

EDTECH



Education Spending in the World

Education spending accounts for around 3.7% of the global GDP¹, translating into \$4.7 trillion in 2019.² That makes for a massive opportunity for startups to introduce digital offerings and disrupt the sector. Yet, the worldwide funding to EdTech players accounted for just 1.5% of the dollar value between 2014 and 2020.³



Edtech quick stats from PitchBook



Source: Pitchbook

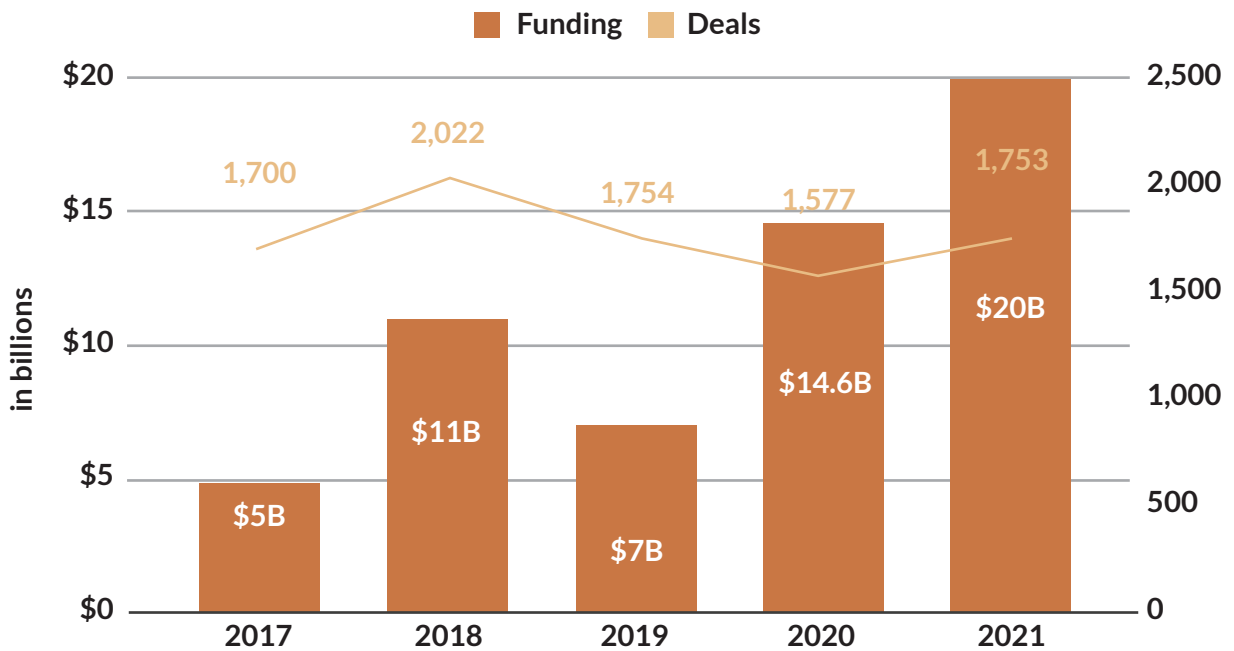
While VC investments in EdTech make up a small proportion, they have been on an upward trajectory since 2020 and hit a record value of \$20 billion across 1,753 deals, up from \$14.6 billion.

¹<https://data.worldbank.org/indicator/SE.XPD.TOTL.GD.ZS>

²<http://gem-report-2019.unesco.org/chapter/finance/#:~:text=Analysis%20for%20this%20report%20estimates,at%20US%244.7%20trillion%20worldwide.>

³<https://dealroom.co/blog/the-future-of-education>

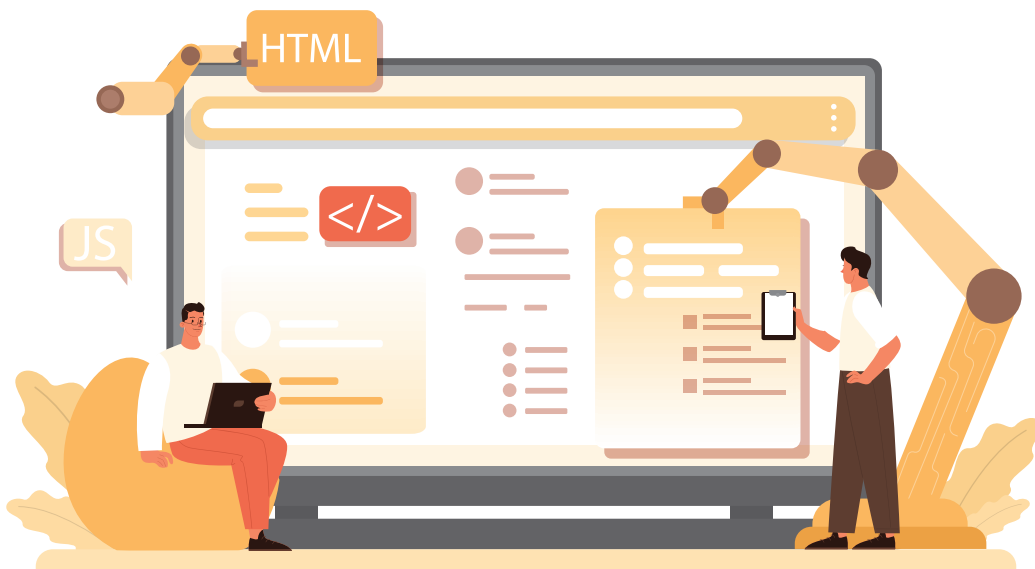
Global Edtech Investment Activity



Source: Crunchbase⁴

Education Sector in Pakistan: Need for Digital Transformation

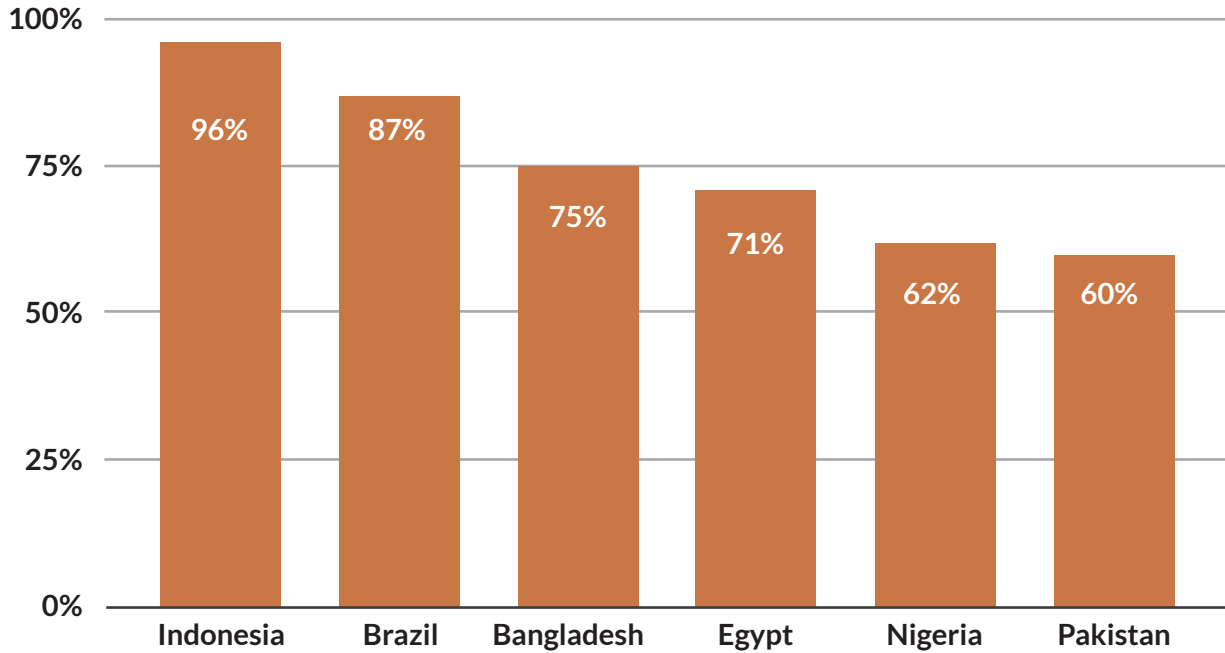
Meanwhile in Pakistan, the education sector presents massive opportunities for innovation and disruption to solve problems such as literacy, which has remained static over the last five years, poor pupil-teacher ratio, and out-of-school children (almost 44% of all children between the ages of 5 and 16 are out of school, meaning 22 million kids don't go to school).⁵



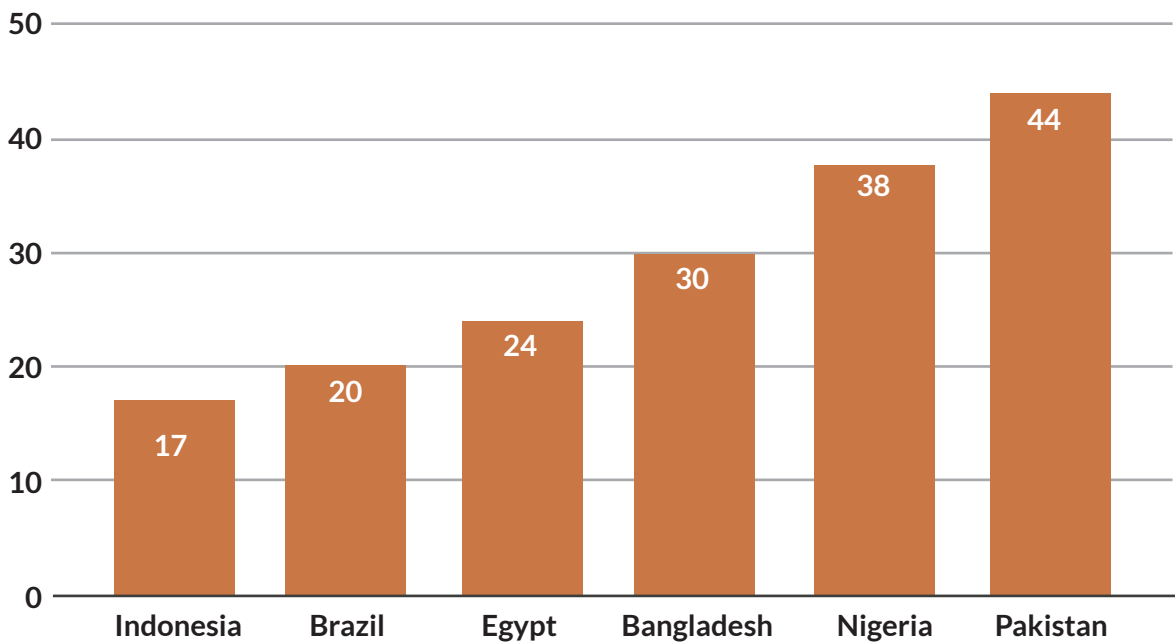
⁴ <https://news.crunchbase.com/news/edtech-startup-vc-funding-2022-owl-ventures/#:~:text=VC%2Dbacked%20companies%20in%20the,Duolingo%20doing%20initial%20public%20offerings.>

⁵ <https://www.dawn.com/news/1643918>

Adult Literacy Rate



Pupil-Teacher Ratio across Benchmark Countries

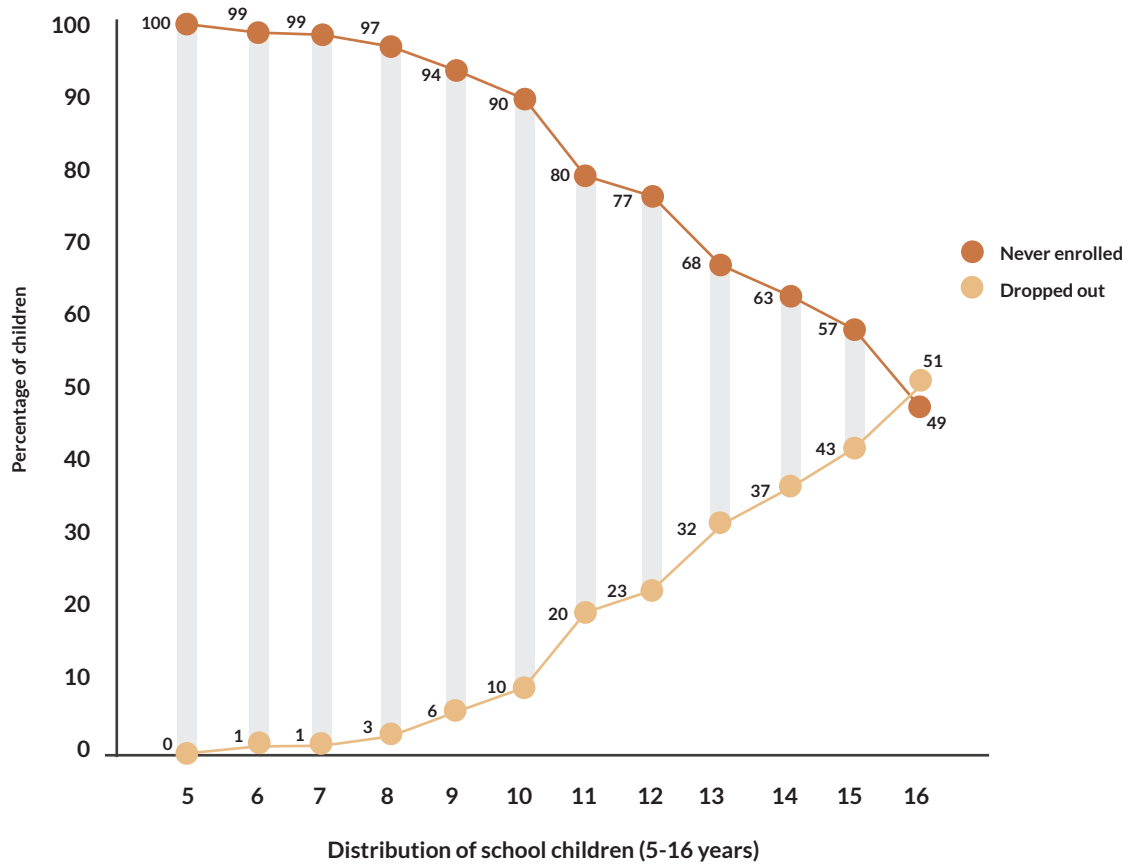


⁵<https://www.iea.org/data-and-statistics/charts/global-sales-and-sales-market-share-of-electric-cars-2010-2021>

⁶<https://www.iea.org/commentaries/electric-cars-fend-off-supply-challenges-to-more-than-double-global-sales>

⁷<https://news.crunchbase.com/transportation/ev-investment-tesla-ford-sony-honda/>

⁸<https://www.failory.com/startups/electric-vehicle-unicorns>



Source: Pakistan Economic Survey 2020-21⁶

Some of these gaps have been filled by the private sector, which now accounts for 37.9% of all educational institutions and 44.3% of total enrollments countrywide.⁷

Other problems prevalent in the education sector include the lack of infrastructure, where, for example, schools are far across from each other and become inaccessible. While non-governmental organizations have been tackling this problem for a long time through brick-and-mortar schools, startups are turning to digital channels to provide quality education to those who were deprived of it otherwise.

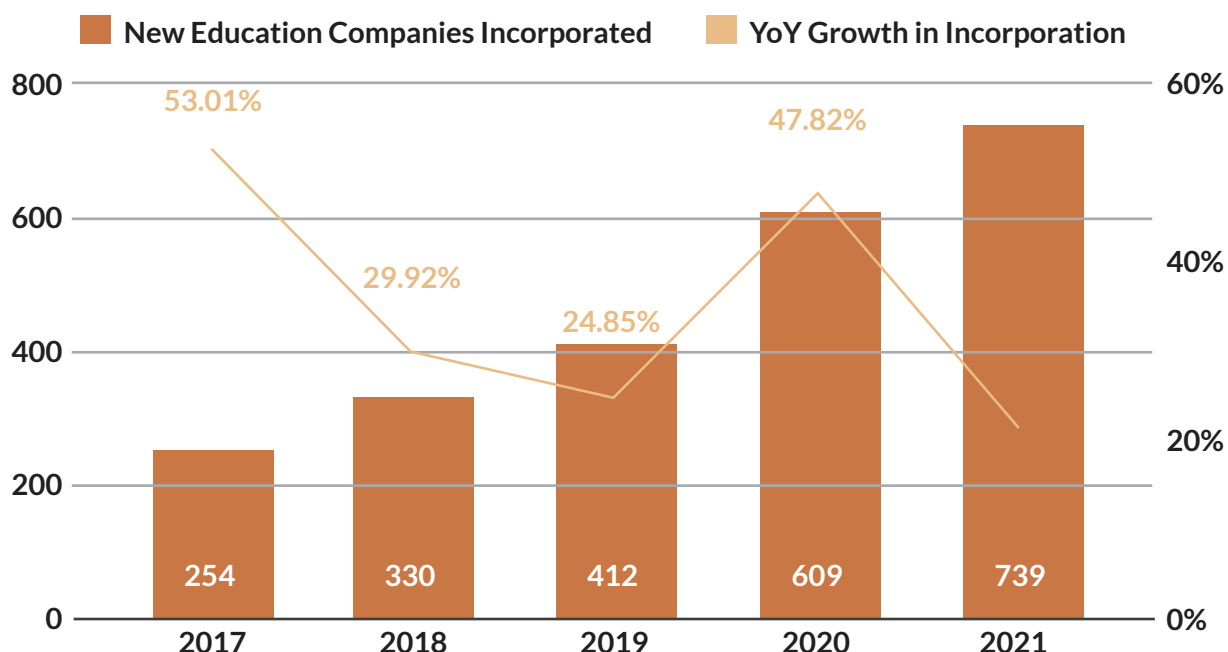
However, this percentage increase is less than the 47.8% spike observed in 2020, when COVID-19 spurred increased activity in the education sector.



⁶https://www.finance.gov.pk/survey/chapters_21/10-Education.pdf

⁷Pakistan Education Statistics 2017-18

Growth in Education Companies



There are different problems being addressed by Edtechs in Pakistan, ranging from online learning like Edkasa to after-school prep by Maqsad. The following table maps out the services being offered by EdTechs in Pakistan.

Investments Raised by EdTechs in Pakistan

While the educational problem needs rigorous support, including investment, unfortunately, Pakistan too is following the global trend of few investments in the EdTech sector as compared to other industries like fintech, e-commerce and logistics. In 2019, local EdTech startups raised \$5.34 million 2019 across 10 deals with an average ticket size of \$667,000, which is considerably lower than the mean of \$4.2 million for the broader tech ecosystem during the period.

However, the sector has managed to attract other well-funded players from the region such as Noon Academy or Abwaab which acquired Lahore-based Edmatrix to enter Pakistan. At the same time, a number of startups, with Pakistani founders, focusing on the global market have built sizable product and engineering teams out of Pakistan, such as US-based Educative and Stellic or Dubai-headquartered Querros that have cumulatively raised \$31.7 million since their founding.

⁹https://rise.esmap.org/data/files/library/pakistan/Energy%20Efficiency/Pakistan_Draft%20EV%20Policy%20Pakistan_2019.pdf

Edmatrix is a social e-learning platform designed to provide affordable online education to anyone, anywhere and empower learners to unlock their potential. The startup was founded in July 2020 in Lahore, offering secondary school students the opportunity to buy access to different subjects and learn using pre-recorded videos. The app also features live sessions for questions and answers. The startup bootstrapped its way through the early months and gained traction. However, in just one year, it was acquired by Jordan's Abwaab - which offers an online platform to secondary students in the Middle East for self learning and interacting with tutors. With a total



funding of \$27.5 million in funding, Abwaab now operates in Pakistan along with other countries and has a local team of 60+ people.⁸

Edtech Startup Funding

<p>MAQSAD</p> <p>\$2.1 MILLION</p> <p>FUNDED BY INDUS VALLEY CAPITAL, ALTER GLOBAL, FATIMA GOBI VENTURES</p>	<p>KNOWLEDGE PLATFORM</p> <p>\$2 MILLION</p> <p>FUNDED BY GSMA BEACHONHOUSE SCHOOL SYSTEM, LAKSON VC</p>
<p>NOON</p> <p>\$21.6 MILLION</p> <p>FUNDED BY RAED VENTURES, OUTLIERS VENTURE CAPITAL, STV</p>	<p>EDKASA</p> <p>\$320,000</p> <p>FUNDED BY ZAYN CAPITAL 121 VENTURES, WALLED CITY CO</p>

⁸https://www.linkedin.com/search/results/people/?currentCompany=%5B%2228389163%22%5D&geoUrn=%5B%22101022442%22%5D&origin=FACETED_SEARCH&sid=Q%3An

Government Gives EdTech a Push

EdTech got a major boost after Covid-induced lockdowns as educational institutions turned fully online within days, and Pakistan was no exception in this regard. Schools and universities implemented learning management systems and video lectures, giving startups working in the space a significant push as Edtech players reported user growth in the range of 20% to 100%.⁹

Recognizing the severity of the situation, the Government released a Pakistan National Education Response and Resilience Plan (K12) for Covid-19,¹⁰ which laid down the framework for engaging the IT industry to ensure the digital distribution of curriculum. It also launched a teleschool initiative whereby education content from hundreds of EdTechs was broadcasted on national television everyday for one hour for each age group.

Learning Facilitation Need	No Tech Offline	Low tech	High tech online
Self-learning	<ul style="list-style-type: none"> → Textbooks → Workbooks → Printed Targeted Materials 	<ul style="list-style-type: none"> → TV learning programs and channels → Radio learning programs 	<ul style="list-style-type: none"> → Featured smart phone apps and web platforms for learning → Digital books (audio) → Social media
Guided Learning	<ul style="list-style-type: none"> → Home-based guided learning Through household/ community members → Teacher/tutor home visits (respecting health directives and social distancing) → Classroom based learning (stopped, can resume upon schools reopening) 	<ul style="list-style-type: none"> → Teaching or follow up calls by tutors → One and two-way SMS Based-learning Interactions 	<ul style="list-style-type: none"> → Online digital classrooms → Video conferencing → Blended learning in classrooms

Similarly, the Punjab government launched Taleem Ghar on April 1st, 2020 on TV, mobile app and YouTube, with television content reaching 70% of the school-going population. The app saw 55,000 individual uploads while YouTube reportedly garnered over 8.8 million views.

⁹<https://blogs.worldbank.org/endpovertyinsouthasia/covid-19-spurs-big-changes-pakistans-education#:~:text=>

¹⁰http://mofept.gov.pk/SitelImage/Misc/files/0_%20NERRP%20COVID-19%20MoFEPT%204%20May%202020%20Ver%2001.pdf

¹¹<https://www.ukfiet.org/2021/punjab-rapid-response-to-covid-19-bringing-televised-lessons-to-millions/>

EdTech Startups in Pakistan



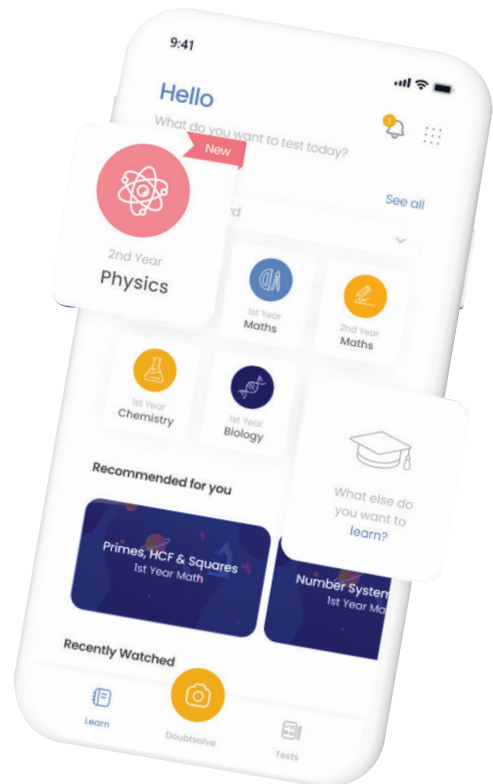
ezBike

Edkasa is a Pakistani EdTech startup that helps students learn and prepare for their exams. Founded in 2017, EdKasa's target market presently is matriculation and intermediate students. It started off with a YouTube channel and has now evolved into an app-based learning platform which has pre-recorded lectures available for students for different subjects.¹² EdKasa raised \$320,000 in April 2021 in a pre-seed round led by i2i Ventures.¹³



Maqsad

Maqsad offers pre-recorded videos on its learning platform at present and targets matriculation and intermediate students. It is working to provide a high-quality learning experience to 100 million Pakistani students. The startup raised \$2.1 million in pre-seed investment in September 2021.¹⁴



¹²<https://edkasa.com/about/>

¹³<https://www.crunchbase.com/organization/edkasa>

¹⁴<https://techcrunch.com/2021/09/19/pakistan-edtech-startup-maqsad-gets-2-1-m-pre-seed-to-make-education-more-accessible/>



Noon (formerly Noon Academy)

Noon is a social learning platform making learning a more joyful, collaborative, and innovative experience. Headquartered out of Saudi Arabia, the startup currently has services in eight countries including Pakistan, India, Egypt, Oman and Iraq and is teaching 10+ million students. Their model is focused on live sessions by popular teachers on Noon mobile application¹⁵ and they have raised \$21.6 million in funding.¹⁶



POWERED BY ORENDA

Taleemabad

Founded in 2015, Taleemabad caters to children until primary school through animated content on its app. The team comprises a group of parents, teachers, and school owners, who have experienced the shortcomings of the current education system firsthand. To address the outdated curriculum and pedagogy focused on rote learning and rigidity, the startup has been developing flexible, children-centered and future-ready education systems.¹⁷



Founded in 2016, Nearpeer.org is a Pakistani Edtech portal that aims to make quality education accessible and affordable using technology. So far, 100,000+ students have enrolled in their 150+ courses. Students decide what to learn, when to learn, how to learn, how much to learn, and how fast to learn. The startup offers courses across various verticals including FSc (Intermediate), O/A Level, Entry Tests (MDCAT, ECAT, SAT, etc), CA, ACCA, CSS, and skill-based courses.

Their goal is to reach 1 million users by the end of 2022 and create an impact on 10 million users by the end of 2025.¹⁸

¹⁵<https://www.linkedin.com/company/learnatnoon/>

¹⁶<https://www.crunchbase.com/organization/noon-academy>

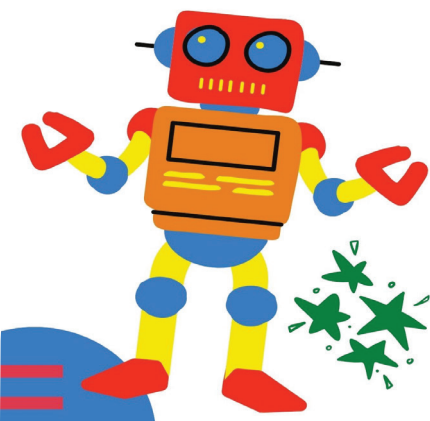
¹⁷<https://www.taleemabad.com/voice-of-taleemabad/>

¹⁸<https://www.linkedin.com/company/nearpeer.org/?originalSubdomain=pk>



QueryCity

QueryCity is trying to make education accessible for all with its Student's Search Engine, which features thousands of O/A Level and IGCSE questions and answers to all subjects. The offering keeps users from spending money on solution books and other resources and helps parents teach their children, enables teachers to get a handful of questions regarding any topic, and students to get answers to their queries with just one click.¹⁹



Robokids

Robokids is an EdTech startup offering STEM (Science, Technology, Engineering, Mathematics) educational products with the help of robotics. It provides “play-as-you-learn” courses and is trying to make STEM learning fun.²⁰

OUT-CLASS

Outclass

Established in 2020, Out-Class provides an alternative to tuition academies in the comfort of students' homes, and with the convenience of their own schedule. An Out-Class Crash Course typically covers the entire syllabus with past paper questions and full length solutions within 25 hours. Their multimodal content is created in-house and the teaching style is informed by the latest research on the neuroscience of learning.²¹ The startup has also recently raised a seed round of \$500,000.



¹⁹<https://www.linkedin.com/company/querycity/about/>

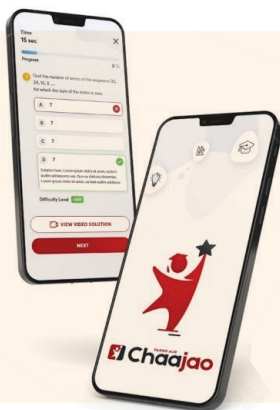
²⁰<https://www.linkedin.com/company/robokids/>

²¹<https://www.out-class.org/about-us>



Abwaab

Abwaab is an online learning platform that allows students to learn at their own pace, test themselves and get ahead with help from expert tutors anytime and anywhere. They offer short, engaging video lessons, visualized learning journeys, continuous assessment and performance analytics.²² The startup raised a \$20 million Series A in November 2021 and had earlier entered Pakistan by acquiring Lahore-based Edmatrix.²³



ChaaJao

ChaaJao is an EdTech startup offering preparation for competitive tests like ECAT, BCAT, MDCAT, SAT and other school exams.²⁴



Rahnumai

Rahnumai aims to increase higher education enrollment especially for students who do not have direct access to universities across Pakistan. Their online portal allows students from every region in the country to fill their university applications online without any barriers and select the universities where they want to apply.²⁵



²²<https://www.linkedin.com/company/abwaab-technologies/>

²³<https://www.menabytes.com/abwaab-edmatrix/>

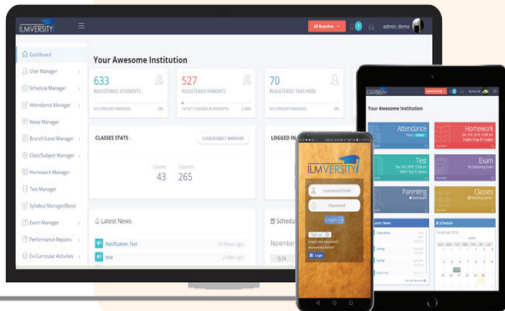
²⁴<http://chaajao.com/#>

²⁵<https://rahnumai.com/details/about>



Bryt

Bryt offers bite-sized educational content, curated by subject experts to help students easily meet their learning goals. They raised an undisclosed investment in 2021.²⁶



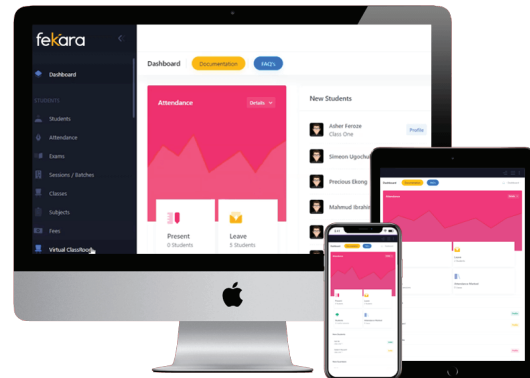
Ilmiversity

Ilmiversity provides a one-stop solution to cover all academic and administrative aspects of an institute. Through its web and mobile apps, it connects schools, teachers, students and parents.²⁷

fekara

Fekara

Fekara is a management software for schools that helps in learning, testing and administration activities. It manages all elements of the school information system including students, courses, exams, teachers and employees.²⁸



QriosityNet

Qriosity Net is building a gamified LinkedIn for students to build career profiles that speak beyond a resume to the hiring managers. It provides skill building, admission, entry and mid-level jobs to students and early career individuals. Companies get auto-filtered, best-fit employees through a powerful AI based algorithm. The startup was launched at the Founder Institute.²⁹

²⁶<https://www.linkedin.com/company/bryteducation/>

²⁷<https://www.linkedin.com/company/ilmiversity/?originalSubdomain=pk>

²⁸<https://fekara.com/>

²⁹<https://www.linkedin.com/company/qriositynet/>



Knowledge Platform

Knowledge Platform is an education company that provides next-generation learning opportunities in Asia. The company originally started out as a corporate training company in the early 2000s, developing award-winning learning management technologies, which are used globally. The EdTech provides a complete learning solution from designing learning strategies to creating content, to deploying the technology, and providing support to teachers. Knowledge Platform has also implemented teacher and instructor training programs in Brunei, China, Indonesia, Pakistan, Qatar and Singapore.³⁰ It also provides English education for over 400,000 students in China.³¹

In 2019, Knowledge Platform raised \$2 million+ in a Series A round led by Beaconhouse School System, Pakistan's largest school network and Lakson Investments Venture Capital (LIVC). Furthermore, Future Trust, a trust operated by the Jahangir Siddiqui (JS) Group, provided a significant funding facility to further the company's education mission.³²



Growth School

Growth school has partnered with the top 1% of industry experts to create high-impact programs on personal and professional growth for learners all over the world. It offers industry - relevant courses that make you stand out in the professional life.³³

Qureos

Qureos

An EdTech and remote work marketplace, Qureos helps companies and individuals to upskill by offering courses from subject matter experts. The startup has raised a \$3 million pre-seed funding to accelerate this growth.³⁴



Kar Muqabla

Kar Muqabla is an EdTech platform that gamifies learning for school children. Their website and app let students test themselves against hundreds of thousands of their peers through the startup's gaming software. Students play the game, and the software tells them how much they know, how much is left and how well they match up to their peers.³⁵

³⁰<https://www.linkedin.com/company/knowledge-platform/>

³¹<https://www.knowledgeplatform.com/press/beaconhouse-lakson-vc-lead-us2-million-series-round-edtech-leader-knowledge-platform/>

³²<https://www.knowledgeplatform.com/press/beaconhouse-lakson-vc-lead-us2-million-series-round-edtech-leader-knowledge-platform/>

³³<https://growthschool.io/about-us>

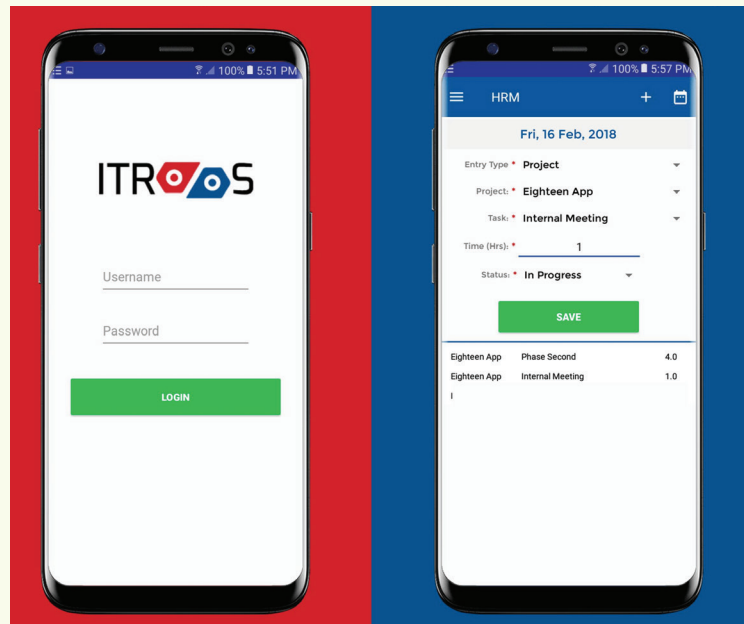
³⁴<https://www.quireos.com/>

³⁵<https://www.karmuqabla.com/>

ITROOS

Itroos

Itroos EdTech is a provider of an enterprise resource planning software to schools that connects the administrative and academic functions while serving as a bridge between students, parents, faculty and other staff.³⁶



Edusuite.pk

Edusuite is a software that converts an ordinary school into a smart one. The ERP is a multi-purpose suite of tools containing various modules including students and faculty management, transportation, administration among others.³⁷



³⁶<https://itroos.net/edtech/>

³⁷<https://www.edusuite.pk/>



Eschool.pk

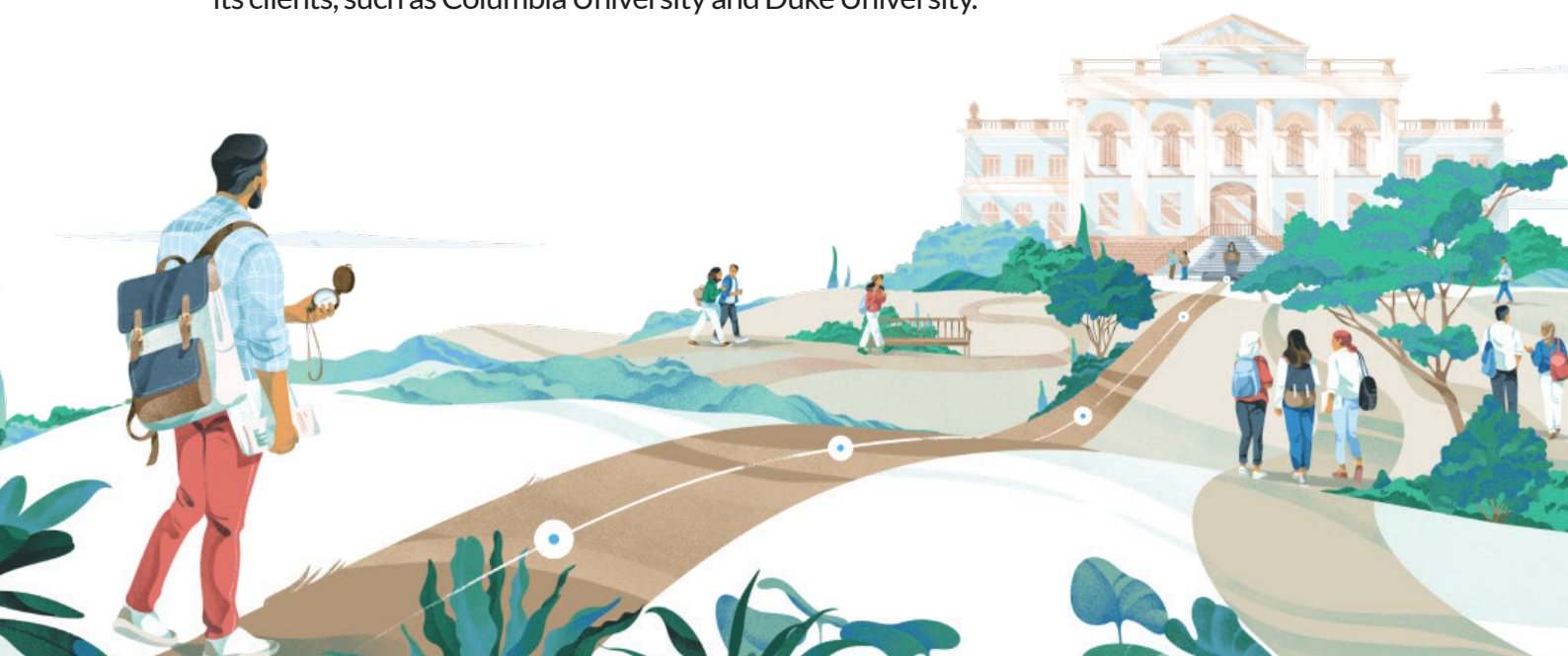
Eschool.pk is an end-to-end web-based solution for all types of educational institutes such as schools, coaching centers, universities that helps automate routine tasks. It allows features across branch management, HR portal, academic affairs modules, and portal for parents, teachers and students.³⁸



Stellic...

Stellic

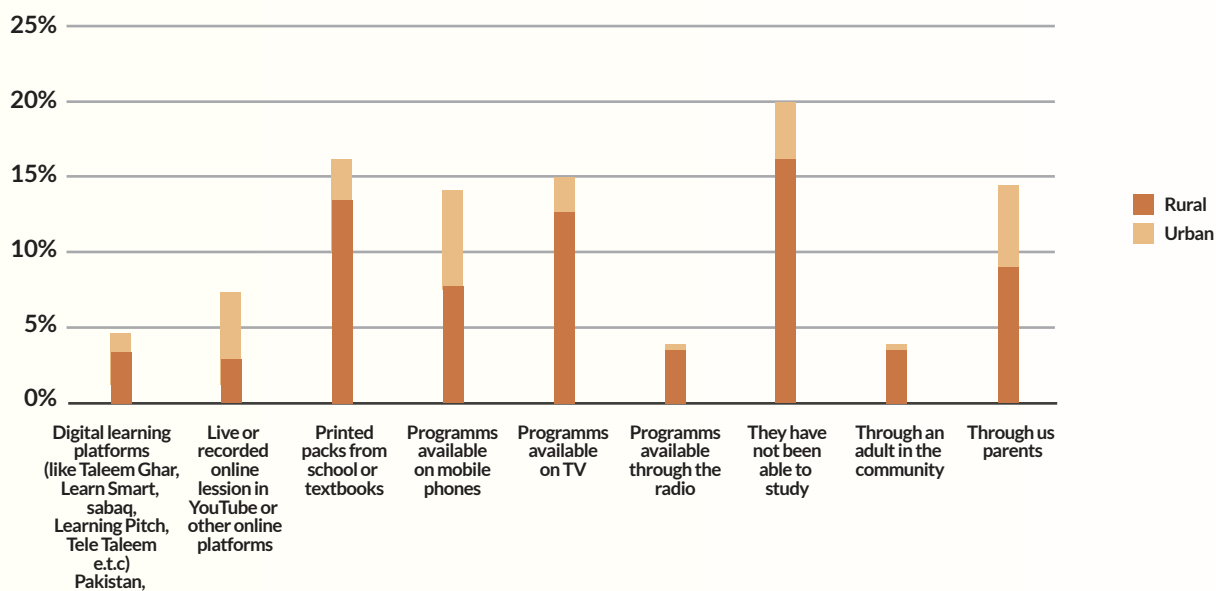
Stellic is an integrated planning and advising platform that empowers today's students to seamlessly plan their semesters with the best-fit courses. It keeps advisors less busy and more informed. While the startup is headquartered in California, its product and engineering teams are based out in Karachi. Stellic has raised \$14 million in total funding since it was launched and has onboarded some of the most prestigious universities as its clients, such as Columbia University and Duke University.³⁹



³⁸<https://www.eschool.pk/about-us.html>

³⁹<https://www.stellic.com>

Survey question “How have your Children Been Learning While your Schools have been Closed?”



Source: Situation Analysis on the Effects of and Responses to COVID-19 on the Education Sector in Asia | UNICEF⁴⁰



⁴⁰<https://www.unicef.org/rosa/reports/situation-analysis-effects-and-responses-covid-19-education-sector-asia>

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ABOUT THIS INDUSTRY ROUNDUP

Pakistan Software Export Board developed this paper by hiring services of independent consulting firms to prepare this roundup on Pakistan's EdTech sector. The paper focuses on Pakistan-based companies in this vertical and appraises the reader of the expertise available in Pakistan in the EdTech domain.

DISCLAIMER

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