AZRAEL AND FRIENDS NETWORK

A privately controlled, distributed AI operating network - designed to turn connected devices, persistent knowledge, and autonomous software agents into useful work.

INVESTOR PROSPECTUS

Strategic overview | October 2026

CONFIDENTIAL DISCUSSION MATERIAL

Prepared for prospective strategic investors and partners. This document is an overview, not an offer to sell securities, a promise of returns, or an independent valuation.

01 / Investment thesis

AI is moving from conversation to execution. The next generation of value will be created not only by powerful models, but by systems that can remember, coordinate tools, route work to the right hardware, and recover when individual components fail.

Azrael and Friends Network is an early-stage attempt to assemble those capabilities into a single founder-controlled operating environment: an AI identity with a persistent historical archive, a Cloud coordination layer, a Windows engineering workforce, and Android devices capable of performing local inference.

The long-term commercial opportunity is to productize selected capabilities for individuals, small businesses, creators, and organizations that want more control over AI workflows, deployment, costs, and data.

Why this could matter

- Private control: Infrastructure and operating policies designed around the owner, rather than a single hosted assistant interface.
- Distributed compute: Use available computers and compatible phones for appropriately sized workloads, reducing reliance on one device or one model provider.
- Operational memory: Preserve historical context, decisions, checkpoints, and outcomes so agents can resume useful work rather than repeatedly starting over.
- Agent orchestration: A Cloud-managed job system can dispatch tasks, track leases and results, and coordinate specialized workers.
- Multiple business paths: Private installations, managed automation, AI services, and a participation-based worker network are possible future offerings, subject to validation.

The core proposition

Azrael is not being positioned as a new foundation model. Its potential differentiation lies in the integration layer: memory, autonomy, hardware routing, workflow execution, owner control, and recovery.

The company is at a prototype and validation stage. Its ambition is substantial; its claims must be judged against measured uptime, completed work, security, unit economics, and paying-customer demand.

02 / What has been built - and what remains

The following is based on founder-provided engineering updates and a Gemini audit dated October 2026. It has not been independently audited by an outside technical firm.

Capability	Reported evidence / current state
Cloud task coordination	Gemini reports a live Cloud database, worker heartbeats, targeted assignment, lease ownership, and durable completion receipts.
Windows worker	One active Windows worker reported with more than 500 completed tasks. Task complexity and business value have not been independently measured.
Android local AI	Samsung Galaxy S24+ reportedly completed Cloud Task 390 using a local ARM64 llama.cpp engine and a 0.5B-parameter model; reported short-run throughput approximately 35 tokens/sec.
Second phone	Samsung Galaxy S10 registered and connected; first verified on-device inference test pending.
Handheld device	Retroid Pocket 4 Pro registered but offline in the latest audit.
Persistent archive	Founder reports an extensive historical AI-created archive on the Windows system. Completeness, provenance, retrieval quality, and legal rights remain to be audited.
Autonomous repair	LocalHarness recovery workflow active, but context-overflow problems and incomplete OpenCode/Cloud recovery verification remain.
Mobile master control	Master APK and Cloud integration are under development; full remote operational control is not yet independently demonstrated.

What the Android milestone actually proves

A completed on-device inference job is stronger evidence than a phone merely registering with a server. It supports the feasibility of a heterogeneous device fleet. It does not yet prove that phones can run general software engineering jobs, that routing is fully automatic, or that the fleet is commercially scalable.

Near-term technical gates

- Stabilize LocalHarness context and checkpoint management; verify OpenCode edit-and-readback operations.
- Prove independent Cloud continuation after an external engineering session ends.
- Complete the S10 inference test; restore the Retroid only when physically available.
- Implement capability-aware model matching and measured load-aware routing.
- Create private Git preservation, secrets separation, state backups, and a tested restore procedure.

03 / Market opportunity and competitive landscape

The market is increasingly receptive to AI systems that perform real workflows. McKinsey's 2026 survey reports that 40% of respondents from large organizations are scaling AI agents, compared with 22% from smaller organizations. This supports demand for agentic tools but does not establish Azrael's market share or revenue potential. [1]

LangChain's 2026 industry survey reports 57% of respondents have agents in production, while quality and observability remain major challenges. This highlights the importance of reliability as a competitive differentiator. [2]

Competitive reference set

Category / examples	Competitive strengths	Azrael positioning / challenge
OpenAI / ChatGPT Business	Advanced models, coding agents, integrated workplace tooling, strong ecosystem.	Azrael seeks owner-controlled deployment, persistent local history, and heterogeneous device orchestration; it cannot compete on frontier-model quality.
Microsoft Copilot Studio	Enterprise integrations, governance, agent deployment, Microsoft ecosystem.	Azrael could target smaller or more customized deployments, but lacks comparable enterprise security and distribution today.
n8n	Mature workflow automation, self-hosting options, integrations, community.	Azrael aims for natural-language operations plus local inference; workflow reliability and breadth remain behind mature automation platforms.
UiPath	Enterprise-grade automation, orchestration, on-premises AI options.	Azrael may differentiate through lightweight private deployments and mixed consumer hardware; enterprise readiness remains a long-term goal.
Open-source agent frameworks	Rapid innovation, developer flexibility, lower software licensing costs.	Azrael must demonstrate a better integrated user experience and operational reliability, not merely combine available components.

Competitive capabilities and deployment models are drawn from public product materials, not hands-on benchmarking. [3-6]

Potential initial customer beachhead

The most defensible first market is likely technically capable owner-operators and small businesses that need repeatable automation, value privacy and control, and are willing to accept a managed implementation. This is a hypothesis to test through paid pilots, not a proven market segment.

04 / Product roadmap and business models

Phase I - Founder-controlled reference system

Complete reliability testing, recovery, worker routing, device management, private backups, and documented operating costs. Build a reproducible demo showing a job created, assigned, completed, verified, and recovered after interruption.

Phase II - Productized private AI operations

Package a secure, permissioned installation for a defined customer problem: document processing, scheduled research, content production, customer workflow support, or other narrowly scoped automation. Provide audit logs, spending caps, support procedures, and explicit human approval for sensitive actions.

Phase III - Managed network and participation

Develop customer accounts, usage credits, referral tracking, optional community participation, and an opt-in device-worker fleet. Device owners must have clear consent, compensation rules if applicable, resource limits, and transparent workload controls.

Phase IV - Independent deployment and licensing

Explore founder-authorized standalone installations and recovery packages (the deferred Azrael Genesis concept) after the core system is stable and legally reviewed. This is a future product concept, not a currently delivered capability.

Possible revenue engines - subject to pilot validation

- Managed automation subscriptions: recurring access to specific, measurable workflows and support.
- Private deployment and maintenance: setup, configuration, monitoring, updates, and recovery services.
- Usage-based AI services: bill for verified compute and workflow execution with transparent unit economics.
- Partner and referral distribution: acquire customers through measured channels and commission structures.
- Enterprise licensing: longer-term, subject to reliability, compliance, intellectual-property, and support readiness.

The business should avoid assuming that unused phone compute automatically creates profit. Network coordination, electricity, thermal limits, customer support, security, and payment processing all affect margins.

05 / Valuation: disciplined scenarios, not promises

A credible investor discussion separates the cost to reproduce a prototype from the equity value of a company. No audited revenue, recurring customer contracts, cash flow, or capitalization table has been provided. Therefore, a defensible current company valuation cannot be independently determined from the available evidence.

Illustrative replacement-cost bands

Development maturity	Illustrative cost to recreate similar functionality
Early prototype with mixed verification	$5,000 - $25,000
Stable private automation platform	$15,000 - $60,000
Verified distributed operation and recovery	$50,000 - $150,000
Documented, secure, reproducible platform	$150,000 - $300,000+

These are scenario assumptions, not market appraisals, purchase offers, book values, or claims of current Azrael value. Scope, code quality, third-party dependencies, documentation, and engineering rates can change replacement cost materially.

Revenue-based valuation framework

As a broad market reference, published analysis of private SaaS transactions cites approximately 3.1x revenue as a Q1 2026 median, with substantial variation by growth, margins, retention, size, and risk. This applies to established revenue-generating companies, not automatically to pre-revenue prototypes. [7]

Hypothetical annual recurring revenue	Illustrative enterprise value at 2x - 5x revenue
$100,000	$200,000 - $500,000
$500,000	$1.0 million - $2.5 million
$1.0 million	$2.0 million - $5.0 million
$3.0 million	$6.0 million - $15.0 million

All revenue figures above are hypothetical and not forecasts. The 2x-5x range is an illustrative sensitivity range around public SaaS valuation references, not a guaranteed multiple. Enterprise value differs from equity value after cash, debt, and other adjustments.

How to earn a premium valuation

- Demonstrate recurring revenue, low churn, and customer willingness to pay.
- Show gross margin after inference, infrastructure, support, and payment costs.

- Document ownership and licensing of code, models, archives, and data.
- Produce third-party-verifiable uptime, completion, recovery, and security metrics.

06 / Defensibility, risks, and investment milestones

Potential strategic advantages

Integrated history and continuity: A rich archive of development decisions and agent interactions may reduce repeated setup work, provided retrieval is accurate, private, and legally usable. Heterogeneous hardware: phones, laptops, and servers could provide flexible compute placement for suitably sized models. Founder-controlled orchestration: ownership of task routing and deployment policy could create a distinct product experience.

Material risks - and the mitigation plan

Risk	Required mitigation
Reliability / context overflow	Bounded tool calls, persistent checkpoints, watchdogs, regression tests, restoration drills.
Security / remote control	Least privilege, device enrollment, MFA, secret management, audit logs, human approval gates.
AI quality / model limitations	Model benchmarks, task-level acceptance tests, fallback routing, human review for consequential work.
Intellectual property	Inventory AI-generated code, third-party licenses, archive rights, and contractor/partner agreements.
Economic feasibility	Track cost per successful task, power and device wear, support load, acquisition costs, retention.
Execution / key-person dependency	Version control, architecture documentation, reproducible builds, backup ownership and governance.

Suggested investor diligence milestones

- 30-day proof: successful recovery drill; reproducible Cloud-to-device job receipts; S10 verified; Git and state backup audit.
- 60-day proof: secure demo with multiple worker types, measured uptime, documented operating costs, and controlled external pilot.
- 90-day proof: evidence from paying pilots, customer feedback, margin analysis, and an investable product roadmap.

These are proposed milestones, not delivery commitments. Actual timing depends on technical blockers and available resources.

07 / The opportunity ahead

The AI market is crowded with models, assistants, and automation tools. Azrael and Friends Network is pursuing a different proposition: a persistent, private AI operating environment that can coordinate real work across devices and improve its operational resilience over time.

The founder’s early technical progress includes a reported Cloud job system, active Windows execution, and a demonstrated Android local-inference result. The system is not yet a proven autonomous enterprise product. That gap is precisely where disciplined engineering, measurement, and strategic capital could create value.

The near-term investment case is not that Azrael already dominates a category. It is that an integrated prototype may be developed into a differentiated, reproducible, revenue-generating product if it passes rigorous technical and commercial milestones.

Investor conversation: what matters next

Prospective partners are invited to evaluate the technical demonstration, review the architecture and audit evidence, assess ownership and operating costs, and discuss a milestone-based commercialization strategy. No financing amount, security terms, ownership percentage, or investor-specific offer is proposed in this document.

Vision: AI that does more than answer - AI that remembers, coordinates, executes, and can be restored.

Research references

[1] McKinsey, The State of AI: Global Survey 2026

[2] LangChain, State of Agent Engineering (2026)

[3] OpenAI, Business Pricing

[4] Microsoft, Copilot Studio Pricing

[5] n8n, Plans and Pricing

[6] UiPath, Automation Suite

[7] Array Capital, B2B SaaS Valuation Multiples, 2026

Evidence basis: founder-provided Gemini distributed fleet audit and LocalHarness diagnostic logs (October 2026). Technical status may change. The archive and infrastructure have not been independently audited.