TeachMe.To

INVESTMENT MEMORANDUM

MAY 2025

INTRODUCTION

Over the past several years, the world has undergone a profound shift in how people live, work, and connect. The COVID-19 pandemic and the widespread adoption of remote work have accelerated the digitization of nearly every aspect of life. At the same time, social media and the digital economy have driven people deeper into screen-based interactions, fundamentally altering how individuals spend their time and engage with the world. This shift has also sparked a powerful countertrend, however — it has catalyzed a growing consumer desire to reconnect with the physical world through real, in-person experiences.

This resurgence of the "experience economy" is being fueled by a widespread appetite for activities that are social, skill-building, and wellness-oriented. People are seeking opportunities to be present, learn new things, and form meaningful connections — not through apps and screens, but in parks, studios, courts, and clubs. In Accenture's 2025 Consumer Trends Report, they listed "social rewilding," or people shifting how they spend their free time to real-world activities and human connections, as one of the top 5 most influential consumer trends. 42% of survey respondents said their most enjoyable experience the previous week was a physical activity.

TeachMe is capitalizing on these tailwinds by reinventing the way people discover and engage with private, in-person instruction. Prior to TeachMe, the process of procuring a private lesson was highly outdated, requiring users to scour the web, solicit friends, cold call and leave voicemails. TeachMe is a digital marketplace where users can easily find and book vetted local coaches for private lessons across sports and music. The company brings a modern, intuitive experience to a traditionally fragmented and outdated space, combining

elements of Airbnb's consumer-friendly marketplace model with Duolingo's gamified approach to education.

TeachMe's core innovation lies in its ability to serve both sides of the marketplace. For users, it delivers a seamless and engaging way to find and schedule lessons. Their expansive feature set positions them as the platform for the ongoing relationship between coach and student. For coaches, it offers a business-in-a-box solution that enables them to build and scale their coaching practice. In doing so, TeachMe is not only modernizing the private instruction industry — it is defining a new category of in-person learning that is social, structured, and scalable.

TeachMe is raising $2.5M of strategic capital at a $50M post-money valuation to accelerate growth prior to its Series A. Interplay is spearheading the round with participation from insiders Bling Capital and 1984 Ventures.

KEY HIGHLIGHTS

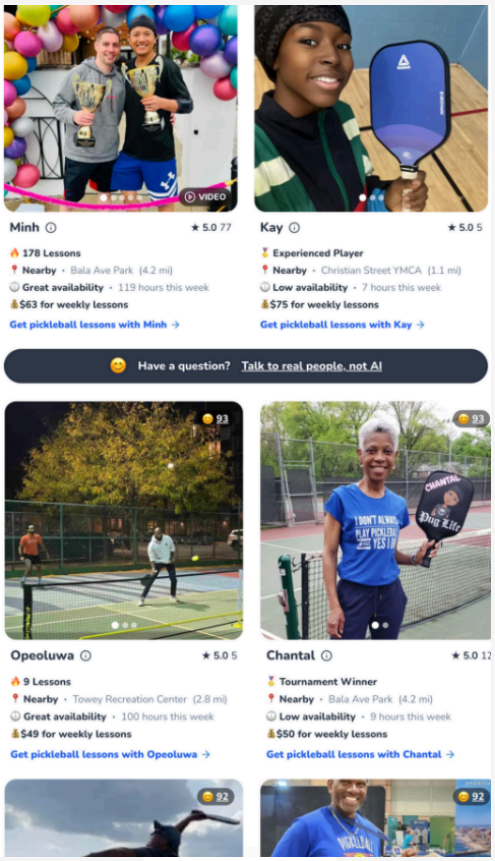
1. **Impressive early traction and topline growth:** Since launching the platform in 2022, GMV has grown by 30x. As of March 2025, TeachMe is generating $5.5M run-rate GMV with an effective 35% take rate.
2. **Increasing demand-side retention supports efficient unit economics:** By launching a subscription model in July 2024, TeachMe increased customer retention by 3x, bringing the average number of lessons per user to ~11 lessons and improving LTV/CAC to over 3x.
3. **Diversified and proprietary supply-side positions TeachMe for adoption and scale:** With 2,500+ qualified coaches on the platform, TeachMe can serve 92% of U.S. and Canadian markets. 80% of TeachMe's supply is exclusive.
4. **Unique offering in a large market:** Private lessons represent a $70B TAM. TeachMe is building a modern, high-value, scalable marketplace that is unmatched by existing incumbents.

5. **Expert cap table and advisory team:** TeachMe has raised a total of $7.5M in historical funding from Bling Capital, 1984 Ventures and a group of highly strategic angel investors, including Sam Altman, Casey Winters, Gokul Rajaram, and Deb Liu.

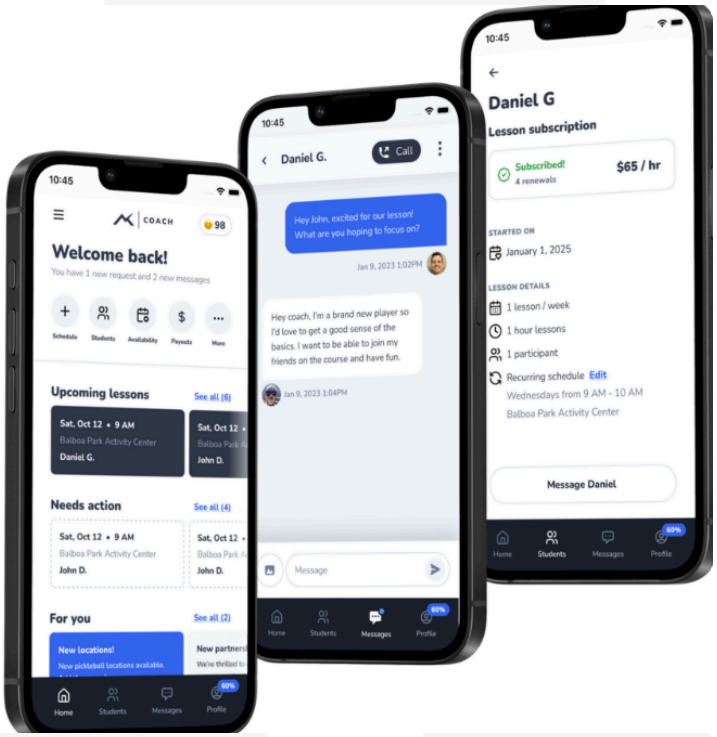
VALUE PROPOSITION

In the modern digital economy, consumers can go online and seamlessly book a restaurant reservation, hotel stay, or yoga class. However, the process of finding and booking a high-quality private lesson remains outdated, scattered and opaque. This process requires users to search the web, request referrals from friends, make phone calls, leave voicemails, share credit card information over the phone, and commit to instructors without the benefit of reviews or transparent pricing. TeachMe has streamlined and modernized this experience by building a platform that combines the marketplace efficiency of Airbnb with the gamified learning experience of Duolingo.

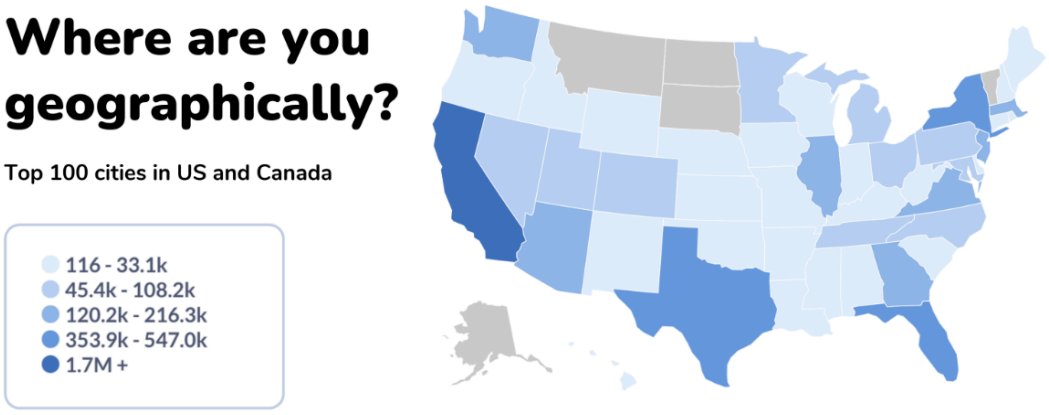
TeachMe enables users to easily discover local coaches through their customer-friendly marketplace interface. The platform offers visibility into each instructor's offerings, availability, pricing, and reviews, allowing users to make informed decisions and complete bookings entirely online. The marketplace model also drives competitive pricing among coaches, bringing down costs for consumers and driving demand on the platform. TeachMe's frictionless user experience democratizes access to in-person learning and removes the inefficiencies of outdated methods. TeachMe also enhances the learning experience through its app, building its relationship with each customer outside of in-person lessons. In-app features make learning more interactive and engaging for users, promoting better retention and sustained user interest.



For coaches, TeachMe provides a "business-in-a-box" solution that simplifies the path to becoming an independent instructor. Through the dedicated coach app, the platform supports professionals with marketing tools, lead conversion, scheduling, insurance, tax filing, and other essential back-office functions. Despite being an early-stage platform, TeachMe has already attracted power users who rely on it as their primary source of income. Additionally, an increasing number of coaches and facilities are bringing their pre-existing students onto the platform so that they can manage their full business operations via TeachMe.



The strong value proposition for coaches has yielded high platform loyalty: 80% of TeachMe's supply is exclusive. For customers, this translates to better selection, more competitive pricing, and higher service quality. TeachMe has rapidly scaled its network, and now offers local coaching in 92% of markets across the U.S. and Canada, establishing itself as a category-defining platform for in-person private instruction.



PRODUCT:

TeachMe is a marketplace platform that connects users with local coaches for private lessons in sports and music. The product experience is designed to modernize and streamline the process of discovering, booking, and engaging with high-quality instruction. By focusing on local networks and verified instructors, TeachMe provides users with trusted, convenient access to in-person learning opportunities.

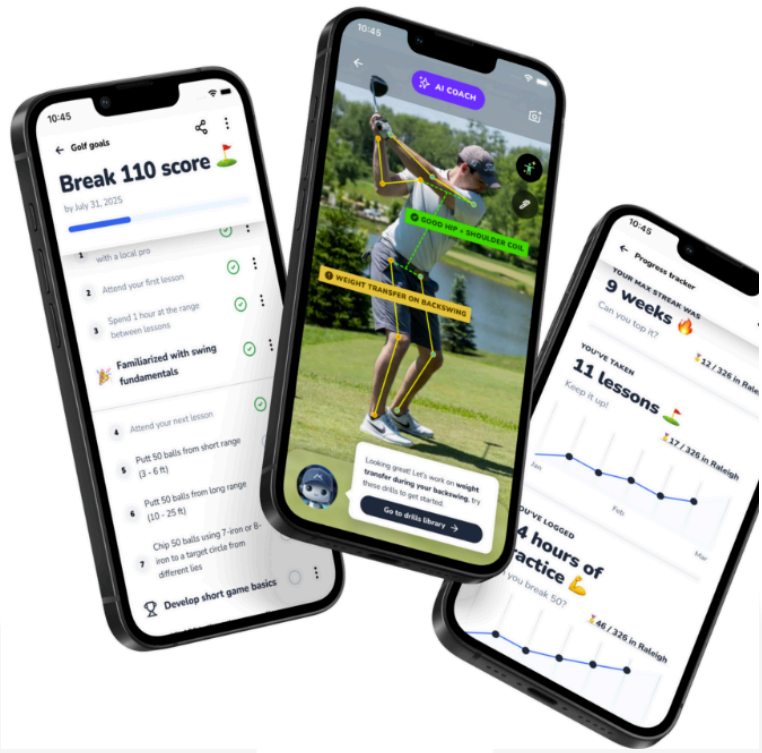
Although TeachMe has coaches across many sports and music categories, the primary focus today is on growing the offering for *country club sports*: golf, tennis, and pickleball. The team chose to expand category by category instead of an immediate horizontal approach to build meaningful supply and demand density within each core vertical. This deliberate verticalization ensures that the unique characteristics of each sport are thoughtfully addressed rather than being diluted in a generalized, horizontal platform. The top categories account for the majority of platform GMV: 37.5% from pickleball, 34.4% from golf, and 25% from tennis. This focus enables TeachMe to deliver a tailored and compelling product experience for both learners and instructors in these categories.

Users join the platform by subscribing to a monthly plan that includes four private lessons per month or by buying a class package. Each lesson is an hour long and conducted in-person, with users selecting their coach based on proximity, facility, pricing, and peer reviews. The platform enables flexible scheduling and rescheduling, and in the event a user is unsatisfied with their instructor, TeachMe's customer support team facilitates reassignment to a new coach.

TeachMe further differentiates itself from traditional private lesson experiences through in-app gamification, which boosts engagement and encourages continuous participation. Users can start "lesson streaks," unlock rewards, and track their progress over time, enhancing motivation and long-term retention.

On the coach side of the marketplace, TeachMe equips instructors with innovative tools to elevate the student experience. A built-in AI assistant allows coaches to dictate a voice

summary after each lesson, which the AI converts into a clear and actionable recap for the student. These summaries highlight key takeaways and set goals for future sessions, ensuring continuity and growth between lessons. Additionally, a video analysis tool enables coaches to capture and review students' form, providing precise, constructive feedback that accelerates learning and creates further platform lock-in for both consumers and coaches.



TeachMe is designed to minimize platform disintermediation and protect its ecosystem. Each coach on TeachMe is assigned a "Happy Student Score," visible to users during the selection process. This score is derived from student retention metrics, meaning coaches who attempt to take students off-platform have lower retention rates and, consequently, reduced visibility. TeachMe's algorithm prioritizes instructors with higher scores, reinforcing loyalty and rewarding high-quality engagement.

While the initial focus has been on country club sports, TeachMe is poised for product expansion across additional categories, including youth sports, music, arts, and academics. Although children currently represent a small portion of the user base, TeachMe identifies significant potential in developing products and services tailored to this demographic.

TeachMe is also focused on deepening the platform's value through expanded educational features, including goal-setting, milestone tracking, AI-driven practice assistants, and personalized progress insights.

MARKET

TeachMe is operating within a large and underserved market. The total addressable market ("TAM") for private, in-person lessons in the United States is estimated at $70B. TeachMe's initial focus is on the $15B sports segment, which serves as its serviceable addressable market ("SAM"). Within this, the company is initially focused on golf, tennis, and pickleball lessons, which together represent a $3B serviceable obtainable market ("SOM").

TeachMe's market entry strategy is purposefully narrow and focused. Rather than expanding horizontally across many categories too soon, the company is committed to going deep in its initial verticals. By concentrating on a few key sports, the team can refine the platform experience, build category-specific tooling, and create meaningful density between users and coaches. This discipline in execution sets TeachMe apart from competitors and provides a clear path for subsequent expansion into adjacent verticals once product-market-fit is fully proven.

From a demographic standpoint, the platform currently serves a majority of adult users. However, TeachMe sees significant upside in expanding into the youth market. Private lessons for children represent a large, underserved opportunity that aligns well with the company's long-term vision and product roadmap.

The competitive landscape for private lessons is highly fragmented, with no single player commanding more than 1% market share in the U.S. Outside of local country clubs or recreation centers, there are three main legacy players operating in TeachMe's SOM: Lessons.com, MyTennisLessons, and CoachUp. These players all have digital offerings, but their value proposition is much more shallow than TeachMe's. For coaches, these sites are solely lead generation resources; they do not offer any business management and student engagement functionality. For users, these platforms provide tools for coach discovery, but

the quality is variable, and all learning is done off the platform. Because of this, these businesses suffer from low retention and must mark up prices significantly in order to operate efficiently. CoachUp has even shown interest in being acquired by TeachMe, signaling a clear market shift in leadership.

In just three years, TeachMe has emerged as the largest player and the category leader in its target segments in the U.S. TeachMe has had particular success in the pickleball category, where it has become the world's #1 provider of private lessons and is expected to hold 15% of the global pickleball instruction market by the end of 2025. Golf and tennis are following a similar trajectory despite having more existing offerings for customers. Growth in these more established categories indicates that TeachMe's offering is truly differentiated from what exists today.

TeachMe's primary form of defensibility against new entrants is the network effect created by aggregating high-quality instructors on the platform to drive more customer demand. However, as the company scales, it can also grow defensibility through partnerships with sports and recreational facilities. Booking a facility for golf or tennis can be expensive in some cities, but as TeachMe continues to grow the volume of lessons on the platform, they will secure favorable pricing at facilities that benefit from their frequent usage. This will further solidify their offering to customers as the highest quality and lowest price private lessons in the market. TeachMe has a dedicated team focused on building relationships with facilities and has already made progress in cities where they have significant activity such as in LA and San Francisco.

TeachMe is building not only a category-leading marketplace, but also a new standard for what private instruction can be — an integrated, engaging, and high-retention platform experience. As it continues to scale, the company is uniquely positioned to lead the next wave of innovation in the $70B private lessons market.

PERFORMANCE

Since launching the platform in 2022, TeachMe has had exceptional topline growth, with GMV increasing 30x over a three-year period. In 2024, the company generated $6M in total GMV, up from $2M in 2023. Net revenue was $2.2M in 2024, representing a 38% effective take rate on GMV. As a greater share of customers transition to TeachMe's subscription model — rather than purchasing one-off packages — the team expects the take rate to normalize at ~35%.

Users join the platform by subscribing to a monthly plan that includes four private lessons per month or by buying a one-off package of classes. Coaches set their own hourly rates, and TeachMe applies a 20% markup along with checkout fees to achieve its targeted margin. The platform also retains breakage revenue, which further supports the 35% blended take rate. This pricing architecture provides autonomy for coaches while ensuring healthy unit economics for the business.

On the supply side, TeachMe has built a broad and diverse network of coaches across the United States and Canada. Supply growth has been robust: the platform had 123 active coaches as of March 2023, 1,246 by March 2024, and 2,646 by March 2025. Acquiring high-quality instructors remains both efficient and cost-effective, with a coach customer acquisition cost ("CAC") of just $4. This efficiency is largely attributed to the platform's strong value proposition for coaches — offering a comprehensive suite of tools for scheduling, marketing, customer retention, and back-office operations. As a result, coach retention remains consistently high.

On the demand side, the past year has been defined by a strategic focus on customer retention. TeachMe has made significant product investments and shifted to a subscription-based model, resulting in a 3x increase in customer retention over the last 12 months. To drive subscription adoption, TeachMe offers a free introductory lesson, providing a low-friction entry point for new customers and setting the stage for long-term engagement.



Since launching subscriptions in July of 2024, the TeachMe team has been impressed by the portion of users who opt for a subscription over a class package. As shown in the table below, subscribers account for 80% of users as of April 2025. The shift toward subscriptions has pushed the average number of lessons per user to almost 12, up from 3–4 lessons when 100% of users were on the package model.

Date	7/31/2024	8/31/2024	9/30/2024	10/31/2024	11/30/2024	12/31/2024	1/31/2025	2/28/2025	3/31/2025	4/30/2025
Pack Share	100.00%	51%	54%	47%	52%	60%	49%	45%	29%	19%
Subscription Share	0.00%	49%	46%	53%	48%	40%	51%	55%	71%	81%
Lessons per student	**3.80**	**8.24**	**7.97**	**8.60**	**8.15**	**7.42**	**8.42**	**8.78**	**10.23**	**11.14**

Subscribers are significantly more engaged as the subscription model encourages users to commit to long-term goals and increases lesson frequency. The success with subscriptions has created a repeatable and efficient growth playbook for TeachMe: onboard new users with a free trial, convert them to a subscription, and deliver value through a software-like experience — a novel approach in the service sector that enhances customer lifetime value ("LTV") and long-term retention.

Increasing customer LTV has significantly improved the company's unit economics. While pricing varies by region, the average customer now generates approximately $1,000 in GMV annually — a figure that has tripled in the past year. With a 35% take rate, TeachMe earns ~$350 in net revenue per user. TeachMe's demand-side CAC has remained stable at ~$100, allowing the company to achieve CAC payback within the first paid month of subscription usage. TeachMe's capital efficiency stands out when compared to other high-profile consumer platforms. For example, Duolingo generates roughly $75 in net revenue per user — a fraction of TeachMe's $350 — underscoring the strength and profitability of TeachMe's value proposition and model.

TeachMe has also demonstrated strong operational discipline. In 2024, the company maintained a monthly burn multiple of less than 1x, which is an exceptional metric for a high-growth, early-stage business. For comparison, the typical "healthy" benchmark for an early-stage software startup is a 3x burn multiple.

TEAM

Tyler Maloney, Founder & CEO

TeachMe is led by Tyler Maloney, a seasoned founder and marketplace operator with a proven track record of building, scaling, and monetizing consumer technology businesses. Tyler is a repeat entrepreneur with deep experience at the intersection of product, growth, and community, uniquely positioning him to lead TeachMe as it redefines how people discover and access in-person learning experiences.

Prior to TeachMe, Tyler was the founder and CEO of Faves, a Gen Z-focused content discovery platform that climbed into the top 20 on the App Store, outperforming major platforms like Facebook, YouTube, and Spotify. Faves was used by millions of users, achieved profitability, and was backed by top-tier investors including Lightspeed, Greycroft, and several Midas List venture capitalists.

Earlier in his career, Tyler also founded Undercover Colors, a consumer biotech company he launched as a college senior. He successfully raised over $12M in venture capital, filed

multiple patents, recruited and managed a team of scientists and engineers, and drove national media coverage, including a feature on The Today Show.

Across both ventures, Tyler has demonstrated an exceptional ability to identify emerging trends, design and ship user-loved products, and build scalable, capital-efficient businesses. His experience spans both B2C product development and two-sided marketplace dynamics, making him well-equipped to lead TeachMe.

Nick O'Brien, COO

Nick O'Brien brings deep experience as a repeat founder and operator, with a strong track record of building and scaling startups across consumer products, hardware, and marketplace technology. At TeachMe, he oversees day-to-day operations, product execution, and strategic growth initiatives, playing a critical role in driving the company's 30x growth over the past three years.

Before joining TeachMe, Nick co-founded multiple startups, including Boxtrot, Alloi, and Hydrodore, where he developed expertise in launching new products, navigating complex supply chains, and bringing innovation to underserved markets. His experience across different industries has made him adept at solving operational challenges, building high-performing teams, and ensuring that TeachMe delivers a seamless experience for both students and coaches.

Pablo Pigozzo, Head of Engineering

Pablo Pigozzo is the Head of Engineering at TeachMe, where he leads the development of the company's core technology infrastructure, ensuring that the platform is scalable, secure, and delivers a seamless experience for coaches and learners. Pablo joined TeachMe in early 2024, bringing with him extensive expertise in software engineering and technical leadership from a diverse career spanning multiple industries and geographies.

Before joining TeachMe, Pablo was a Senior Software Engineer at Radical Imaging, where he was responsible for developing a medical image viewer product, blending cutting-edge technologies such as TypeScript, AWS, and PostgreSQL. Prior to that, he was a Tech Lead at

Genera, an edtech company, where he played a pivotal role in redesigning and optimizing their platform through a microservices architecture. Pablo's experience working on large-scale systems across the education, healthcare, and enterprise software sectors provides him with a unique ability to build robust and scalable solutions that align with TeachMe's growth ambitions.

FINANCING

TeachMe has raised a total of $7.5M in historical funding from Bling Capital, 1984 Ventures and a group of highly strategic angel investors. Notable backers include Sam Altman, Casey Winters, a leading marketplace operator with experience as Chief Product Officer at Eventbrite and early growth leadership at Pinterest and Grubhub, and Gokul Rajaram, a product visionary and board member at companies such as Alphabet, DoorDash, Pinterest, and Meta, who has also invested in top-tier companies including Faire, Poshmark, Airtable, and BetterUp. While TeachMe maintains a healthy 18-month runway, the company is currently raising an additional $2.5M in strategic capital from Interplay and insiders to accelerate growth and position the company strongly ahead of its Series A. This round is being raised at a $50M post-money valuation, giving Interplay a 4% equity stake.

When evaluating TeachMe's potential exit outcomes, it is beneficial to consider a range of public comparables in adjacent markets. Airbnb is a highly relevant public company benchmark given its consumer marketplace model and strong brand in local, experience-based services. Airbnb traded at an EV/revenue multiple of 6.74x in 2024, down from 8.19x in 2023. Although Uber is more service-based than experience-based, it can also be used as a relevant comp due to its consumer marketplace model with localized network effects and in-person interactions. Uber has maintained high-growth and high customer retention which is reflected in its 11.0x EV/revenue multiple.

Fiverr and Upwork, slower growth and services-oriented marketplaces, offer lower valuation baselines. As of 2024, Fiverr traded at 2.86x EV/revenue, while Upwork traded at 2.56x. However, these platforms are primarily labor marketplaces offering lead-generation but no other on-platform value. Because of this, they tend to see higher user churn, more price

competition, and less defensibility compared to models like TeachMe's, which offers a more vertically integrated, recurring-use experience with learning tools and gamification. TeachMe's higher engagement, subscription-based model, and in-person delivery will help it avoid the transactional, commoditized dynamics that suppress multiples for Fiverr and Upwork.

At the higher end of the spectrum is Duolingo, which traded at a 19.49x EV/revenue multiple for 2024. While Duolingo is a digital-only platform, it shares many key characteristics with TeachMe—namely, gamified learning, a sticky product experience, and recurring revenue via subscriptions. TeachMe's blended approach of in-person service delivery with digital reinforcement and gamification makes it unique, and if it continues to show strong retention and user engagement, it may justify a valuation closer to this end of the range.

	Upwork	Fiverr	Airbnb	Uber	Duolingo
Market Cap	$2B	$967M	$76B	$162B	$17B
YoY Growth Rate	11.6%	8.3%	11.9%	18.0%	40.8%
EV/Revenue (YE 2024)	2.6x	2.9x	6.7x	11.0x	19.5x

Using the above public comparable analysis, we've highlighted a valuation range of 5x-12x to evaluate exit scenarios for TeachMe. By taking a conservative 50% haircut to TeachMe's internal revenue projections and assuming 50% additional dilution to our initial ownership stake in the company, we predict the following exit scenarios for our initial investment in TeachMe:

2032 EXIT VALUATION			
($ in millions)	**CONSERVATIVE**	**BASE**	**UPSIDE**
EV/Revenue	5.0x	8.0x	12.0x
2032E Revenue	$150	$200	$250
Enterprise Value	**$750**	**$1,600**	**$3,000**
MOIC*	**7.5x**	**16.0x**	**30.0x**
IRR*	**30.0%**	**43.5%**	**55.7%**

**Assumes 50% dilution through 2 additional round of fundraising.*

TeachMe's unique positioning at the intersection of the experience economy, education, and consumer subscriptions gives it the potential to outperform traditional service marketplaces and attract a premium valuation. We're excited to partner with the TeachMe team and to watch the company continue to grow.