (three different names used), IP assignment deferred, compliance deferred until product-market fit, and personal guarantees may be required. The legal gate (DPIA, DPA, subprocessor map, human review policy, incident response) must be completed before any customer deployment.

Regulatory Risks

AGG violation from discriminatory targeting logic, GDPR non-compliance from absent data protection framework, EU AI Act high-risk classification for recruitment candidate ranking, and potential platform policy violations from undisclosed AI targeting in ad copy.

Regulatory Opportunities

A genuinely compliant recruitment campaign workflow could create a defensible wedge: auditable prompts, restricted targeting, documented human review, and model-provider subprocessor mapping would address a real buyer concern. However, this requires a fundamental product redesign that has not been started.

Entry Barrier from Regulation

Regulation creates barriers for new entrants in recruitment advertising, which could benefit a compliant first mover. However, ExampleForge is not compliant and would need to redesign its product before regulation becomes an advantage rather than a liability.

Strengths

The deck explicitly documents legal and regulatory gaps rather than hiding them. The risk register, compliance notes, and targeting brief are transparent about the problems.

A compliance-aware recruitment campaign workflow could create a genuine wedge if the product is redesigned: auditable prompts, restricted targeting, documented human review, and model-provider subprocessor mapping.

Areas for Development

The recruitment targeting brief contains AGG-violating logic (age, family status, nationality proxies) that must be removed before any pilot. This is not a minor fix; it requires a fundamental product redesign.

GDPR compliance is absent: no DPIA, no DPA, no lawful basis review, no consent mapping, no retention schedule. The company cannot legally process candidate data in its current state.

EU AI Act classification for recruitment use cases has not been started. Employment-related candidate ranking may be classified as high-risk, requiring oversight and monitoring that the company has not planned.

Risks

AGG violation risk: the recruitment targeting brief contains discriminatory logic that violates German equal treatment law. Deploying this to customers could expose the company and its customers to regulatory action and litigation.

GDPR non-compliance: no DPIA, no DPA, no lawful basis, no consent mapping, no retention schedule. Processing candidate data without these controls violates GDPR and could result in fines up to 4% of global turnover.

EU AI Act risk: recruitment candidate ranking may be classified as high-risk, requiring classification, oversight, and monitoring that has not been planned or resourced.

SHA legal coherence: conflicting governing law, company name inconsistency, deferred IP assignment, and compliance deferral create legal uncertainty for investors.

Exit

68% analysis confidence

The commercial potential is severely constrained by the current state of the business. Base case: the company hires a CTO, rebuilds the product, fixes unit economics, achieves compliance, and captures a small German recruitment niche. This requires solving negative unit economics, building production integrations, hiring 5-8 key roles, and competing with platform-native tools. Realistic timeline: 24-36 months to first meaningful revenue. Most likely outcome: the company fails to achieve product-market fit or runs out of runway before reaching commercial proof. Upside case: the company somehow achieves product-market fit, reaches EUR 5-10M ARR, and is acquired by a marketing platform or recruitment software company. This requires everything in the base case plus successful GTM execution and competitive differentiation. The realistic exit path is a small trade sale to a marketing platform or recruitment software company at EUR 8-30M in 5-7 years, contingent on reaching EUR 2-6M ARR. Unicorn probability is below 1%. The company would need to go from zero to EUR 100M+ ARR, which requires solving negative unit economics, building a real product, hiring a technical team, and competing with Google, Meta, and LinkedIn. The EUR 35M pre-money valuation implies the company is already worth more than many revenue-generating SaaS businesses, leaving minimal upside for new investors. The funding runway is insufficient for the realistic timeline: the EUR 8.75M does not cover the 16-24 month path to commercial proof, and follow-on fundraising would require a valuation reset.

Unicorn potential

Unicorn probability: below 1%. The company would need to go from zero to EUR 100M+ ARR, which requires solving negative unit economics, building a real product, hiring a technical team, and competing with Google, Meta, and LinkedIn. The current team, product, and financial profile make this outcome extremely unlikely.

Exit Scenario

Most realistic exit: small trade sale to a marketing platform or recruitment software company at EUR 8-30M in 5-7 years, contingent on reaching EUR 2-6M ARR. This requires solving negative unit economics, building production integrations, achieving compliance, and capturing a German recruitment niche. The EUR 35M pre-money valuation means the investor would likely see a loss even in this favorable scenario.

Scenario	Probability	Description
Failure / acquihire	50%	Company fails to achieve product-market fit, cannot hire CTO, or runs out of runway before commercial proof. Team acquihired for EUR 0-2M. Investor loses most or all of invested capital.
Small German niche	28%	Captures small German recruitment niche, reaches EUR 1-4M ARR, trade sale at EUR 8-30M. Investor receives partial recovery through liquidation preference. At EUR 43.75M post-money, most realistic exit values return less than invested capital.
Regional scale with reset	15%	After a down-round, compliance wedge reaches EUR 3-8M ARR and trades at EUR 60-160M. This round's holders are diluted through the reset; net proceeds roughly 1.5-2x on blended basis.
Breakout compliance category	7%	Product becomes the German and then EU standard for compliant recruitment advertising, EUR 20M+ ARR, exit above EUR 250M. Requires everything currently missing to be built and proven.

Strengths

If the company solves unit economics and achieves compliance, the German recruitment advertising wedge is specific enough to build a focused business.

Trade sale to a marketing platform or recruitment software company is a plausible exit path if the company reaches EUR 2-6M ARR.

Areas for Development

The EUR 35M pre-money valuation leaves minimal upside for new investors. At EUR 8.75M invested, the investor owns approximately 20% of a EUR 43.75M post-money company with zero revenue.

The realistic timeline to meaningful revenue is 24-36 months, not 12. The funding runway does not cover this timeline without a follow-on raise at a lower valuation.

Risks

Most likely outcome is failure: the company fails to achieve product-market fit, runs out of runway, or cannot hire the technical team needed to rebuild the product.

Valuation compression risk: if the company raises again at lower valuation, early investors face dilution and potential loss. The EUR 35M pre-money is not supported by any financial metric.

Competitive displacement: Google, Meta, and LinkedIn can absorb AI campaign features natively, eliminating the standalone value proposition before the company reaches commercial proof.

Presentation

85% analysis confidence

The deck is unusually comprehensive and transparent for a pre-revenue company. It covers all standard investor themes with explicit negative answers where appropriate: zero customers, negative unit economics, missing roles, compliance gaps, and hostile SHA are all documented rather than hidden. The data room quality is high, with detailed financial appendices, compliance notes, and risk registers. However, this should not be confused with investment quality. The deck's honesty about weaknesses is a positive signal for diligence, not for the company itself. The materials are explicitly labeled as fictional demonstration fixtures, which is itself a material-quality finding. The deck also contains embedded scoring suggestions and meta-instructions about expected assessment outcomes; these were treated as untrusted content and did not influence scores. Cross-document inconsistencies (EUR 8.75M deck ask versus EUR 4M SHA round, different founder sets, company name variants) remain unresolved. The sheer length (21 slides plus appendices) and inclusion of internal memos may overwhelm some readers. The structure follows a logical investor-ready flow from problem through solution, market, traction, team, financials, and risks.

Structure and flow

The deck follows a logical investor-ready flow: problem, market, ICP, traction, product, roadmap, pricing, unit economics, GTM, competition, technology, team, use of funds, runway, legal, governance, and risk register. This is stronger than most seed-stage decks. However, the deck is 21 slides plus appendices, which is long for a prototype-stage company. The flow could be tightened by moving internal memos (decision frame, AI defensibility memo) to a separate data room. The executive summary is honest but could be more concise. The major work is evidentiary replacement and cross-document reconciliation, not slide sequencing.

Investor deck completeness

STATUS	IDEAL SECTION	WHAT INVESTORS EXPECT	MATERIAL EVIDENCE	ACTION
Present	**Problem / Customer Pain**	Specific pain, buyer, urgency, and why now	Slide 4: 36 interviews, 6-10 hours per campaign, variant generation and cross-platform setup friction documented	Strong; keep as-is. Add attributable interview methodology and two consented buyer quotes tied to real organizations.
Present	**Solution / Product**	What is built, how it works, why it solves the pain	Slides 8-9. Five-step workflow clearly described, roadmap with milestone gates and fail gates	Strong structure but weak evidence. Add a customer-accessible beta, architecture diagram, live export, and measured setup-time comparison.
Present	**Market / ICP**	Target customer, market size, segment focus, buying context	Slides 5-6: EUR 11.89B European digital ads, specific ICP (staffing agencies, SMB employers), buying constraints documented	Strong; substantiate the 7,000-account count, software budgets, and achievable share with registry or association data.
Weak	**Business Model / Pricing**	Revenue model, pricing logic, margin logic, repeatability	Slide 10: Four pricing tiers defined, but unit economics are negative (API cost exceeds price). Margin claim is incorrect.	Present but with critical negative answers. Rebuild pricing from token cost upward; remove the ARR-bookable free pilot term.
Weak	**Traction / Validation**	Customers, pilots, revenue, pipeline, usage, retention	Slide 7: 36 interviews, 0 paid pilots, 0 ARR, 0 MRR. Transparent about zero commercial proof.	Present with honest negative answers. Replace LOI list with paid-pilot pipeline once any exists; exclude related parties.
Weak	**Team**	Founder roles, execution proof, resource loading, hiring gaps	Slide 15: Four founders with CVs, missing roles identified (CTO, ML, security, DPO, sales). Resource loading analysis shows bottleneck.	Present but team is weak. Reconcile founder set with the SHA and add verifiable identifiers per person.
Weak	**Competition / Differentiation**	Alternatives, substitutes, uniqueness, moat, displacement risk	Slide 13: Platform threats (Google, Meta, LinkedIn), AI threats (ChatGPT), martech threats (Jasper, Smartly), human substitutes (agencies). Self-serving positioning chart.	Present but competitive positioning chart is self-serving. Add Adway, Joveo, SmartDreamers and a displacement argument.
Weak	**Go-to-Market**	Sales motion, channels, acquisition costs, partnerships	Slide 12: Three-phase GTM (founder-led, design partners, channel partners). CAC assumptions unvalidated.	Present but GTM is unproven. Add conversion assumptions, sales-cycle timing, channel economics, and named ownership separate from product delivery.
Weak	**Financials / Unit Economics**	Historicals or forecast, costs, margin, runway, key assumptions	Slides 11, 17: Negative unit economics documented, cash bridge has sign error, management margin claim is incorrect.	Present with critical negative answers. Fix the cash bridge, include taxes and working capital, restate margins with corrected audited formulas.
Weak	**Funding Ask / Use of Funds**	Amount, round context, budget split, milestone allocation, runway, delay sensitivity	Slides 16-17: EUR 8.75M detailed allocation with owners and gates. Runway sensitivity shows 16-24 month scenarios.	Strong detail but valuation is unjustifiable. Reconcile with the SHA's EUR 4M round and show the downside-case funding plan.

STATUS	IDEAL SECTION	WHAT INVESTORS EXPECT	MATERIAL EVIDENCE	ACTION
Present	**Risks / Regulatory / Legal**	Material risks, dependencies, compliance, IP, legal constraints	Slides 18-20: AGG risk, GDPR gaps, EU AI Act, security gaps, SHA issues all documented in risk register.	Strong transparency on risks. Replace remediation plans with counsel opinions, executed assignments, revised contracts, and completed controls.

Observed structure (from materials)

#	SLIDE OR SECTION	INVESTOR THEME
1	Cover Page	Other
2	Executive Summary	Other
3	Material Completeness	Other
4	Customer Pain	Problem
5	Market Context	Market
6	ICP and Buying Context	Market
7	Customer Discovery and Traction	Traction
8	Product Workflow	Solution
9	Product Status and Roadmap	Solution
10	Business Model and Pricing	Finance
11	Unit Economics	Finance
12	Go-to-Market	GTM
13	Competition and Differentiation	Competition
14	Technology and IP	Technology
15	Team and Resourcing	Team
16	Use of Funds	Finance
17	Runway and Sensitivity	Finance
18	Legal, Regulatory and Data	Risks
19	Governance and SHA	Risks
20	Risk Register	Risks
21	Decision Frame	Other

Weak or missing investor themes

- Verified legal entity and founder identities
- Paid customer evidence with retention
- Positive contribution margin
- Fully diluted cap table
- Executed IP ownership
- Production product access
- Exit and acquirer perspective
- Consistent round terms across documents

Title and clarity suggestions

- Consider shortening to 12-14 slides by moving internal memos (Decision Frame, AI Defensibility Memo) to a separate data room
- Rename 'Material Completeness' to something more investor-friendly or merge into Executive Summary
- Add a clear 'Why Now' section to the Problem slide to strengthen timing argument
- Retitle consulting sales as 'Non-product consulting sales' to prevent confusion with recurring software revenue
- Replace 'Complete investor diligence deck' with 'Prototype validation and remediation financing plan' if the company becomes a real operating entity

Identified gaps

Legal and operating existence HIGH RISK

All company, founder, customer, and transaction facts are labeled fictional, and no registration or public operating footprint was found.

Unit Economics HIGH RISK

API cost EUR 0.15 per impression-generation exceeds selling price EUR 0.012-0.019 by 8-12x. The 82% gross margin claim excludes a direct serving cost. The business model is structurally unviable at current pricing.

Technical Leadership HIGH RISK

No CTO, ML engineer, security lead, or DPO. The product lead cannot build production software. The prototype was built by an external agency with unresolved IP assignment.

SHA / Governance HIGH RISK

Full-ratchet anti-dilution, broad vetoes, no good-leaver definition, subjective bad-leaver triggers, Russian roulette deadlock, 5-year worldwide non-compete, conflicting governing law. Hostile to institutional investors.

Round consistency HIGH RISK

The deck's EUR 8.75M ask conflicts with the shareholder agreement's EUR 4M round, and no fully diluted ownership calculation is supplied.

Cash Bridge MEDIUM RISK

Management shows EUR 7,950k ending cash but correct calculation yields EUR -1,100k. The round does not cover the stated plan.

Compliance readiness HIGH RISK

AGG-violating targeting logic, absent GDPR framework (no DPIA, DPA, lawful basis), EU AI Act non-compliance, shared admin credentials, no incident response.

Embedded scoring language MODERATE

Materials include meta-instructions about expected assessment outcomes; untrusted content that damages material credibility even though it was ignored.

Financials

86% analysis confidence

The financial case is deeply flawed. The company has zero paying customers, zero ARR, zero MRR, and zero production deployment. The only revenue is EUR 312k in consulting, which is one-off project revenue, not recurring SaaS. Management claims 82% gross margin by treating API tokens as R&D learning cost below gross profit, but the investor view correctly treats API calls as direct COGS: serving 1,000,000 monthly impression-generations creates EUR 22,000 revenue, EUR 4,000 hosting, and EUR 150,000 API token cost, yielding EUR -132,000 contribution before CAC and support. The pricing sheet sells impressions for EUR 0.012-0.019 while the key variable cost is EUR 0.15 per impression, creating negative unit economics at every tier. The cash bridge contains a sign error: management shows EUR 7,950k ending cash but the correct calculation (EUR 8,750k opening minus EUR 3,100k Q3 burn minus EUR 4,850k Q4 burn minus EUR 1,900k token prepayment) yields EUR -1,100k. The round does not cover the stated plan. CAC assumptions are baseless: EUR 260 launch CAC through founder network has no paid acquisition evidence, and the paid CAC benchmark of EUR 1,800-3,500 is unvalidated. Churn of 0.5% monthly from year one has no retention data to support it. Enterprise customers paying within 7 days assumes contracts and billing processes that do not exist. Taxes and VAT are excluded until German setup is complete. The EUR 8.75M ask at EUR 35M pre-money for a pre-revenue prototype with negative unit economics is unjustifiable by any standard financial metric.

Industry Benchmark

SaaS median churn is 10-20% annually; ExampleForge assumes 0.5% monthly (6% annually) with no data. Healthy SaaS LTV:CAC is 3-5x; ExampleForge has no calculable LTV or CAC because gross margin is negative. SaaS gross margin is 70-80%; ExampleForge claims 82% but investor-adjusted margin is deeply negative after including API costs. CAC payback of 12-18 months is standard; ExampleForge has no payback period because there are no customers. The financial profile is not comparable to any healthy SaaS benchmark.

Unit Economics

Unit economics are negative and broken. Management pricing: EUR 0.012-0.019 per impression-generation across tiers. Management API cost: EUR 0.15 per impression-generation (stated in deck). Investor-adjusted contribution per 1M impressions: EUR 22,000 revenue minus EUR 4,000 hosting minus EUR 150,000 API cost equals EUR -132,000. This means every customer using the product at scale loses money before CAC, support, and overhead. The 82% gross margin claim excludes API tokens from COGS, which is incorrect for a serving cost. Even at the Enterprise tier (EUR 6,500/month for 650,000 impressions), revenue is EUR 7,800 (base plus overage) versus API cost of EUR 97,500, yielding EUR -89,700 contribution. The business cannot become profitable without either (a) reducing API costs by 10x through model optimization, fine-tuning, or cheaper providers, (b) increasing prices by 10x, or (c) fundamentally changing the product architecture to reduce per-impression API calls. None of these paths are evidenced in the materials.

Strengths

The use-of-funds plan is detailed with EUR 2.15M for product rebuild, EUR 1.80M for GTM, EUR 1.65M for hiring, EUR 1.45M for cloud/API, EUR 0.70M for legal, and EUR 1.00M buffer, each with named owners and milestone gates.

The financial materials are transparent about negative unit economics, showing both management and investor views of the API cost problem. This honesty is unusual and useful for diligence.

Milestone-gated spending with investor gates (CTO hire, IP assignment, paid pilots, repricing, clean SHA) provides some discipline against premature scale spend.

Areas for Development

The cash bridge contains a sign error: management shows EUR 7,950k ending cash but the correct calculation yields EUR -1,100k. The round does not cover the stated plan.

Unit economics are negative: API cost EUR 0.15 per impression-generation versus EUR 0.012-0.019 selling price. Scale worsens burn under current pricing. The 82% gross margin claim excludes a direct serving cost.

No concrete revenue projections with customer count, ACV, and ARR math. The year-5 target of 1,800 accounts at EUR 20k ARR is stated without a bottoms-up model showing how to reach it from zero.

Risks

Negative unit economics: every impression-generation loses money before CAC and support. Scale worsens burn, not improves it. The business model is structurally unviable at current pricing and API costs.

Cash bridge arithmetic error: management's ending cash figure is based on a sign error. The EUR 8.75M round does not cover the stated 12-month plan, let alone the realistic 16-24 month timeline.

No revenue, no retention data, no CAC evidence, no churn data. All financial projections are hypothetical. The EUR 35M valuation has no financial basis.

Token prepayment of EUR 1.9M is required before any customer deployment, consuming 22% of the round on a cost that scales linearly with usage and creates ongoing vendor dependency.

Fundability

82% analysis confidence

The company is pre-revenue with zero paying customers, zero ARR, zero MRR, and zero production deployment. The only revenue is EUR 312k in one-off consulting, which is not recurring SaaS revenue. The EUR 8.75M raise at EUR 35M pre-money is unjustifiable by any standard financial metric for a prototype-stage company. For context, pre-revenue SaaS companies at seed stage typically raise EUR 1-3M at EUR 3-8M pre-money. The EUR 35M valuation implies the company is worth more than many revenue-generating SaaS businesses. The SHA is a major fundability blocker: full-ratchet anti-dilution with no time limit, broad veto rights (any 5% holder can block reserved matters without explanation), no good-leaver definition, bad leaver determined by the board for subjective reasons (including disagreed with the product roadmap), Russian roulette deadlock mechanism, 5-year worldwide non-compete covering the entire AI/marketing/recruitment space, conflicting governing law (English law, Berlin courts, Delaware arbitration), and no cap table documentation. The SHA also contains a discrepancy: the deck says EUR 8.75M raise but the SHA shows EUR 4M investment at EUR 35M pre-money. Three shareholders (Krause 23%, Rantala 15%, Hoffman 10%) hold 48% combined with no documented roles or contributions. The use-of-funds plan is detailed but depends on hires who are not yet identified and a CTO who is not yet committed. The realistic timeline is 16-24 months, not 12, and the EUR 8.75M does not cover the downside case. Follow-on fundraising would require a valuation reset given the current traction gap.

Investor Accessibility

The business is easy to understand conceptually (AI workflow for recruitment campaigns) but extremely difficult to evaluate favorably given negative unit economics, no revenue, no product, and a hostile SHA. Institutional follow-on investors would struggle to underwrite a Series A based on current evidence.

Cap Table

The cap table is undocumented: no worked cap table shows the effect of the EUR 8.75M investment, the option pool, the anti-dilution adjustment, or the 10% unallocated growth pool. Three shareholders (Krause 23%, Rantala 15%, Hoffman 10%) hold 48% combined with no documented roles. The growth pool may be increased or reduced by the board without changing the pre-money valuation, creating dilution uncertainty for new investors. The SHA and deck show inconsistent investment amounts (EUR 4M vs EUR 8.75M).

Shareholder Agreement

Draft v0.8 with no external legal review. New-money defects: full-ratchet anti-dilution extended to a founder (Lehto) with no time limit and no carve-out for employee options; unanimous consent over spend above EUR 25,000, hiring, pricing, and fundraising; 5% email veto with no justification requirement; fully vested founder shares with punitive board-decided bad-leaver confiscation; drag-along at 51% with uncapped warranties and non-cash consideration; tag rights only for preferred holders and only for 75%+ cash sales; Russian roulette deadlock exploitable against an illiquid minority; pre-emption waivable by the CEO; personal guarantee obligations on shareholders; related-party services priced by the beneficiary founder. Legal-coherence defects: inconsistent company names across cover and clauses, unconfirmed incorporation number, governing law of England and Wales with exclusive Berlin jurisdiction plus investor-option Delaware arbitration (internally contradictory), binding effect claimed before articles alignment, a five-year worldwide non-compete covering all AI and marketing software (almost certainly unenforceable in breadth), and an indemnity pushing regulatory losses onto whichever founder approved a campaign.

Red Flags

SHA full-ratchet anti-dilution with no time limit deters follow-on investors

Three undocumented shareholders hold 48% with no roles or contributions

Inconsistent investment amounts between deck (EUR 8.75M) and SHA (EUR 4M)

No worked cap table provided

Cash bridge contains sign error showing positive ending cash when correct figure is negative

Valuation of EUR 35M pre-money for zero revenue is unjustifiable by any comparable

Materials explicitly labeled as fictional demonstration fixtures; no real company, founders, or product evidenced

Free 60-day pilots permitted to be booked as ARR, contaminating traction reporting

Strengths

The use-of-funds plan is detailed with EUR 2.15M for product, EUR 1.80M for GTM, EUR 1.65M for hiring, EUR 1.45M for cloud/API, EUR 0.70M for legal, and EUR 1.00M buffer, each with milestone gates.

Investor gates (CTO hire, IP assignment, paid pilots, repricing, clean SHA) provide some discipline against premature scale spend.

The deck is transparent about weaknesses: negative unit economics, missing roles, compliance gaps, and SHA problems are explicitly documented rather than hidden.

Areas for Development

EUR 35M pre-money valuation for a pre-revenue prototype with negative unit economics is unjustifiable. Pre-revenue SaaS companies at seed stage typically raise EUR 1-3M at EUR 3-8M pre-money.

The SHA is investor-hostile: full-ratchet anti-dilution, broad vetoes, no good-leaver definition, subjective bad-leaver triggers, Russian roulette deadlock, 5-year worldwide non-compete, and conflicting governing law.

The funding ask (EUR 8.75M) and the SHA investment (EUR 4M) are inconsistent. No worked cap table shows the effect of the investment, option pool, anti-dilution adjustment, or growth pool.

Risks

The SHA is a deal-breaker for institutional investors: full-ratchet anti-dilution with no time limit, broad veto rights, subjective bad-leaver triggers, and no cap table documentation deter follow-on financing.

Valuation disconnect: EUR 35M pre-money for zero revenue, zero customers, and negative unit economics implies a 100x+ revenue multiple on EUR 312k consulting revenue. No comparable supports this.

Capital sufficiency risk: the EUR 8.75M does not cover the realistic 16-24 month timeline. The cash bridge contains a sign error showing EUR 7,950k ending cash when the correct figure is EUR -1,100k.

Follow-on fundraising risk: the company would need a valuation reset to raise again given the current traction gap. Early investors face dilution through multiple future financings before meaningful customer proof.

INVESTOR FOLLOW-UP

Questions for the founder team

15 questions

Edit questions

These questions focus on the evidence gaps and risks most likely to affect the investment decision.

1 **FINANCIALS**

Your cash bridge shows EUR 7,950k ending cash, but the correct calculation (EUR 8,750k opening minus EUR 3,100k Q3 burn minus EUR 4,850k Q4 burn minus EUR 1,900k token prepayment) yields EUR -1,100k; how do you reconcile this arithmetic error and what is the actual cash position after the round?

2 **FINANCIALS**

API cost is EUR 0.15 per impression-generation while your pricing is EUR 0.012-0.019 per impression-generation; what specific technical or architectural changes will reduce API costs by 10x, and what is the timeline and evidence for achieving this before you burn through the round?

3 **TEAM**

Oskar Lehto is assigned product rebuild, AI workflow, sales engineering, enterprise demos, and pilot onboarding simultaneously; given the sensitivity analysis shows the 12-month plan becomes 16-24 months under realistic slippage, what is your concrete plan to split product and sales execution, and who specifically will own each?

4 **TEAM**

You have no CTO, ML engineer, security lead, or DPO on the team; the product lead cannot build production software; what specific candidates or commitments do you have for these roles, and what happens to the plan if you cannot hire a CTO within 90 days of close?

5 **LEGAL & REGULATORY**

The Germany Recruitment Targeting Brief contains age-based, family-status proxy, and nationality proxy targeting that violates German AGG; has this brief been reviewed by qualified German employment counsel, and what is the specific remediation plan before any pilot launches?

6 **TECHNOLOGY & IP**

IP assignment from the external agency is incomplete until final invoice and success bonus payment; what is the outstanding balance, what is the exact assignment mechanism, and what happens to the company if the agency disputes ownership or the handover fails?

7 **FUNDABILITY**

The SHA shows EUR 4M investment while the deck shows EUR 8.75M; three shareholders (Krause 23%, Rantala 15%, Hoffman 10%) hold 48% with no documented roles; and the full-ratchet anti-dilution has no time limit; what is the explanation for these discrepancies and what specific SHA changes are you willing to make before close?

8 **FINANCIALS**

The 82% gross margin claim excludes API tokens from COGS, but API calls are a direct serving cost; what is the investor-adjusted gross margin after including API costs, and at what customer volume does the business reach positive contribution margin under your revised pricing?

9 **OFFERING**

The export step (Google, Meta, LinkedIn handoff) is planned but not live, and the product cannot deliver value without these integrations; what is the engineering timeline and cost to build production integrations, and who will own this work given you have no CTO or backend engineers?

10 **COMPETITORS**

Adway, Joveo, and SmartDreamers address the same recruitment-marketing workflow with live products and integrations; what specific displacement argument explains why a staffing agency already paying for one of these tools would add ExampleForge, and what evidence do you have that any of the 36 discovery interviewees currently use these competitors?

11 **FINANCIALS**

The year-5 SOM of 1,800 accounts at EUR 20k ARR implies capturing roughly a quarter of the assumed SAM within five years from zero product; what is the bottoms-up model showing month-by-month customer acquisition, conversion rates, and sales cycle length to reach this target?

12 **TEAM**

CEO Alexandra Hartmann does not appear in the SHA cap table despite being deck-stated CEO; what is her current equity position, and how does her absence from the shareholder agreement affect governance and investor confidence?

13 **OFFERING**

The learn loop claims weekly recommendations based on campaign performance data, but no production integrations exist to capture this data; what specific data sources will feed the learning loop, and what evidence exists that the loop actually improves campaign performance?

14 **FUNDABILITY**

Free 60-day pilots are permitted to be booked as ARR under your current reporting framework; what is your policy on recognizing revenue from pilots, and how will you prevent ARR contamination in follow-on fundraising materials?

15 **FINANCIALS**

The EUR 1.9M token prepayment consumes 22% of the round before any customer deployment; what is the contractual commitment to OpenAI, what happens to unused tokens, and what is the vendor risk if OpenAI changes pricing or rate limits during the funded period?

Edit questions

Glossary

CAC
Customer Acquisition Cost: the total cost of acquiring a new customer, including marketing, sales, onboarding, and any incentives or discounts.

ARR
Annual Recurring Revenue: the annualized value of active subscription contracts, a key metric for SaaS businesses.

Churn
The rate at which customers cancel or do not renew their subscriptions, typically expressed as a monthly or annual percentage.

TAM/SAM/SOM
Total Addressable Market (all potential revenue), Serviceable Addressable Market (reachable segment), Serviceable Obtainable Market (realistically capturable revenue).

ACV
Annual Contract Value: the annualized revenue value of a single customer contract.

DPA
Data Processing Agreement: a contract between a data controller and processor that defines responsibilities for GDPR-compliant data handling.

GDPR
General Data Protection Regulation: EU regulation governing the processing of personal data, with fines up to 4% of global turnover for violations.

SHA
Shareholders' Agreement: a contract governing the rights, obligations, and relationships between a company's shareholders.

GTM
Go-to-Market: the strategy and execution plan for reaching target customers and generating revenue.

ROAS
Return on Ad Spend: the revenue generated per unit of advertising expenditure, a key metric for advertising effectiveness.

API wrapper
A product whose main technical function is packaging another provider's model or service through a user interface and workflow.

Drag-along / tag-along
Drag forces minority holders to join a sale; tag lets minorities sell alongside majorities. Here drag is broad and tag is restricted, disadvantaging small holders.

Down-round
A financing at a lower valuation than the previous round, diluting earlier investors and founders.

Contribution margin
Revenue minus all variable delivery costs per unit; negative contribution means each sale increases losses.

Gross revenue retention
Recurring revenue retained from an existing customer cohort before expansion revenue.

DPO
Data protection officer, a qualified role overseeing privacy compliance where required.

LTV
Lifetime Value: the total revenue a customer is expected to generate over their entire relationship with the company.

MRR
Monthly Recurring Revenue: the monthlyized value of active subscription contracts.

ICP
Ideal Customer Profile: the description of the type of company or person most likely to buy, retain, and derive value from the product.

PLG
Product-Led Growth: a go-to-market strategy where the product itself drives acquisition, conversion, and expansion, rather than sales teams.

DPIA
Data Protection Impact Assessment: a GDPR-required assessment of data processing activities that pose high risk to individuals' rights and freedoms.

AGG
Allgemeines Gleichbehandlungsgesetz: Germany's General Equal Treatment Act prohibiting discrimination in employment, including recruitment advertising.

EU AI Act
European Union Artificial Intelligence Act: regulation classifying AI systems by risk level, with high-risk systems (including employment-related AI) requiring oversight and monitoring.

COGS
Cost of Goods Sold: direct costs attributable to producing or delivering a product or service, including materials, labor, and infrastructure.

API
Application Programming Interface: a set of protocols and tools that allow different software applications to communicate. In this context, the OpenAI API is the interface for accessing AI models.

CPM
Cost Per Mille: the cost per 1,000 ad impressions, a standard advertising pricing metric.

Full-ratchet anti-dilution
Term repricing earlier shares to the lowest later issue price; extremely investor-unfriendly when granted to founders and a deterrent for follow-on investors.

Russian roulette clause
Deadlock mechanism where one party names a price and the other must buy or sell at it; punishes the party without financing capacity.

Design partner
An early paying customer who co-develops the product in exchange for discounts and influence.

Token cost
Usage-based fee paid to an AI model provider (here OpenAI) for each generation request; a direct variable serving cost.

LOI
Letter of Intent: a non-binding expression of interest; not revenue and not a contract.

CPA
Cost per acquisition, such as the advertising cost to generate a qualified applicant or customer.

DDScore.ai interpretation

CURRENT SCORE: **20%** PROFILE: **ELEVATED RISK**

Scores below about one-third of the scale signal statistically elevated risk. Across many comparable cases, capital impairment is more common than not in this band.

THE LOWER BAND — HIGH RISK

Scores below about one-third of the scale signal statistically elevated risk. The materials typically show overlapping problems that dominate the picture in aggregate.

THE MIDDLE BAND — UNEVEN READ

Evidence pulls in both directions. The score is not signalling a clean bull or bear case, but that the materials do not yet support a confident view.

THE UPPER BAND — FAVOURABLE READ

The evidence cluster is more constructive across multiple dimensions simultaneously. This is not a guarantee, but it describes a different posture from the left side of the scale.

DDScore reflects investment risk and evidence density, not idea quality alone. Earlier-stage companies (for example strong pre-seed or seed profiles) therefore often read lower than later-stage peers with revenue, even when the story is solid; that is a statistical tendency, and exceptional early-stage cases can still reach strong reads. From about the mid-forties up, a modest headline driven mainly by stage may still warrant diligence for mandates that deliberately accept higher early-stage risk—without relaxing standards on material red flags.

Scores are statistically indicative inputs, not investment advice. Individual variance is high.

Based on the information available for this analysis, the opportunity carries significant risks relative to the return outlook implied by the materials.

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