

# 10x Academy Investor Update | January 2024

Dear Investor,

I hope this message finds you well. Please find the business update for the past 6 months, ending January 2024.

## Summary:

- Hiring of fresh graduates in tech roles has deteriorated further in the previous quarter. This impacted revenues further as we operate in a pay after placement model
- We had reacted to this in previous quarters by introducing a prepaid model while stopping enrolments in the pay after placement model. Prepaid models require significant marketing spend initially and require meaningful funding to grow
- As we cannot afford any cash burn currently without new funding, we are not scaling up prepaid models
- We cut down most of our costs and are currently experimenting with low marketing cost models like software services & staffing in B2B space until macro factors improve for our segment
- We have the platform, scalable processes across Operations, Marketing & Placements that can be ramped up for the pay after placement model when hiring markets improve

## Key Metrics:

- Last 6 Months Revenue : 95.28 Lakhs
- January 2024 Revenue : 7.13 Lakhs

## Challenges and Learnings:

- Entry level Tech Hiring doesn't seem to be picking up this year, affecting all Income Share Agreement (ISA)/ Postpaid players with very few net new enrolments across the ISA space
- Prepaid models need significant funding and marketing burn to achieve any meaningful scale and growth
- The next 6-9 months will be very challenging with very few new enrolments and placements. We expect hiring markets to pick up towards the end of the year
- We cut down most of the costs, reduced headcounts and growth related activities across all teams to conserve cash until hiring markets improve and started working on B2B models

Warm Regards,  
Sai Reddy R & 10x Team