Pitch deck

iskraindex.com

IskraIndex

Algorithmic Index Optimization for Superior Risk-Adjusted Returns

April, 27, 2026

IskraIndex Mission – deliver deposit-beating, risk-controlled portfolios through the most efficient multi-asset index ETF optimization.

- **IskraIndex - the next-generation index portfolio optimizer**
- **Challenging US robo-advisory behemoths Betterment & Wealthfront with 2–2.5x higher return at 1.5–2x lower risk**
- **MVP live at iskraindex.com**
- **Registered in Kazakhstan as TOO "IskraIndex"**
- **The service does not require an advisory license in most jurisdictions, being offered as pure technical optimization – not tailored to any specific client, with no access to investors' funds or accounts.**

Problem – The Limits of Current Robo-Advisors

- Traditional digital advisors (US Betterment, Wealthfront) rely on static or/and low-dimensional optimization
  Result: Mediocre to unacceptable risk-adjusted returns, especially for conservative portfolios

- Brokers suffer from low-margin conservative clients (up to 60% of AUM) and limited turnover of client base across all risk-profiles

- HNWIs & institutions lack access to truly efficient index portfolios that include alternatives & Bitcoin

- There is no common benchmark for efficient globally diversified portfolios.

Solution – IskraIndex Optimization Engine

- MVP live – web-based portfolio optimization service
- Covers 10 major asset classes using iShares ETFs, including:
  - Equities (US, DM, EM)
  - Fixed income (Govt, Corp DM&EM)
  - Alternatives (Real estate, Commodities, Hedge fund replicators)
  - Bitcoin
- Generates model index portfolios with exceptional efficiency
- Delivered as:
  - Direct recommendations for HNWIs (self-executed on any broker)
  - White-label solutions for institutions (funds, virtual advisors, portfolio managers).

Methodology – Why It's Different

- Proprietary optimization that breaks the efficient frontier of traditional mean-variance models
- Dynamically accounts for tail risk, regime shifts, and cross-asset correlations
- Enables theoretically unlimited liquidity – no block trades needed up to $1 B
- Fully transparent, rules-based, index-compatible approach
- Better than Betterment/ Wealthfront – not by 10-20%, but by 2-3x in return/risk.

Performance – Unmatched Risk-Adjusted Returns

Metric	IskraIndex (last 6.5 years)	Industry Standard (e.g., 60/40)
Sharpe Ratio	**>1.5**	0.5 – 0.8
Return / Risk ratio	**≈ 2.0**	0.6 – 1.0
vs Betterment / Wealthfront	1.6-2.2x higher return	1x baseline
Risk (volatility / drawdown)	2-3x **lower**	1x baseline

Backtested on live market data – ready for forward-testing with clients.

Competitive Advantage Over US Robo-Advisors

	Betterment / Wealthfront	IskraIndex
Asset classes universe	8 (no Bitcoin, limited alts)	10 including alts + Bitcoin
Sharpe ratio	~0.6-0.8	>1.5
Return for same risk	baseline	+100-150%
Risk for same return	baseline	-50% to -70%
Liquidity ceiling	The liquidity limit doesn't matter as the portfolio is built as a permanent ('forever') holding	Using ETF block trades, the liquidity ceiling becomes virtually unlimited
Tokenization	No	Future roadmap

Target Clients & Use Cases

1. High-Net-Worth Individuals (HNWI)

- Receive model portfolios → execute on their own brokerage account
- Monthly fee: fixed $900–1,100
- Effective cost: 1-1.3% for $1M portfolios (scales down with larger portfolios).
  (based on 0.36%mf+10%sf for $1M base portfolio)

2. Institutional Clients

- White-label integration: funds, virtual advisor "IskraIndex", virtual portfolio manager
- Monthly fee: $8,300–9,500
- Effective cost: ~1% for $10M AUM (scales down with larger AUM).
  (based on 0.36%mf+10%sf for $10M base portfolio)

Additional value for brokers:

Increase turnover of passive client base

Boost margin from conservative clients (usually core brokers' asset base).

Pricing Model – Simple & Fair

Client Type	Base Portfolio	Monthly Fee (less risky/high risky)	Implied Fee (mgmt + perf)	Relative cost decreases with larger AUM
HNWI	$1M	$900 – 1,100	0.36% + 10% of outperformance over deposit yield	✓
Institutional	$10M	$8,300 – 9,500	0.28% + 10%	✓

- Performance fee applies only to returns above a deposit-proxy index (1Y UST S&P Index)
- No lock-ins, no hidden rebalancing charges
- Refund in case of underperformance

  Alignment of service provider's and clients' interests: If, at the end of the year, the return on any of the Deposit+ line model portfolios is lower than the return on a 1-year deposit-proxy index, IskraIndex will refund 80% of the annual subscription cost to its customers.

Business Model & Go-to-Market

Revenue streams

- Monthly subscription fees (HNWI + institutional)
- Performance fee share (upfront model, not AUM-based – aligned with client success)
- White-label licensing fees.

GTM strategy

1. Direct HNWI – through wealth management circles, digital outreach

2. Institutional – partnerships with:
   - Regional brokers (outside US) with large passive/ conservative client bases
   - Fund managers seeking turnkey index strategies

3. Crypto native – early discussions for tokenized strategy access.

First markets

- Kazakhstan, UAE, Singapore, EU (regulatory light-touch environments).

Tokenization – The Next Frontier

Vision: Tokenize IskraIndex strategies as on-chain indices (e.g., on Ethereum L2s or Solana)

Benefits:

- Investment offer for cryptocurrency investors
- Fractional access for smaller investors
- 24/7 trading and global distribution
- Smart contract-based rebalancing and fee collection

- **Creates a bridge between traditional index efficiency and DeFi liquidity**
- **Potential to launch a native token for governance and staking on strategy returns.**

Roadmap:

- After reaching $50M AUA in traditional model, launch pilot tokenized fund.

<u>Competitive Moat & Vision</u>

Moat

- **Proven Sharpe >1.5** over 6.5 years is **2-3x times better than industry average**
- **The proprietary optimization algorithm** – a privately held process containing several know-how elements – **is highly unlikely to be replicated in its entirety by lawful means <u>at such a level of liquidity</u>**. No quant team in the world has proposed anything of the sort since Markowitz's theory first appeared
- **First-mover in offering such a wide range of asset classes** for index strategies
- Selling an investment product that is a combination of asset classes is easily marketable — even to less sophisticated investors.

Vision

- Become the prominent global index optimization engine outside the US
- Power white-label robo-advisors for dozens of brokers
- Democratize institutional-grade index portfolios through tokenization.

Ask / Next Steps

We are raising / inviting strategic partners for:

- $2M Seed Round (or regional licensing partners)
  Use of funds: marketing to HNWIs, regulatory setup (EU, SG), engineering for tokenization MVP
- Strategic broker partnerships for white-label deployment.

Bringing in high-quality salespeople is the current promo priority:

- Pilot clients – first 5 institutions get 3 months free white-label access
- HNWI early access – first 50 clients get a 20% discount for the first subscription year.

IskraIndex founders

Andrey Stoyanov, CEO and Project Idea Co-Author

Worked at major Russian investment banks, advancing from an analyst to a manager of mutual funds, pension assets, and individual discretionary accounts. Participated in the development of robo-advisory services for Russian brokerage firms.
CFA charterholder (2015), graduate of the Carnegie Mellon Center for Financial Analysis and Security Trading, holds a Master's degree in Physics.

Dmitry Morozov, Project Idea Co-Author

Worked in the investment banking business (PPF Group, Home Credit Bank) and Private Equity firms, with experience in banking risk management and the development of retail banking products. Has extensive experience in evaluating and developing strategies for fintech companies as part of M&A transactions in the banking sector.
CFA charterholder (2005), graduate of the Prague School of Economics.

Appendix – Backup Slides

Background: Betterment and Wealthfront — American Pioneers in Index Robo-advising

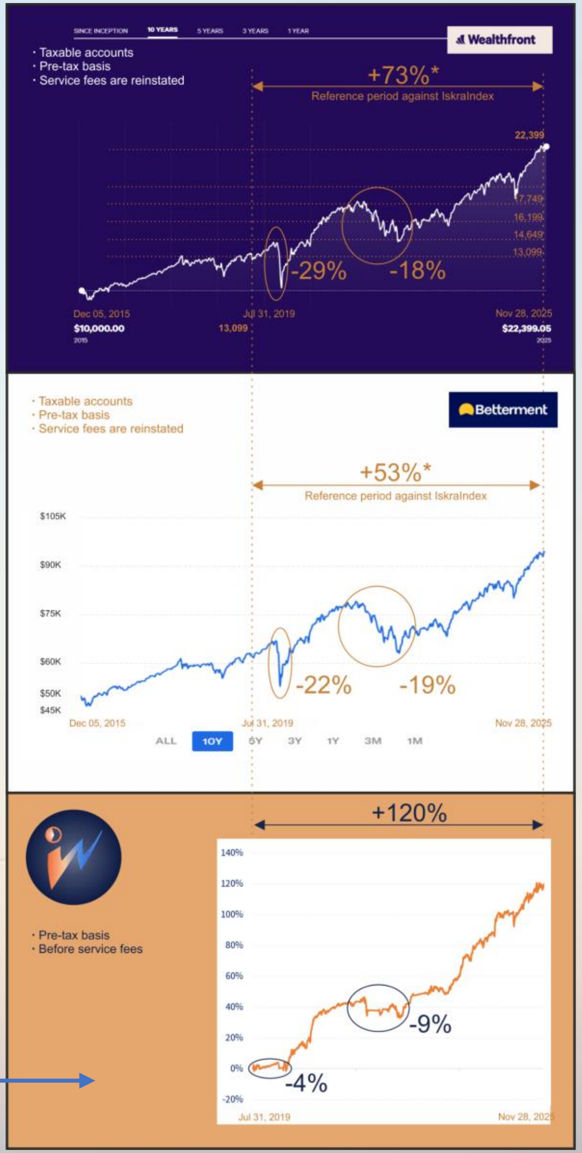
- Proposed using the Nobel Prize-winning Markowitz model to optimize portfolios of index ETFs across asset classes
- Operate under an advisory model with $65 billion and $90 billion in AUM, and 1 million and 1.3 million clients, respectively
- For each new client, the **optimal portfolio structure is set permanently**; rebalancing is conducted only for technical purposes — to reinvest dividends, optimize taxes, and restore the original portfolio allocation in the event of 'significant deviations'
- **Premium service tariff: 0.5% AUM per year for portfolios > $2 million**

Betterment and Wealthfront – Major Weaknesses

- **Perpetually 'optimal' asset structure**
- **Exclusion of key asset classes** such as commodity indices and bitcoin from the optimization universe
- **Presence of superfluous ETFs** that do not represent top-tier asset classes (e.g., US municipal bonds, dividend growth stocks)
- **Absence of regular portfolio optimization test and rebalancing to new optimal structure**
- **Reliance on regression models (CAPM)** to estimate expected returns.

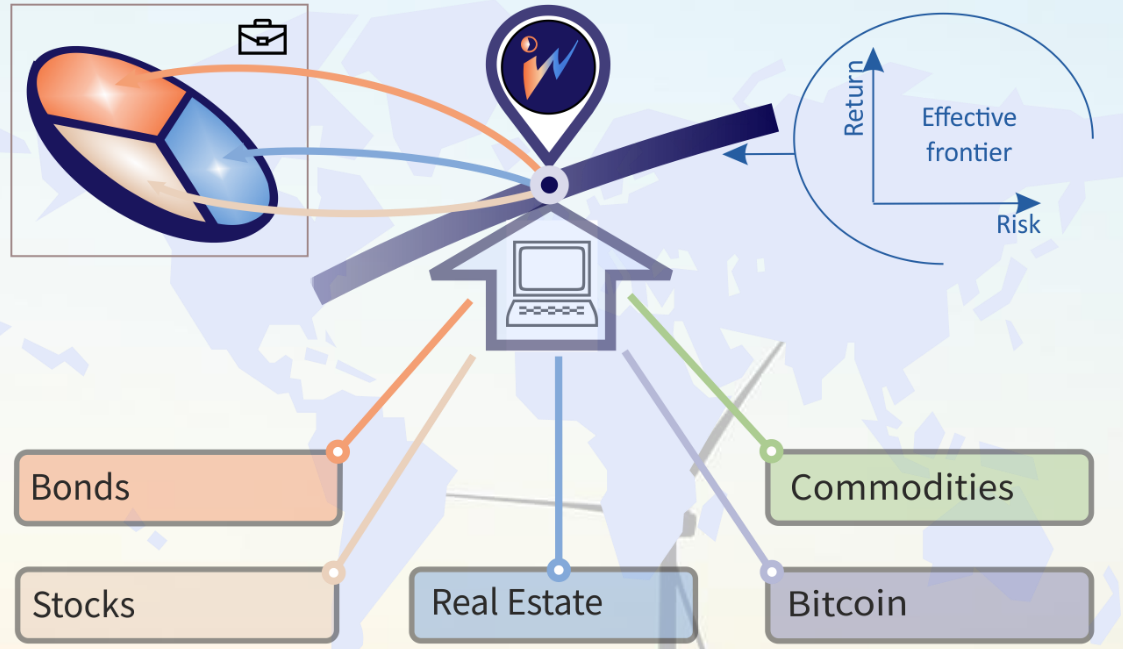
The IskraIndex model offers nearly double the return with 2-3 times lower risk.

Comparison of moderate-risk base portfolios: Betterment, Wealthfront, and IskraIndex



The IskraIndex Approach - Mean-Variance Optimization Enhanced with Own Probabilistic Algorithm

Switching to the index level allows modeling portfolios based on normal (Gaussian) distributions, which significantly reduces the risk level of real portfolios. At the same time, it gives theoretically unlimited liquidity capacity (up to $1B with no block trades).



- **Portfolios consist of up to 5 index ETFs** selected from the optimization universe
- **Rebalanced monthly**, with optimal structure recomputed each time
- **The model** has no regression or data-mining basis and is **free from time delays in portfolio formation.**

Optimization scope – the 10 largest iShares index ETFs traded on NYSE/NASDAQ:

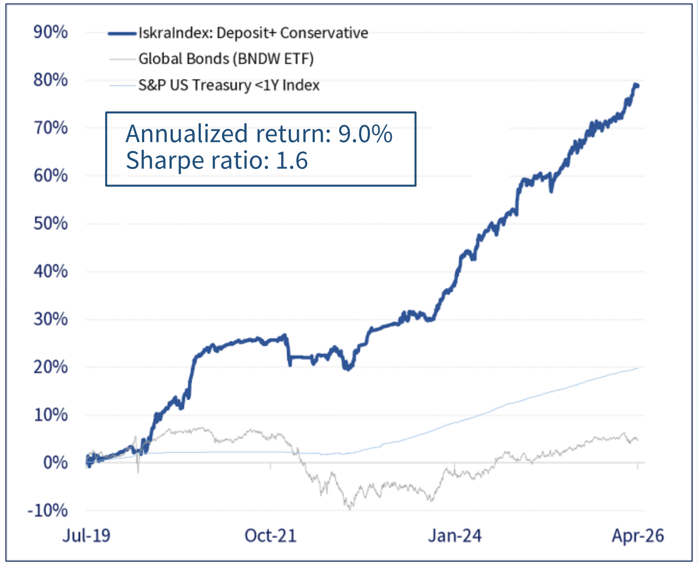
ETF Ticker	Core Index	Asset Class
SHV	ICE Short US Treasury Securities Index (0-1 Year)	US government bonds
IGSB	ICE BofA 1-5 Year US Corporate Index	US corporate bonds
EMB	J.P. Morgan EMBI Broad Diversified Core Index	Government bonds, emerging markets
HYG	Markit iBoxx USD Liquid High Yield Index	US high-yield bonds
IVV	S&P 500 Index	US stocks
IEFA	MSCI EAFE Index	Developed markets stocks (ex US and Canada)
IEMG	MSCI Emerging Markets Investable Market IndexMSCI EM IMI	Emerging markets stocks
REET	FTSE EPRA Nareit Global Real Estate Index	Global real estate
GSG	S&P GSCI Total Return Index	Commodities
IBIT	Bitcoin (BTC)	Cryptocurrency

IskraIndex Product Suit

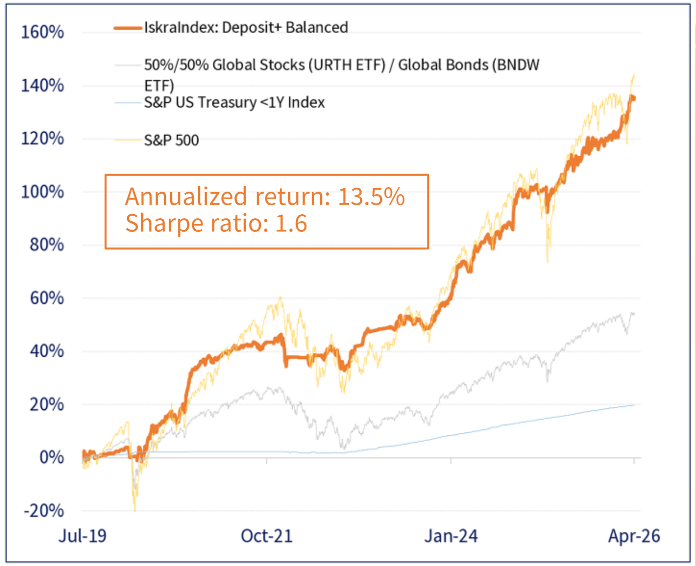
Performance since 31/07/2019

Portfolio currency: USD

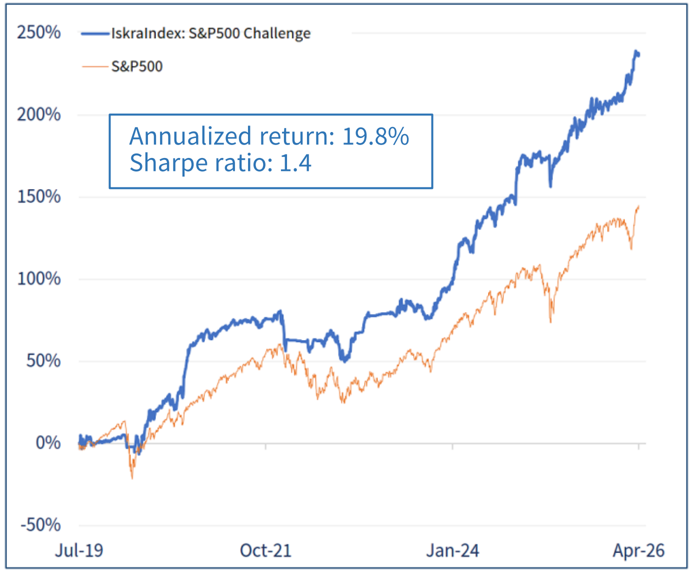
Deposit Plus, Conservative



Deposit Plus, Balanced



Idea S&P500 Challenge: 2x levered Deposit Plus Balanced, 5% leverage interest rate



2026, January-March

Deposit+ Conservative: +3.0% (12.0% p.a.)

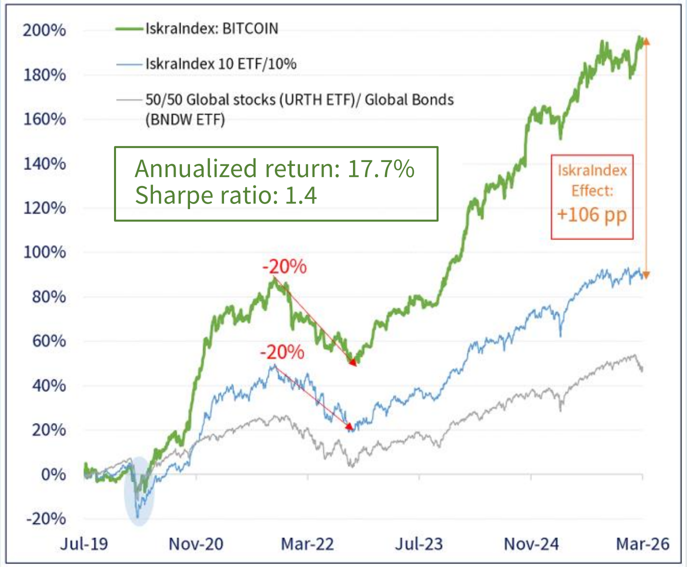
Deposit+ Balanced: +4.5% (18.0% p.a.)

S&P500: -4%

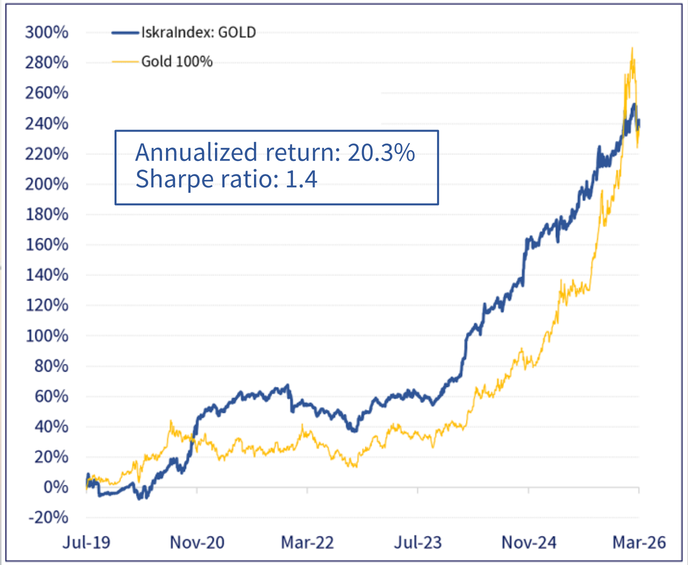
Average return on a one-year bank deposit: +0.8%

https://iskraindex.com/performance.html

Idea Bitcoin (minimum weight 10%)



Idea Gold (fix weigh at 30%)



IskraIndex Pricing

The IskraIndex service is available to clients via a subscription, the cost of which is fixed and depends on the portfolio's risk level.
If, at the end of a calendar year, the client's portfolio return is lower than the yield of the S&P U.S. 1-Year Treasury Bond Index (^SPBDUS1T), IskraIndex will refund 80% of the annual subscription cost to the client.

High-Net-Worth Individuals

IskraIndex Portfolio Risk Level	IskraIndex monthly fee	As a percentage for a $1 million portfolio, per year
Conservative	$900	1.08%
Moderate	$1 000	1.20%
Aggressive	$1 100	1.32%

Institutional Clients

IskraIndex Portfolio Risk Level	IskraIndex monthly fee	As a percentage for a $10 million portfolio, per year
Conservative	$8 300	1.00%
Moderate	$9 000	1.08%
Aggressive	$9 500	1.14%