INDEPENDENT INVESTMENT RESEARCH / NOVEMBER 1, 2026

Flashpoint Venture Growth Comparative Diligence

Choice | happyhotel | Medida AI
Phase 3 desk research. Not a company-verified investment recommendation. Unaffiliated with Flashpoint or any issuer.

Initial conclusion	Selection	Investment posture
Flagship diligence	CHOICE	Prioritize management data request. Not a recommendation to invest.
Alternative	happyhotel	Continue commercial diligence; public data supports price-to-unit triangulation but not reported ARR.
Existing modeled case	Medida AI	Retain WATCH. Existing financial model is illustrative; do not restate 2025 annualized revenue as ARR.

Investment judgment

Choice has become the strongest public-evidence lead because an October 19, 2026 founder interview reports over 9,000 paying restaurants, more than 2 million orders each month, and about $50 million in monthly restaurant transaction volume [S03]. Its March investor release reported more than 7,000 paying restaurants [S02]. These facts indicate distribution and possible engagement, but do not establish recurring revenue, margins, net retention, or the price at which Flashpoint could invest. Choice closed a $7.1 million Series A in March 2026, so a new capital round is not established [S02].

Key risk: choice and capital efficiency

The March release lists more than 130 employees [S02]. Subscription annualization at even 9,000 venues and an illustrative $40 monthly realized ARPA would be just $4.32 million. This is not an estimate of actual company revenue: payments, software bundles, multi-location contracts and country pricing could change the outcome substantially. It does reveal the importance of understanding consolidated revenue per employee and non-subscription monetization before asserting an efficient software business.

Comparative evidence and what it does not prove

Company	Public operating evidence	Central uncertainty
Choice	9,000+ paying restaurants; 2m+ monthly orders; ~$50m monthly merchant volume [S03]	Paid-account definitions, recognized subscription ARR, payment take rates, retention, entry valuation
happyhotel	50,000+ optimized rooms, 12 countries, €1bn+ hotel revenue under management [S06]	Optimized is not billable; management hotel turnover is not happyhotel revenue
Medida AI	$3m annualized revenue RATE in Dec 2025; 35 U.S. states; $4m seed [S08]	Recurring portion unknown; accuracy/warranty limitations; no verified 2026 financials

Flashpoint fit and no-go standards

The published Venture Growth mandate seeks European/MENA founder heritage, B2B software, a typical $3m+ recurring revenue profile, initial checks up to $10m, ownership of at least 5%, LTV/CAC above 3x, and 6-10 year holding periods [S01]. None of the three candidates has public documentation sufficient to certify all of those gates. Therefore none is currently underwritten as an executable transaction.

Bounded revenue sensitivity, never ARR claims

These scenarios use reported operating counts as evidence anchors and explicitly selected analyst assumptions. They are arithmetic cross-checks, not reported financials or forecasts.

Company / assumption	Low	Reference	High
Choice: effective subscription charge / paying venue / month	$20	$40	$65
Choice: annualized arithmetic ($m), 9,000 restaurants	2.16	4.32	7.02
happyhotel: share of 50,000 rooms billable	60%	80%	100%
happyhotel: realized price / room / month (€)	5	7	8
happyhotel: annualized arithmetic (€m)	1.80	3.36	4.80
Medida: hypothetical recurring mix of 2025 revenue rate	20%	50%	80%
Medida: possible recurring part of $3m RATE ($m)	0.60	1.50	2.40

Choice threshold test: 9,000 paying venues would need an effective average subscription charge of at least $27.78 per month to generate a $3m arithmetic annualized subscription base, before adjustments for contract realization and revenue recognition. Actual subscription ARR is private. For happyhotel, EUR scenarios are intentionally not equated directly to Flashpoint’s USD mandate without a dated FX assumption. Medida’s calculation is solely a hypothetical split of a December 2025 press-reported rate.

Company-specific diligence that can reverse the ranking

Choice

- Reconcile actual paying restaurants to invoiced, collecting accounts and month-end contracted MRR, with country/tier cohorts and net discount economics.
- Reconcile $50m monthly restaurant GMV to order routing, payment processing volume, net take rate, merchant receivables and gross-to-net revenue.
- Obtain NRR, GRR, monthly logo churn, gross margin by module, CAC payback, and EBITDA/cash burn. Test per-employee productivity against fully loaded operating costs.
- Investigate review-routing functionality. The October interview describes routing positive reviews toward Google while negative feedback stays private [S03]; Google prohibits selectively soliciting positive reviews [S10]. This is an unverified compliance concern, not a finding of wrongdoing.
- Establish actual financing opportunity, round terms, valuation, liquidation preferences, board rights and feasibility of 5% ownership.

happyhotel

- Obtain count of contracted and billable rooms rather than software-optimized rooms, and realized net monthly subscription €/room, by country, cohort and tier.
- Independently verify the company-claimed average hotel revenue uplift using a controlled comparison or matched cohorts; quantify services/onboarding costs.
- Underwrite competitive displacement risks and integration maintenance with property management systems; obtain gross retention and cash burn.

Medida AI

- Reconcile 2025 reported $3m annualized revenue rate to audited 2026 results, subscription ARR and per-measurement economics.
- Request installed-project accuracy results, repeat-survey rate, product liability allocation and independently validated cost savings.
- Review contract terms: company terms characterize AI measurement outputs as estimates needing professional verification [S09].

Proposed investment committee decision today

Choice: advance diligence	happyhotel: maintain reserve	Medida AI: retain WATCH
Request private SaaS and transaction economics, compliance review and a live financing opportunity. Do not value an unknown cap table.	Best alternative if Choice fails unit economics or compliance. Monitor financed deployment versus billable-room conversion.	Preserve existing modeled scenarios as illustrations and do not import Medida return math into Choice.

Evidence standard

Company operational counts, valuations, unit economics and customer retention are not audited within this research. Dates attach to the source observation, not to an assertion of current financial performance. All investor returns, where modeled later, must use an explicit cap table and a formula-driven cash-flow model, not fabricated actual company accounts.

Sources and links

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