SEED Program: Funding & IP Structure

How Sibacus Benefits Without Giving Away Control

The Principle

Sibacus owns the architecture, the IP, and the product roadmap. That doesn't change. Sibacus is ARM — it designs and licenses the BSA-CIM platform from Singapore. What this program funds is the **Philippine ecosystem** of engineers and companies that build products on that platform. The program's output (trained engineers, product prototypes, ecosystem companies) generates revenue for Sibacus through **module licensing and royalties** — the same way ARM earns on every chip shipped by Qualcomm, MediaTek, and Apple. No Sibacus equity changes hands.

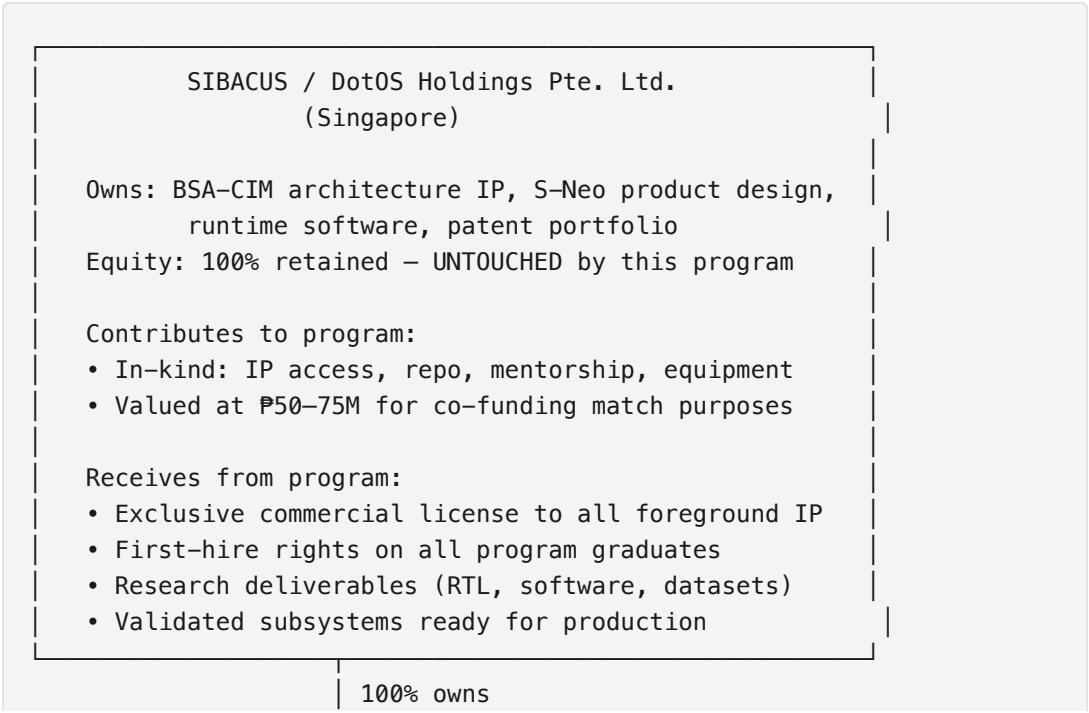
Crucially, this ecosystem is the human capital engine for **EquaSat** (www.equasat.me), the ASEAN sovereign orbital platform. EquaSat provides nine missions (including SOVEREIGN MIND and EQUANET.ME) powered exclusively by BSA-CIM orbital compute modules, as traditional GPUs cannot function within a satellite's power and thermal constraints. The corporate investment requested here is justified by this massive addressable market: SEED trains the engineers, and those engineers build the ground segment devices and domain AI models that connect to the EquaSat constellation. Note that SEED's ₱250M training capex is entirely separate from the EquaSat constellation funding.

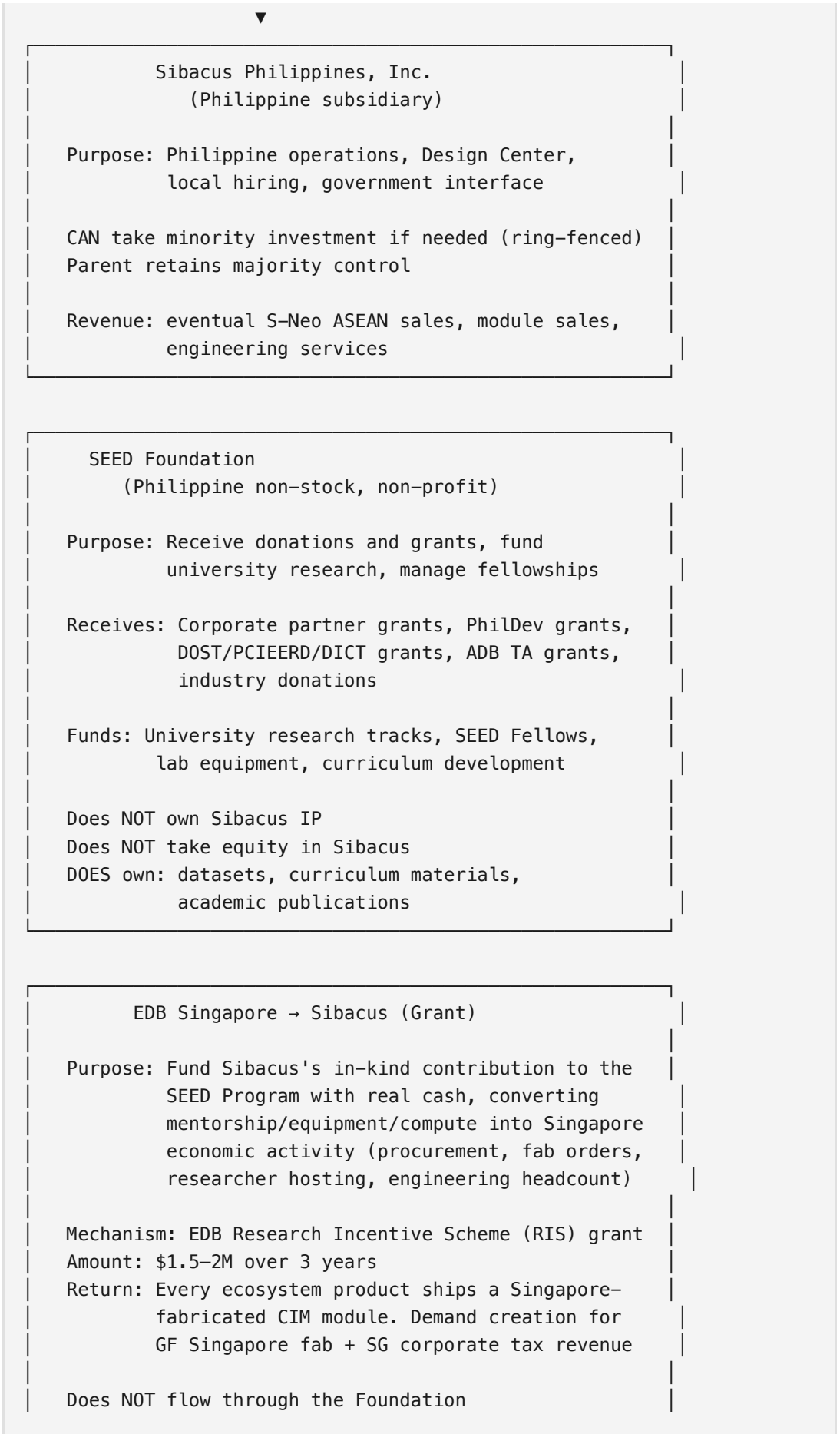
The Anti-Greed Design: Technology Commons vs. Corporate Monopoly

The SEED structure is intentionally designed to prevent the capture of critical digital infrastructure by corporate special interests. By keeping the foundational layer open and structured as a public-private commons, we ensure that:

1. **Non-Profit Governance (No Corporate Control over the Core):** The SEED Foundation is a non-stock, non-profit entity. It does not exist to maximize corporate rents or serve special interests. It exists to fund university research and support local founders.
2. **Anti-Extractive Business Model:** Traditional tech monopolies use proprietary software and datacenters to extract wealth from local communities. The SEED ecosystem reverses this: the platform technology (BSA-CIM) is licensed to local companies, allowing them to own their products, keep their data, and retain 100% of the value they generate.
3. **Defense of Public Sovereignty:** When a state's AI and data systems are rented from multinational tech giants, the state becomes beholden to foreign boardrooms. Keeping the AI foundation layer as a shared, sovereign commons ensures that community governance and government policy are determined by citizens, not by corporate greed.
4. **Circular Resource Stewardship (Healing the Source):** AI hardware depends on raw critical minerals like nickel extracted from local soil. Instead of exporting raw ore for thin margins and leaving ecological devastation behind, the SEED model advocates domestic refining close to the design and OSAT assembly hubs. This captures high-value downstream margins, a portion of which is direct-channeled into a Community Rehabilitation Fund to restore and invest in the mining towns and environments that powered the technology.

The Structure: Three Separate Entities




▼
Sibacus Philippines, Inc.
(Philippine subsidiary)
Purpose: Philippine operations, Design Center, local hiring, government interface
CAN take minority investment if needed (ring-fenced)
Parent retains majority control
Revenue: eventual S-Neo ASEAN sales, module sales, engineering services
SEED Foundation
(Philippine non-stock, non-profit)
Purpose: Receive donations and grants, fund university research, manage fellowships
Receives: Corporate partner grants, PhilDev grants, DOST/PCIEERD/DICT grants, ADB TA grants, industry donations
Funds: University research tracks, SEED Fellows, lab equipment, curriculum development
Does NOT own Sibacus IP
Does NOT take equity in Sibacus
DOES own: datasets, curriculum materials, academic publications
EDB Singapore → Sibacus (Grant)
Purpose: Fund Sibacus's in-kind contribution to the SEED Program with real cash, converting mentorship/equipment/compute into Singapore economic activity (procurement, fab orders, researcher hosting, engineering headcount)
Mechanism: EDB Research Incentive Scheme (RIS) grant
Amount: $1.5–2M over 3 years
Return: Every ecosystem product ships a Singapore-fabricated CIM module. Demand creation for GF Singapore fab + SG corporate tax revenue
Does NOT flow through the Foundation

```
│   Does NOT give EDB equity in Sibacus                    │
│   DOES increase Sibacus SG headcount + R&D spending      │
└──────────────────────────────────────────────────────────┘
```

How Each Funding Source Works — Zero Equity Dilution

1. Philippine Corporate Partners → Foundation (Tax-Deductible)

Mechanism	Details
Vehicle	Corporate grants/donations to the SEED Foundation (registered as a non-stock, non-profit corporation under Philippine SEC; BIR-accredited as donee institution for tax deductibility)
Who	OSAT companies (Amkor PH, ASE PH, TI PH, Analog Devices PH), conglomerates (Ayala, SM, PLDT/MVP, Aboitiz), banks (BDO, BPI, Metrobank), telcos (Globe, Smart)
What they get	Tax deduction; BOI incentive alignment; named labs/fellowships; quarterly progress reports; Demo Day invitation; and when SEED Ventures launches, **first-look equity access** to portfolio companies
What they DON'T get	Equity in Sibacus. Board seats at Sibacus. This is corporate social investment with a future equity on-ramp — not venture capital
Why they'll do it	These companies built themselves on Filipino labor. Funding the upgrade from assembly to design is both good optics and good business — SEED-trained engineers become their future workforce and their future suppliers

2. PhilDev Foundation → Foundation (Grant)

Mechanism	Details
Vehicle	Foundation-to-foundation grant. PhilDev already has the legal structure, the donor base, and the STEM mission. The SEED Foundation can be a program under PhilDev rather than a separate entity — simpler, faster, leverages their existing tax-exempt status and donor relationships
What PhilDev gets	Named fellowship program (SEED Fellows); measurable STEM outcomes (graduates, curriculum, labs)
What PhilDev doesn't get	Equity. They're a non-profit — they don't want it

3. Government (DOST-PCIEERD, DICT, CHED) → Grants

Mechanism	Details
Vehicle	Standard government research grants via existing programs (NICER, CRADLE, Balik Scientist). Funds go to universities or to the Foundation, depending on program rules
What government gets	Deliverables: trained engineers, curriculum, lab infrastructure, datasets — all public goods that serve the national interest. Plus a showcase project for "Philippine semiconductor design" that every DTI press release will want to feature
What government doesn't get	Equity. Government grants don't take equity — they fund public goods
Co-funding match	Sibacus's in-kind contribution (₱50–75M in IP access, mentorship, equipment) counts as the industry match that DOST-PCIEERD requires for CRADLE grants. This is standard

4. Asian Development Bank → Technical Assistance Grant

Mechanism	Details
Vehicle	ADB Knowledge and Support Technical Assistance (KSTA) grant, ~$2M from JFICT (Japan Fund for ICT) and/or TASF. Executed through DOST-PCIEERD as government agency
What ADB gets	Capacity building outcomes in a founding DMC; Strategy 2030 alignment (technology, human capital, regional equity); showcase project for semiconductor design ecosystem development
What ADB doesn't get	Equity. ADB TA grants are grants, not investments
Why it fits	ADB is headquartered in Manila. The Philippines is a founding member. ADB funded Vietnam's semiconductor HR development. This is standard KSTA scope

5. EDB Singapore → Grant to Sibacus

Mechanism	Details
Vehicle	EDB Research Incentive Scheme (RIS) or equivalent industry grant, $1.5–2M to Sibacus (Singapore-registered company). Funds Sibacus's contribution to the ecosystem program
What Singapore gets	Demand creation for Singapore's fab sector. Every CIM module shipped by a Philippine ecosystem company is fabricated at GlobalFoundries Singapore. Licensing revenue flows through the Singapore entity. Singapore gets fab revenue, corporate tax, and headcount growth — all from a $1.5–2M grant
What Singapore doesn't get	Equity in the Philippine ecosystem companies. Singapore's return is through Sibacus's Singapore-based business growth

Mechanism	Details
Why it fits	EDB has funded downstream demand creation for decades (Malaysia, Indonesia, Vietnam electronics sectors). This is the same logic: fund the ecosystem that buys your manufacturing output

6. Sibacus → In-Kind Contribution

Mechanism	Details
What Sibacus contributes	Open-source repo access; background IP research license; FPGA dev boards; compute credits; visiting researcher hosting (Singapore); engineering mentorship; equipment grants
Valued at	₱50–75M (for co-funding match purposes — standard practice for government grant applications)
What Sibacus receives	Exclusive commercial license to all foreground IP produced by the program; first-hire rights on graduates; the actual deliverables (RTL blocks, software, datasets, benchmarks, validated subsystems)
What Sibacus spends in cash	Minimal — the program is funded by the Foundation and government, not by Sibacus cash. Sibacus's contribution is IP and time, which it has

---

IP Framework — The Key to Benefiting Without Giving Up Control

Background IP (What Sibacus Already Owns)

- BSA/CSD architecture, patents, provisional filings
- All existing RTL, synthesis scripts, energy models
- BEAD renderer, runtime software, compiler toolchain
- S-Neo product design and BOM

Status: Remains 100% Sibacus property. Universities get a **research-only license** — they can use it for the program, publish about it, teach with it. They cannot commercialize it, sublicense it, or transfer it.

Foreground IP (New Stuff Created by the Program)

This is where the structure matters:

IP Category	Who Owns It	Who Can Use It
Hardware designs (RTL blocks, SoC peripherals, PCB layouts)	**Jointly owned** — university + Sibacus	Sibacus: exclusive commercial license worldwide. University: academic/research use, teaching, publication
Software (runtime code, tools, algorithms)	**Jointly owned**	Same split — Sibacus commercializes, university publishes and teaches
Linguistic datasets (parallel text, audio, evaluation sets)	**Foundation** (public good)	Creative Commons license — available to everyone. This is deliberate: the datasets become national infrastructure, which increases the S-Neo's strategic value (more language data = better product) without giving anyone a proprietary lock
Curriculum materials	**Foundation** (public good)	Open educational resource — available to all Philippine schools
Student theses/dissertations	**Student**	Student retains full academic rights. Sibacus gets implementation license for commercial use of the work

Why This Works for Sibacus

1. **You get the deliverables** — the RTL blocks, the validated models, the datasets, the benchmarks. These go directly into the S-Neo product
2. **You get the people** — first-hire rights on 25–35 trained engineers who already know your architecture

3. **You don't pay for the training** — the Foundation and government pay for the PhD stipends, lab equipment, and research costs
4. **You don't dilute** — not one share of Sibacus changes hands
5. **The public goods (datasets, curriculum) increase your product's value** — more Filipino language data = better translation model = stronger S-Neo product differentiation. Making it open doesn't hurt you; it builds the ecosystem around your hardware

---

Phase 2: SEED Ventures — Equity for Those Who Want Returns

The SEED Program (Phase 1) is funded by grants, donations, and in-kind. No equity changes hands. But once the program produces companies, Sibacus launches **SEED Ventures** — a fund that invests in ecosystem companies for equity.

How SEED Ventures Works

Term	Details
Structure	Singapore-domiciled venture fund, managed by Sibacus or an independent GP
Investors	Corporate partners (from Phase 1), EDB co-investment, institutional LPs, and — eventually — individual Filipinos (including diaspora) investing for **equity and retirement returns**
Investments	Minority stakes (5–15%) in SEED Program spin-out companies (including ground segment operators and domain AI companies feeding EquaSat)
Thesis	Every portfolio company ships Sibacus CIM modules. Sibacus earns licensing royalties. SEED Ventures earns equity upside. Singapore earns fab revenue. Everyone is aligned
Conflict management	Licensing terms are standardized and published. SEED Ventures portfolio companies get no preferential licensing —

Term	Details
	the fund return comes from equity, not from tilting the platform

The Ethical Sequence

Phase	Who Funds	What They Get
Phase 1 (SEED Program)	Institutions: EDB, ADB, DOST, corporations	Grant outcomes, tax deductions, ecosystem development, first-look access to SEED Ventures
Phase 2 (SEED Ventures)	Institutional + individual investors	**Real equity in real companies** with real revenue. Ownership, not charity

> **IMPORTANT: Don't ask workers to donate to a program that doesn't exist yet.** The institutions that built themselves on Filipino labor fund Phase 1. When the program produces companies with revenue, individuals invest for real returns. That's the ethical sequence.

What NOT to Do

Don't	Why
Sell parent equity to fund research	The research is fundable through grants and philanthropy. Equity is for product scaling, not R&D
Give board seats to donors	Donors fund capability-building. They don't direct product strategy
Promise returns on the Foundation	It's a non-profit. Donations are philanthropic. Keep the Foundation clean
Mix philanthropic and investment money in the same vehicle	The Foundation receives donations (tax-deductible, no returns). The subsidiary receives investment (returns possible, not tax-deductible). Different vehicles, different contributors, different legal treatment

---

Risk Isolation: The Program Can’t Drag You Down

Product Independence

The S-Neo product timeline does NOT depend on any university deliverable. Every track is structured as **accelerant, not prerequisite:**

Track	If It Succeeds	If It Fails	Sibacus Impact
Dialect translation datasets	12+ languages validated	Stick with the 4 already validated	Product ships either way
RISC-V SoC blocks	Faster SoC integration	Sibacus designs the blocks internally	Weeks of schedule, not months
CIM rendering FPGA pilot	Measured FPS data for pitch deck	Ship rendering as a software feature first	Feature timing, not product viability
Noise-aware training recipes	Broader model coverage	SmolLM2 + NLLB already validated	Already done for launch models
PCB/module design	Faster board spin	Standard contract EE work, outsourceable	Zero product risk
Curriculum	Bigger talent pipeline long-term	Hire from the research tracks directly	No near-term impact
Field testing	Better product-market data	Run a smaller internal pilot	Nice-to-have, not gate

Rule: No Sibacus milestone document, investor deck, or tape-out schedule references a university deliverable as a dependency. The program is a parallel effort that feeds into the product if and when it delivers.

Financial Isolation

Protection	How It Works
No Sibacus cash at risk	Sibacus contributes in-kind (IP, mentorship). Cash comes from Foundation/government/corporate partners. If the Foundation runs out of money, Sibacus owes nothing

Protection	How It Works
No co-signing, no guarantees	Sibacus does not guarantee Foundation obligations. University contracts are between the Foundation and the university
Foundation is a separate legal entity	Registered separately. Own board, own bank accounts, own audit. A Foundation governance problem is not a Sibacus governance problem
Subsidiary is ring-fenced	If the Philippine subsidiary takes minority investment, the parent's liability is limited to its equity stake. Standard corporate veil

Execution Controls

Mechanism	Details
Milestone-based funding	Money releases quarterly against specific deliverables. No deliverable = no next tranche. Period
Two-strike rule	A track that misses two consecutive milestones gets a 90-day remediation plan. If it misses the third, the track is closed and remaining funds redirected
PI accountability	Each track has a named faculty PI who is personally accountable for deliverables. Not a department, not a committee — a person
Annual portfolio review	Steering committee reviews all tracks annually. Underperforming tracks get cut. This is product development funding, not tenure-track research — results matter
Sibacus exit right	Sibacus can withdraw from the program at any time by terminating its in-kind contribution (IP access, mentorship). The Foundation continues independently if it has funding; Sibacus walks away with whatever foreground IP has been licensed to date

Reputational Firewall

Scenario	Who Takes the Hit	Sibacus Exposure
A university track fails to deliver	Foundation program management	None — “research partnership yielded different results than expected”
The Foundation has a governance scandal	Foundation board	None — separate entity, separate board
A SEED Fellow drops out	Foundation fellowship program	None
Government funding gets delayed/cancelled	Foundation budget	None — Sibacus’s in-kind contribution continues at its discretion
A contributor sues for returns	Foundation or subsidiary (depending on vehicle)	None — parent is not party to those agreements
Bad press: “program isn’t delivering”	Foundation leadership explains	Sibacus: “We’re proud to support Philippine STEM. The product ships on its own timeline.”

The One-Sentence Test

> **If every university track shuts down tomorrow, does the S-Neo still ship?**
>
> **Yes.** The product timeline is Sibacus’s own. The program makes it faster and cheaper. It does not make it possible or impossible.

Summary: What You Control, What You Give, What You Get

	You Keep	You Give	You Get Back
Parent equity	100%	Nothing	—
Core IP	100% ownership	Research-use license to universities	Foreground IP commercial license

	You Keep	You Give	You Get Back
Product direction	100%	Nothing	Validated subsystems, tested models
Cash	Minimal out-of-pocket	In-kind (₱50–75M valued) — funded by EDB Singapore grant	₱175–250M in funded research and trained engineers
Philippine subsidiary	70–100%	Up to 30% minority to strategic investors (optional)	Local operations, ASEAN go-to-market
Linguistic datasets	Non-exclusive access	They go public (CC license)	Stronger product moat (more data = better translation)
Credit/recognition	Founding company of the program	Shared credit with PhilDev, universities, donors	Brand association with nation-building

> **IMPORTANT: Singapore EDB as strategic funder:** The EDB grant converts Sibacus's in-kind contribution from opportunity cost into real Singapore economic activity — equipment procurement, fab orders, researcher visits, engineering headcount. Every dollar EDB spends comes back as fab revenue and corporate tax when ecosystem products ship. This is the most strategically aligned funding source in the entire structure.

The bottom line: You contribute IP and mentorship worth ₱50–75M — funded by EDB Singapore so that contribution becomes real economic activity in Singapore. The Foundation, government, ADB, and corporate partners contribute ₱175–250M in cash. You get $4–5M worth of funded research, 25–35 trained engineers, and validated product subsystems — without selling a single share.

ASEAN Consortium Structure

EquaSat is the ASEAN project that SEED contributes to. Each ASEAN country contributes via its own SEED-equivalent or existing industry: - **Philippines:** SEED engineers designing CIM modules and ground segment devices - **Singapore:** Wafer fabrication and IP design (Sibacus HQ) - **Malaysia:** OSAT (Outsourced

Semiconductor Assembly and Test) - **Indonesia:** Equatorial launch sites (EQUALAUNCH.ME) - **Thailand:** Agriculture domain AI models (HARVEST A-EYE) - **Vietnam:** Software and integration

Strategic Context: Pax Silica and the ₱2.5B Lesson

The Pax Silica contrast is stark: **Pax Silica positions the Philippines for US geopolitical interests. EquaSat positions ASEAN for ASEAN sovereign interests.** The Philippines recently joined the US-led **Pax Silica** semiconductor coalition, committing 4,000 acres in New Clark City as an AI-industrial hub. As Manila Times columnist Lloyd C. Bautista wrote (July 19, 2026): *"without strategic intent to develop our own domestic capabilities, Pax Silica alone may not totally alter this status quo."*

The evidence is already visible: a **₱2.5 billion AI infrastructure project** at New Clark City received **zero bidders** (Radar.ph, July 8, 2026). The government tried to spend 500× more than the SEED Program costs — on a building — and nobody showed up. Because there are no Philippine companies designing AI products, no trained engineers to staff a design center, and no ecosystem to create demand for the facility.

The SEED Program is the demand signal that makes those infrastructure investments viable. Capability first, then facilities. People before buildings.

Singapore understands this — it's how EDB built Singapore's semiconductor sector in the 1980s and 1990s. Fund the capability. The infrastructure follows.