



**A PAIN-FREE SOLUTION TO
ADAPT SCHOOLS TO THE
21ST CENTURY SKILL
DEMAND**



DECEMBER 2017

Mass market education is struggling to adapt to the new demands of the labour market and those of its students, resulting in disengagement and churn



European Parliament

"Education systems in the EU do not meet the requirements of the labour market"

Four changes shaping the labour market

21st century labour markets require a **new set of skills**, such as:

1. Adaptability
2. Proactivity
3. Teamwork
4. Creativity
5. Technological aptitude

This is why there's so much pressure to change current systems and **reforms are happening across the world:**

- Brazil (Secondary Edu Reform)
- UK (Technical Edu Reform)
- EU (2020 targets)

Mass market Schools and Universities **are failing in adapting to new needs:**

- Too much reliance on traditional theoretical teaching
- Difficulty in adapting professors' methods
- Lack of simple and impactful technology

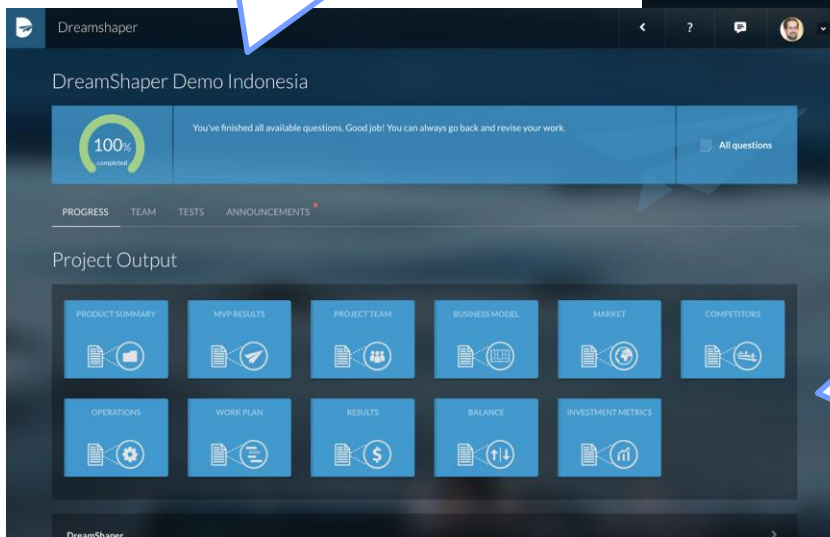
Existing approaches have failed or have little traction mainly because they are too ambitious and too complex to implement in mass market schools/unis

	What they try to do	Traction and pain points in approach
Internal solutions	▪ School driven cultural change teacher training	▪ Resistance due to the scarcity of successful case studies
	▪ School driven transversal thematic initiatives	▪ Mix results/adoption rates (depend on teacher proactivity and lack of tools/methodologies)
	▪ Teacher driven ad hoc inverted classroom initiatives	▪ No traction on mass market
External		
	Process / analogic	▪ Multi-year process with good results but very limited traction in mass market
	Tool / online	▪ Perceived as ' extra-content ' and complex/hard to use
		▪ Complex system integrations and perceived as too time-consuming for teachers
		▪ Low mass market traction, perceived by teachers as menaced
	▪ Comprehensive methodologies (organizational, curricula and teacher training)	
	▪ Content-based online platforms	
	▪ ' Student-LMS ' that track and stimulate student activities	
	▪ Adaptive learning platforms	

We have a solution: DreamShaper a simple-to-use PBL platform, that helps schools and teachers develop these skills in their students

DreamShaper guides students through **practical projects** where they **leverage what they're learning in class in entrepreneurial projects**, online and at their own pace...

Motivational, gamified progress indicators



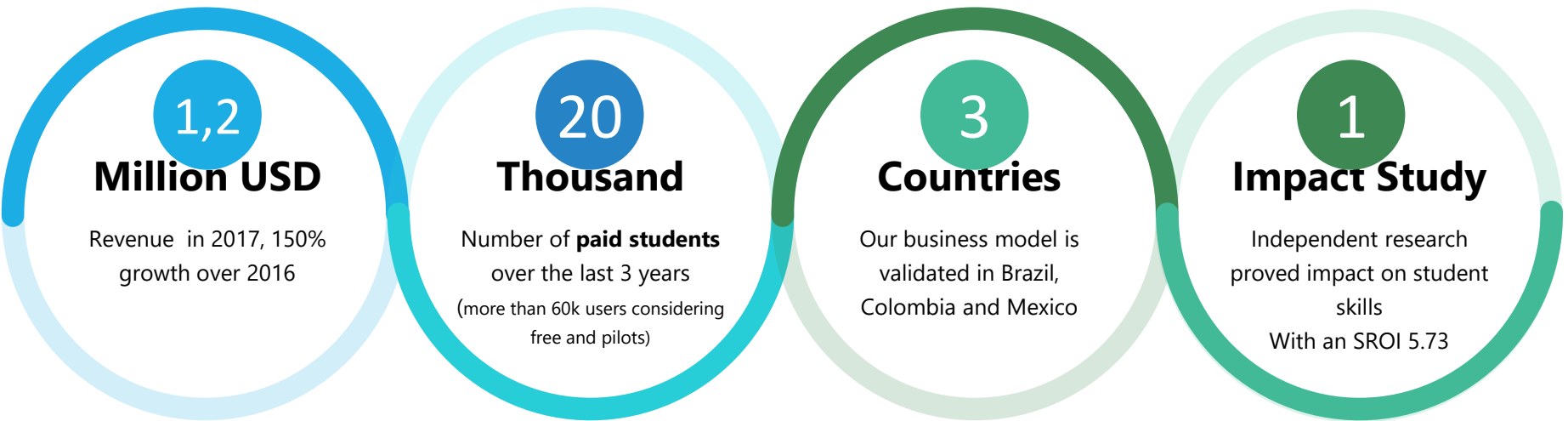
Project output automatically generated for **ease of use in the real world**

On-demand **support materials** adjustable for different subjects



... while professors can monitor their progress and help their students **anywhere, anytime, with minimal and disruption to their day-to-day work**

Our numbers say it all: Dreamshaper is an effective solution that shows great traction...



...while working with the largest and most relevant clients in each country:

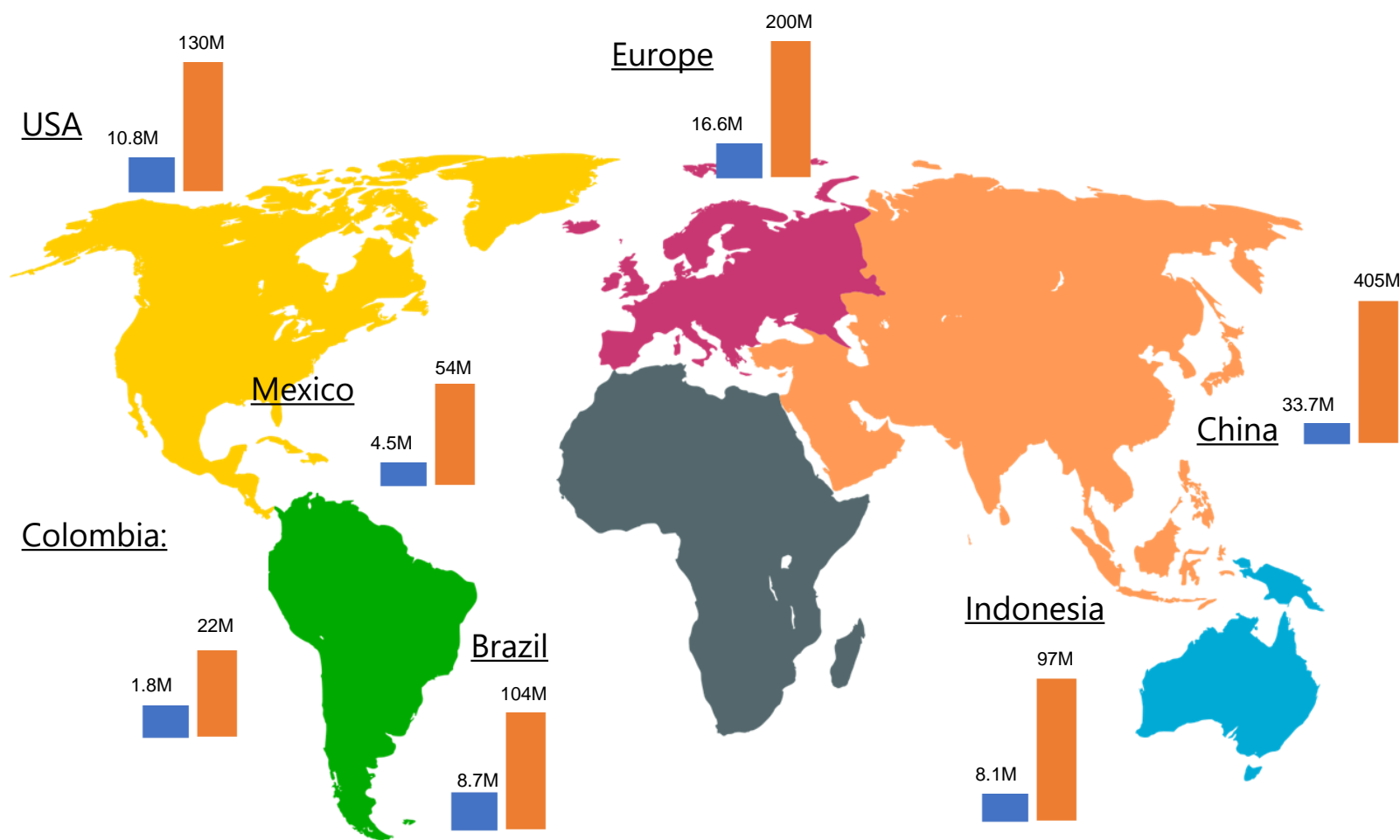
Revenue %

- 78% Foundations/Institutes
- 12% Large private educational programs
- 8% Private Universities
- 2% Private Schools

2017 overview	Clients	 	 	 	
	Pilots / Hot Negotiations	 	 	 	

Ask us for more references, we work with > 100 institutions

Worldwide we are targeting a high-fit market of over 84,2 million students per year, worth +1 billion USD in potential annual revenues



Legend

- Orange bar: Potential revenue from high fit niches
- Blue bar: Number of students per year in high fit courses

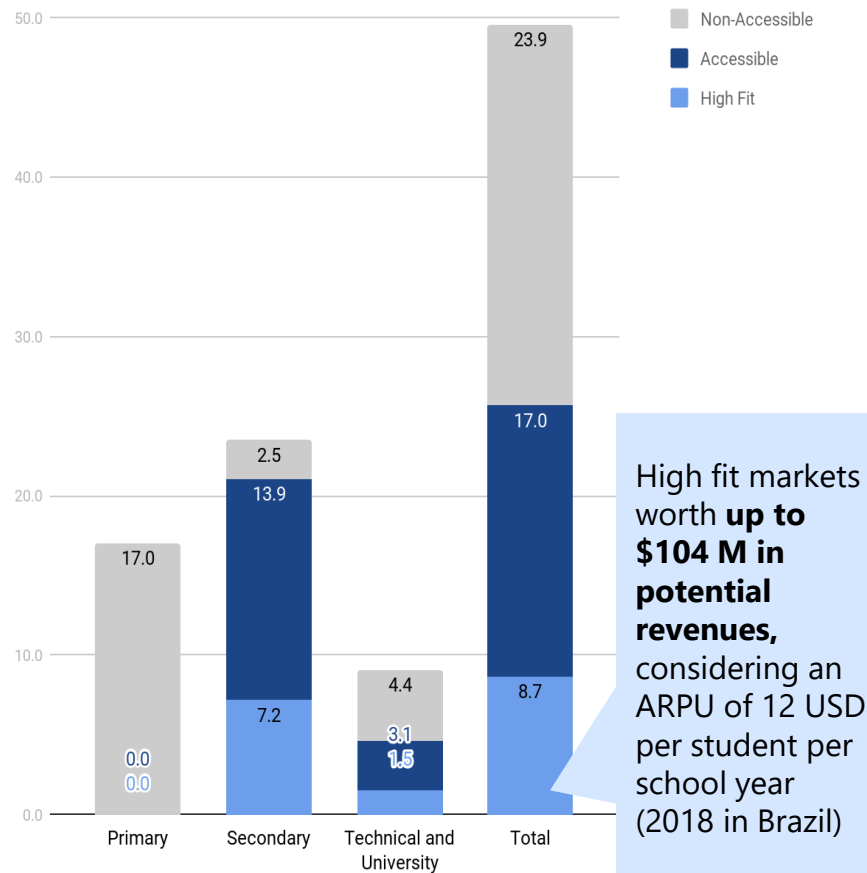
Source: World Bank EdStats, accessed November 2017

In our core market, Brazil, there are nearly 49M students, of which about 9M are a high-fit target for us and another 17M can be accessed later

Accessible market right now

- Students in their **1st year of high school** (with internet infrastructure)
- **Technical students** (excluding those in short-term courses)
- **Private university students** in courses with space for project/entrepreneurship education









Students (millions)



High-fit targets:

- **Full-time schools** who need high quality pedagogical experiences to fill extended class schedules and have perfect fit classes (e.g. "life project")
- Technical schools and private universities in their **graduation final projects** (e.g. Centro Paula Souza)
- Selected **elite private schools** looking for technology and skill developing as competitive advantages

There are several other players trying to drive this change in Education. We deliver impact with the best with little pain for schools and teachers.

	Impact on skills	Content	Ease of deploy/use	Coverage	Sophisticated Features
 Akwoi	●	◐	○	◐	●
 Spiral	◐	○	◐	●	◐
 CrowdSchool	◐	◐	◐	●	◐
 The Leader in Me	●	●	○	◐	◐
 dreamshaper	◐	◐	●	◐	◐
 QMÁGICO	◐	◐	◐	●	◐
 LEGO education	◐	●	○	◐	●
 New Classrooms <small>Innovation Partners for Learning</small>	◐	●	○	◐	◐

DS key advantages:

- > Entrepreneurial bias drives **skill development**
- > Student-led projects ensure **high motivation and follow-through**
- > Fully online tool with complete DS support **make deployment easier**
- > **Subject coverage isn't universal**, but is wide enough to ensure lots of space in High Schools and Universities

Our business model is SaaS, charging schools a monthly fee per # of students enrolled, our sales cycle is 6-9 months, our CAC is 7% and our churn is 4%



Strong local strategic relations and sales focus

Sales Force

We have **high performance sales teams** and processes.

Our sales cycle is **6-9 months long**.

International sales happen through strategic local partnerships and distributors with the support of in-house sales teams.

School, Unis & Third parties buy licenses for their students

Licenses

Current ARPU is \$61.

Next Year our ARPU is gonna get closer to \$12 in Brazil (250k students project)

Price depending on the **number of students**.

Duration of contracts goes from **1 semester to 3 years**.

DS Tech & Ops teams ensure training, deploy and support

Ease of deploy

Our teams are experienced and **our processes are sharp**.

This is key to have **lean ops and high scale** clients like we do.

>85% of client satisfaction and >90% contract renewals

Users love it

5% Client churn

How do sales become **recurring**?

One client that paid for 1000 students in 8 schools didn't renew.

Client loyalty is high, renewed contracts grow in duration and **84% is based on pluri-annual contracts**.

We've received a number of Awards



Harvard HBS Pitch Competition
Winners (LNV 2013)



Kairos Society K50 companies (top
50 early stage startups making
relevant breakthroughs)



Official platform for the
largest entrepreneurship
competition in the world:
more than 70k projects
over the last 7 years



R&D Seal of Excellence from
EU Commission under the
Horizon 2020 Programme

We've been at it for 4 years now, and we've built a strong team driven by a deep passion for changing the world through education



- CEO, **Groupon Brasil**
- Founder, **Acredita Portugal**
- Founder and CEO, **Q&X**
- Founder and Director, **Donghua Group China**
- Consultant, **McKinsey & Company**



- Sales Manager Brasil, **Stats LLC**
- Founder and CEO, **WorkWell**
- Founder, **Acredita Portugal**



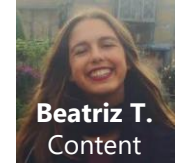
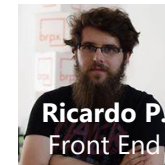
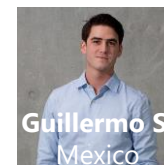
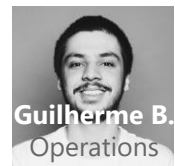
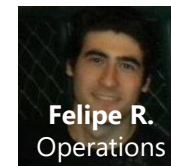
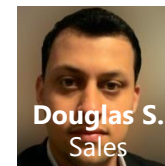
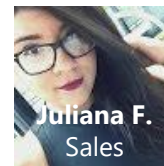
- Sysadmin, **Instituto Superior Técnico**
- **Freelance programmer** and data analyst
- TA, **Instituto Superior Técnico**
- Consultant, **McKinsey & Company**



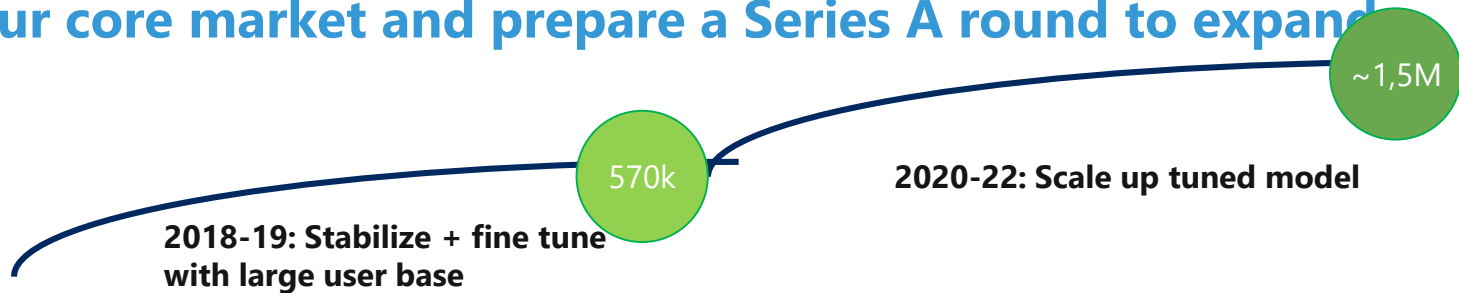
- Scrum Master, **Muzzley**
- Product Manager Car Verticals, **OLX / Naspers Group**
- Masters degree Computer Science **IST**



- Founder, **ForexLeaders**
- Founder and CTO, **nozomi**
- Business Dev., **Acredita Portugal**



We have a long-term plan that begins with a 570k\$ round to consolidate our core market and prepare a Series A round to expand globally



62%

Sales

15%

Product

23%

Operations

- **Consolidate core market** (250k paid users already guaranteed in Brazil)

- **Grow** in our other markets (Portugal, Colombia, Mexico)

- **Test** new countries in Latam and Europe

- Develop **key features** resulting from current clients' feedback

- Prepare the platform for **high scale usage**

- Localize **new languages** as needed

- **Replicate** and **refine** high school programs
- **Expand Ops team**
- Build successful **Client Case Study**
- **Operate** 250K users in BR.

- **1st phase: Expand** into rest of LATAM and across rest of Europe (to be decided based on initial success in EU)
- **2nd phane: Global Push** including Asia and US

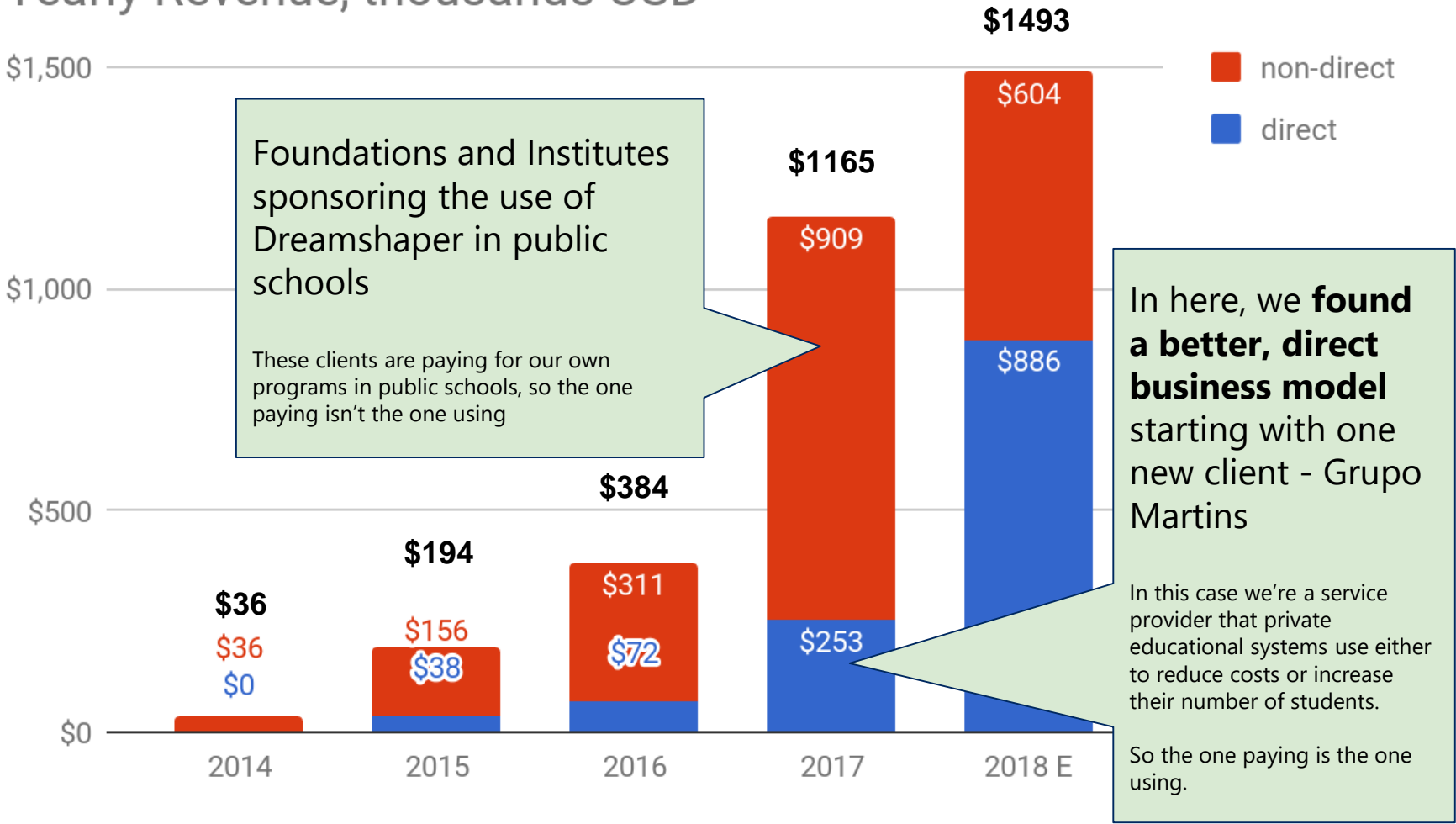
- **Deploy 3 advanced algorithms:**

- Student motivation
- Automatic evaluation
- Life Project outside entrepreneurship

- **Create local ops teams** in new geographies
- **Adapt High School and University** models to new countries
- **Prepare** the Rest of funding (\$1.5M in case it isn't close in this round)

Up until now, our income mostly came from sponsorship packages that are hard to keep growing long term - but this is changing and, in 2018, we will invert the split

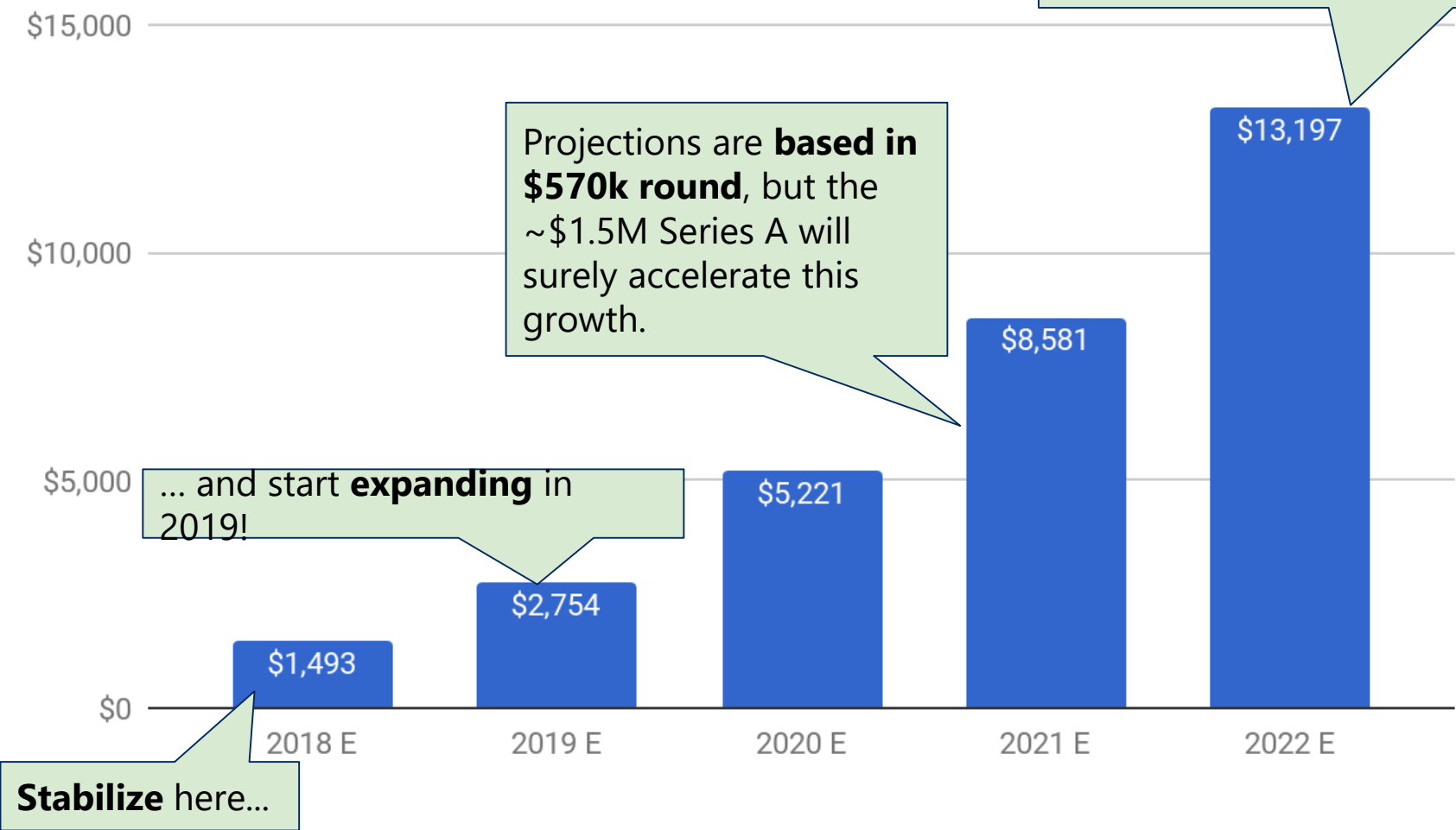
Yearly Revenue, thousands USD



We're going to stabilize this business model in 2018, refine it, make it scalable, and start taking it global in 2019

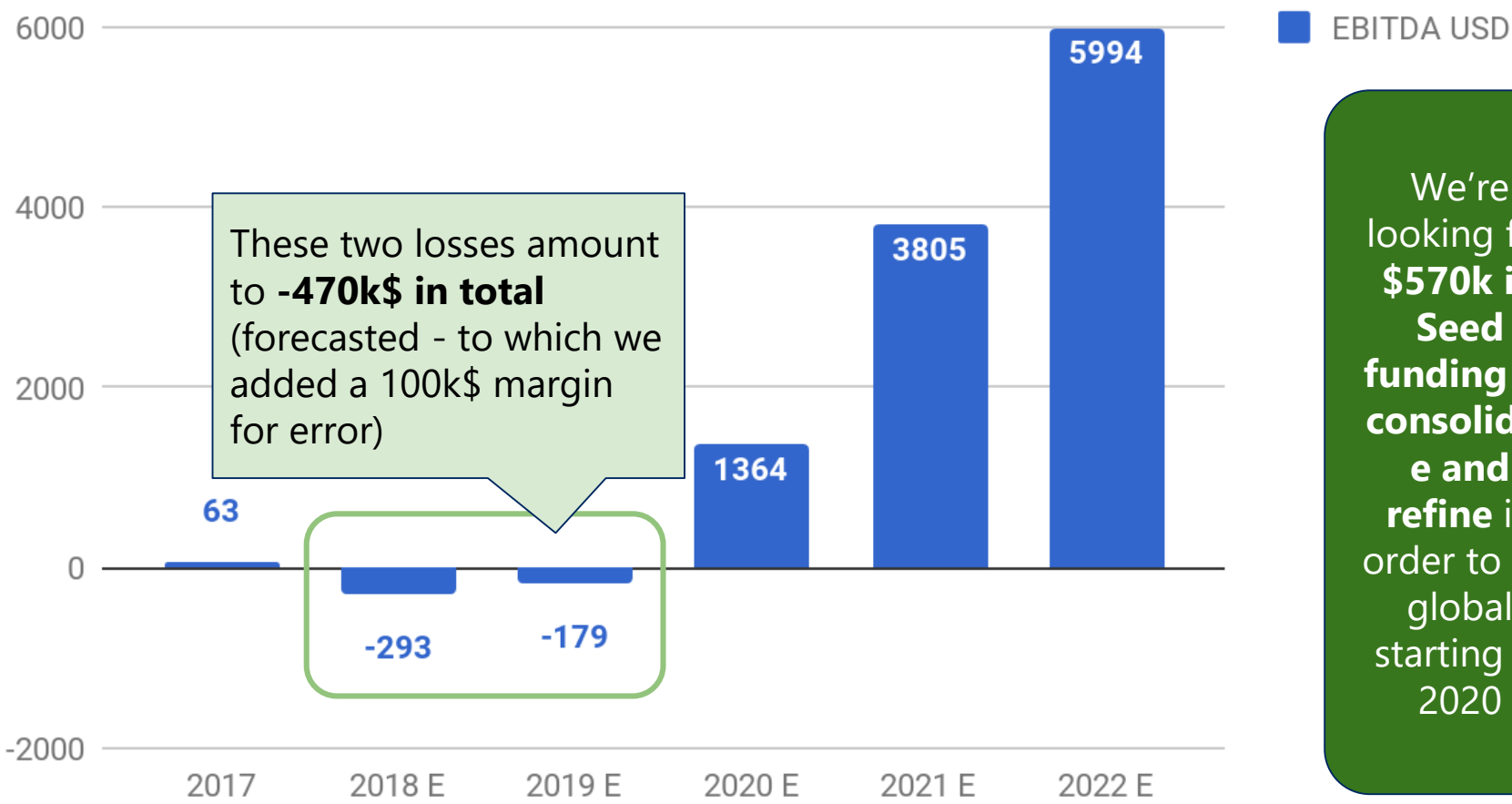
Long-term plans are always tricky, but we expect to be **present in every continent by 2022.**

Yearly Revenue (Forecast), thousands USD



We expect to run a small loss in 2018-2019 as we fine-tune our business model and a return to profitability in 2020 as we expand sales globally

EBITDA (Forecast), thousands USD



We're looking for **\$570k in Seed funding to consolidate and refine** in order to go global starting in 2020

Questions?

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André Borges, Sales
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Never let them tell you it's not worth it **to believe in the dream you have**

Legião Urbana



Dreamshaper

BACKUP



DEZEMBRO 2017

DreamShaper enables schools to improve the quality of their education, and that directly impacts the **UN's SDG Goal 4 – Quality Education**

Specific goal 4 targets by 2020-30
in bold

DreamShaper impacts

United Nations Sustainable Development Goals



- Free, equitable and **quality** primary and **secondary education** for all children
- Quality early childhood development, care & preprimary education for all children
- Affordable and **quality technical, vocational & tertiary education**
- **Youths and adults with relevant skills**, including technical and vocational skills, for employment, **decent jobs & entrepreneurship**
- Eliminate gender disparities in education and ensure equal access to all levels of education and vocational training for the vulnerable
- All youth and a substantial proportion of adults achieve literacy & numeracy
- All learners have the **knowledge and skills** needed to promote **sustainable development**
- Build and **upgrade education facilities** that are child, disability and gender sensitive and provide safe, nonviolent, inclusive and **effective learning environments for all**
- Expand scholarships available to developing countries for higher education
- Increase supply of qualified teachers, including international cooperation for teacher training in developing countries

We are not currently aiming for an exit strategy, but the most likely liquidity event will be an acquisition by an established industry player

- Historically, IPOs represent only 3% of exits in EdTech; the rest are **acquisitions by established players**
- **Average exit valuation:** 207 M\$ at **3,5x revenue multiple**
- **415 acquisitions** in 2015 totaling ~18bi \$¹
- **Little activity from tech giants** eg Google or Apple (though Amazon did buy Tenmarks and LinkedIn bought Lynda.com)

Pearson:

- **\$2bi+ in 10+ acquisitions** since 2003
- Biggest deals:
 - MultiHolding1 – 721 M\$
 - Embanet – 650 M\$

Blackboard:

- **14 acquisitions since 2009** and counting
- Biggest deal:
 - HigherOne – 260 M\$

Other notable exits in 2015:

- Lynda.com – 1.5bi \$
- Ellucian – 3.5bi \$
- OverDrive – 410 M\$

1 – <https://www.edsurge.com/news/2016-01-22-education-industry-sees-415-mergers-acquisitions-worth-nearly-18-billion-in-2015>