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Foundational trends in angel investing and networks across emerging markets

Report

Foreword

Angel investors play a critical role in emerging market entrepreneurial ecosystems, which are characterised by limited financing options for early-stage small and medium enterprises (SMEs). Their impact is significant, providing small businesses with essential support, including capital, mentoring, strategic guidance, and networks to survive and gain the required traction to raise institutional capital. Angels often enter at the start of the funding continuum, providing the earliest layer of belief and structure that institutional investors can build on. Their participation ensures a steady pipeline of companies for later-stage investors, which in turn creates exit and liquidity opportunities. This interdependence between early- and later-stage investors forms a continuous cycle that is necessary for ecosystem maturity. Strengthening this continuum is essential and requires coordinated support and collaboration among key stakeholders, including private sector actors such as angel networks, venture capitalists, debt providers, and corporates, and public and development actors such as policymakers, and development funders.

Supporting the growth of angel investing in emerging and frontier markets is central to the Dutch Good Growth Fund's (DGGF) mission. Through the Seed Capital and Business Development (SCBD) facility, they provide seed capital, technical assistance and business development services to local financial service providers, including angel investors and entrepreneur support organisations (ESOs). The SCBD knowledge and sharing development component aims to actively share insights into financing SMEs in developing countries and emerging markets and systematise knowledge exchange to accelerate sectorwide learning. Through the SCBD facility, they have commissioned a number of knowledge pieces related to angel investing over the years such as Scaling Access to Finance for Early-Stage Enterprises in Emerging Markets in 2019, A New Era for Angel Investing in Africa in 2021, and the Angel Investment Survey Report from 2022 to 2024.

This report extends the DGGF's ongoing commitment to strengthening angel investing in emerging markets. It is part of a four-year partnership with Briter that aims to expand our understanding of angel investment activity across Africa, Latin America and the Caribbean, Southeast Asia and South Asia, with the goal of supporting its growth. We view this effort as a collaborative journey, and the insights presented here are only the beginning. We invite all ecosystem actors, including angel investors, networks, development partners, and support organisations to join this initiative and help build a more sustainable foundation for early-stage investing in emerging markets, enabling innovation to thrive and drive lasting economic growth and social development.

Authors and contributors



Dutch Good Growth Fund (DGGF) is a "fund of funds" investment initiative from the Dutch Ministry of Foreign Affairs, launched in 2014 and managed by Triple Jump BV in partnership with PricewaterhouseCoopers (PwC). DGGF backs local financial intermediaries to improve financing for the "missing middle" – i.e., SMEs that lack a convincing combination of collateral, track record, positive cash flow and/or net profit.



Briter is a market intelligence and research firm focused on the innovation and investment ecosystem across emerging economies. Briter has built the largest collection of visual publications on Africa and underserved markets and regularly provides data and insights to corporates, development finance institutions, governments, and investors. Briter's proprietary business data platform, Intelligence, is regularly used by thousands of public and private organisations, including the World Bank, Gates Foundation, and Amazon.

This report was prepared and authored by Fortune Chuku and Camila Valencia, with advisory and editorial support from Julia Kho, Dario Giuliani, Lisa With, and Andrew Don, and developed in close collaboration with ecosystem stakeholders across Africa, Latin America, Southeast Asia, and South Asia.

We extend our sincere gratitude to all the stakeholders who contributed to the development of this report.

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Early-stage investing terms

1 Angel investor

An angel investor is an individual who invests their own money in early-stage companies, often in exchange for equity or convertible debt, and in some cases offering mentorship and connections.

2 Angel network

An organisation that facilitates connections between a group of angel investors and an early-stage company to enable investment.

3 Early-stage company

A small business or startup in its initial phase of operation. It may be pre-revenue and still developing its product, or have achieved product-market fit and generating revenue. Typically, early-stage companies raise funding to develop their product and grow their team.

4 Funding instrument

Funding instruments range from grants (non-repayable support) to equity deals (where investors receive ownership shares in exchange for funding) and debt financing (capital that is repaid, typically with interest). Startups also frequently use convertible notes and SAFE notes, which provide funding upfront and convert into equity at a later stage, often at a discount or under agreed terms, giving flexibility before a formal valuation is set.

5 Funding stage

Pre-seed to Seed and Series A+, refer to deals from the very early stage and small tickets to the more growth and scaling stage funding. Note that most deals do not disclose the funding stage.

6 Micro VC

Pre-seed and seed stage financing for early-stage startups, typically managing less than $10-15 million in capital, that is sourced primarily from individual investors, with additional commitments from institutional investors. Micro venture capital (VC) firms fill the funding gap for startups that are too early for traditional VCs but require more capital than angel investors can typically provide.

7 Startup

A business in its early stages that uses innovation to solve problems for customers. Startups may target steady, stable growth or aim for rapid scaling.

8 SME

Based on the DGGF's enterprise segmentation framework, SMEs are commercially viable businesses with five to 250 employees that have significant potential and ambition for growth, and typically seek financing in the range of $20,000 to $2 million.

9 Syndicate

A group of investors that pool their personal capital to invest collectively in private companies. Syndicates allow smaller cheque sizes and offer opportunities for new investors to learn from experienced ones.

Executive summary

Angel investors in emerging markets play an important role supporting startups with capital, mentoring, and access to networks to survive the early stages and prepare to raise institutional funding. Their efforts promote innovation and the development of thriving entrepreneurial ecosystems, which requires patience, and tolerance for risk and losses. However, angels and the structures they use to invest such as angel networks and syndicates, face challenges that threaten their continued participation and value creation. Supporting them with tailored financial, non-financial and policy resources to address these challenges is key to strengthening their capacity and sustaining their contribution to early-stage ecosystem growth.

This study identifies more than 220 angel networks across Africa, Latin America and the Caribbean, Southeast Asia, and South Asia, providing visibility of angel investor activities and greater structure to the angel investing process. Analysis of their organisational profiles, business models, and investment practices, complemented by desk research and key informant interviews with angel network leaders, investment professionals, and ecosystem actors across the studied regions uncover key trends shaping angel investing in emerging markets. Some of the key takeaways are outlined below.



1 **Angel investment activity has expanded as entrepreneurship ecosystems in emerging markets have grown.**

However, the level of growth and maturity differs by region and country. In Africa, the angel investing landscape is early and formative. Angel investing is expanding with increasing formalisation across Latin America, while remaining nascent in the Caribbean countries. In Southeast Asia, Singapore stands out as a mature market, while neighbouring countries are experiencing growing activity. Similarly, in South Asia, angel investing is well-established in India but still nascent across other countries in the region.

2 **The pool and profile of angel investors have expanded, driven largely by network efforts.**

Angel investing is becoming more democratised, with participation expanding beyond high-net-worth individuals to include young professionals, senior executives, diasporans, and entrepreneurs. This is largely driven by the efforts of angel networks that promote awareness of angel investing through community-led initiatives such as WhatsApp groups, masterclasses, and seminars.

3 **Different angel investment structures help increase the visibility and organisation of angel investing activities.**

These include angel networks, syndicates, communities, and platforms that connect angel investors with startups to facilitate deal-making. The structures may be member-led, with less formal and lower-cost processes, or manager-led, characterised by more formalised processes and governance.

4 **Angel investors play critical roles in entrepreneurship ecosystems, driven by different motivations.**

Angels fill early-stage funding gaps in emerging markets, where risks are high and venture capital is limited. They provide de-risking support through capital, mentoring, and access to networks, helping startups survive and build the traction needed to attract institutional investors. They are motivated by different goals, including achieving financial returns, generating social, economic, and environmental impact, continuous learning, and contributing to ecosystem development.

5 **Many angel investors prioritise early-stage, high-growth, technology-driven companies for investments using flexible instruments.**

The majority of angel investors target high-growth opportunities in the pre-seed and seed stages, using flexible instruments such as SAFEs and convertible debt. Typically, they adopt a sector-agnostic approach to maintain flexibility given limited deal flow in many markets. However, fintech, healthtech and e-commerce remain the favourite sectors.

6 **Angels assess the impact of their investments in small businesses using both quantitative and qualitative metrics.**

These include indicators such as company survival, revenue growth, valuation, internal rate of return (IRR), and return on investment (ROI). Others track key performance indicators (KPIs) tied to specific impact goals.

7 **Angel investors in emerging markets face unique challenges that threaten their participation.**

Common challenges include limited exit opportunities and weak deal flow (particularly in Africa), high investment costs, knowledge gaps, and sustainability issues of angel networks (notably in Africa and Latin America), economic and political instability (widespread across Africa, Latin America, and South Asia), and limited liquidity with long timeframes to realise returns (common in Africa, Latin America, and Southeast Asia).

8 **To encourage greater participation, angel investors require support from key stakeholders,**

including donors, whose funding and technical assistance can help networks build sustainable structures and business models; governments, which can establish targeted policies and regulatory incentives to build trust and confidence; private sector actors, which can collaborate to enable successful exits; and angel networks, which can equip investors with the knowledge and skills to invest more effectively.

Chapter 1

Introduction

Emerging markets generate numerous innovative solutions that need support to grow. However, accessing funding can be quite limited and competitive for early-stage companies without proven traction, as their small size and perceived high risk deter many investors, particularly in countries where capital flows more variably. The financing journey of a startup in an emerging market typically moves from personal resources and informal capital towards institutional investors such as venture capital funds, private equity, and debt providers. Angel investors play a distinctive and flexible role, often providing the first structured source of external finance after family and friends, and sometimes investing later alongside funds or in follow-on rounds.

Angels' contribution extends beyond capital to mentoring, strategic advice, and networks that help ventures reach the scale required to attract institutional capital. In emerging markets, angels are particularly significant because they:

- Fill persistent gaps in access to credit and risk-tolerant capital
- Create investable pipelines for entrepreneur support organisations and startup finance providers such as accelerators, venture funds, and development finance
- Strengthen the professionalisation of local ecosystems through their expertise and visibility

Rather than a single stage in the financing journey, angel investing should be seen as a recurring and adaptable source of support, bridging gaps whenever startups face challenges in accessing growth capital. However, raising funding from angels is often an unstructured process that can take considerable time, typically requiring engagement with many individual investors before closing a round. To simplify this, angel investment structures, comprising networks, communities, platforms, syndicates, and funds bring investors together to collectively support early-stage companies and provide visibility to an otherwise private activity.

Angel networks, in particular, bring professionalism to angel investing, helping to make deals more structured and close faster, through accessible investment platforms and legal vehicles. They give members access to steady deal flow, shared risks and costs, and training from experienced investors. While some networks are open through referrals, others are exclusive and require specific experience and expertise. Networks attract investors with diverse motivations, from financial to impact-focused goals. Given the influence angels have on early-stage companies, joining the right network is crucial to maximising both their impact and returns.

This report builds on previous Briter's studies exploring the angel investment landscape in Africa, in collaboration with the African Business Angel Network (ABAN) and African Angel Academy (AAA), with support from the Dutch Good Growth Fund (DGGF). It expands this focus beyond Africa to examine the evolving angel investment landscape in other emerging market regions, namely Latin America and the Caribbean, Southeast Asia, and South Asia. The report is divided into five chapters from here on.

Chapter 2 provides an analysis of angel investment trends across emerging markets. Chapter 3 offers an overview of angel investing structures. Chapter 4 explores the motivations, roles, and impact of angel investors. Chapter 5 highlights existing challenges and support gaps. Finally, Chapter 6 offers strategies for increasing angel participation.

Methodology and Definitions

This study maps and analyses angel networks operational across Africa, Latin America and the Caribbean (LAC), South Asia, and Southeast Asia. The primary methods of data collection included an extraction of networks from Briter Intelligence, as well as desk research to identify new or missing angel structures, leveraging various sources such as organisation websites, publications, search engines, and regional angel network trade associations. To gain deeper insights into the activities and experiences of these networks, 17 interviews were also conducted with key players. The mapping includes angel networks with publicly available information, recognising that many angel investing activities are private and often go unannounced. The mapping is not exhaustive, but offers a representative sample of the angel investing landscape. While effort has been made to ensure accuracy, some networks may not be captured in the study due to limited public digital visibility. The analysis also focuses on operational networks. To verify their operating status, angel networks without public digital activity in the past four years were contacted directly. The report applies a broad tier categorisation of startup ecosystems to illustrate their relative maturity, and is intended as an estimation rather than a definitive classification. Tier 1 markets are emerging markets with more developed and attractive venture capital ecosystems, while tier 2 are frontier markets that are positioning themselves as alternative funding destinations.

Chapter 2

Regional snapshots of angel investing activity

Figure 1: Angel networks in emerging markets



Mapping includes angel networks with publicly available information. Source: Briter Intelligence

Over the past decade, a growing landscape of angel investors has developed across emerging markets to tap into new opportunities and address funding gaps faced by early-stage companies. Recognising the gap for early-stage financing for startups and the potential to generate substantial returns, successful entrepreneurs and professionals are increasingly becoming angel investors, representing a growing source of capital and other support for early-stage ventures.

Figure 2: Angel networks in emerging markets



Briter Intelligence reports over 220 identified angel networks across the target regions, of which 74% were confirmed operational[1]. It is notable, however, that in regions like Southeast Asia and Africa, a large share of angel networks do not show public digital activity. This may be due to several factors, including reduced angel investor activity driven by concerns over investment risks, limited liquidity options, and weak portfolio performance[2]. Operational angel networks are providing increased professionalism to early-stage angel investing in their regions. In the past decade, several factors contributed to a rise in angel investments and the growth of angel networks. One notable driver has been the rise of high-profile success stories from innovative businesses in key sectors such as fintech, which have produced notable exits, attracted widespread attention, and demonstrated the potential for strong returns in emerging markets. Another driver has been the development of more supportive policies and regulatory environments that strengthen conditions for investment. In addition, the emergence and wider adoption of innovative instruments, such as simple agreements for future equity (SAFEs) in West Africa, have lowered transaction costs and made early-stage investing more accessible. Examining the profiles and practices of operational angel networks in this study uncovers important trends shaping angel investing in emerging markets.

[1] Based on visibility of public digital activity or confirmation via outreach

[2] AngelCentral (2024), Angel Behaviour Survey Report

Table 2: Regional comparisons of angel investing activity in emerging markets

Data Point	Africa	LAC	Southeast Asia	South Asia
Number of operational angel networks	44	37	23	58
Key hubs[3]	Tier 1: Nigeria, South Africa, Egypt, Kenya Tier 2: Senegal, Cameroon, Ghana, Morocco	Tier 1: Brazil, Mexico, Argentina, Chile Tier 2: Colombia, Uruguay, Peru	Tier 1: Singapore Tier 2: Indonesia, Thailand, the Philippines, Vietnam	Tier 1: India Tier 2: Pakistan, Bangladesh, Sri Lanka
Typical profile	Professionals working in startups, venture capital (VC) firms, development organisations, and corporates.	Former entrepreneurs and professionals with ties to VC firms, business people.	Successful startup founders, high-net-worth individuals (HNWIs), and diaspora investors.	Business leaders in the tech and corporate space, experienced angels, diaspora investors
Typical profile	Professionals working in startups, venture capital (VC) firms, development organisations, and corporates.	Former entrepreneurs and professionals with ties to VC firms, business people.	Successful startup founders, high-net-worth individuals (HNWIs), and diaspora investors.	Business leaders in the tech and corporate space, experienced angels, diaspora investors
Key sectors	Highly sector-agnostic, with a strong focus on inclusive sectors, particularly fintech, e-commerce, and healthtech.	Largely sector-agnostic, with growing specialisation. Top sectors are fintech, e-commerce, agtech, and software	Mix of agnostic and specialised focus. Fintech, software, and climatetech lead.	Diversified, with fintech, healthtech, SaaS/AI, and agtech leading.
Stage of ecosystem maturity	Early, formative stage, with key actors prioritising ecosystem building.	Growing, with more formalisation across Latin America, nascent in the Caribbean.	Advanced in Singapore, where most activity is concentrated.	Mature in India, nascent in other countries.
Examples of angel networks	Lagos Angel Network (LAN)	ChileGlobal Angels	Epic Angels	Bangladesh Angels Network (BAN)

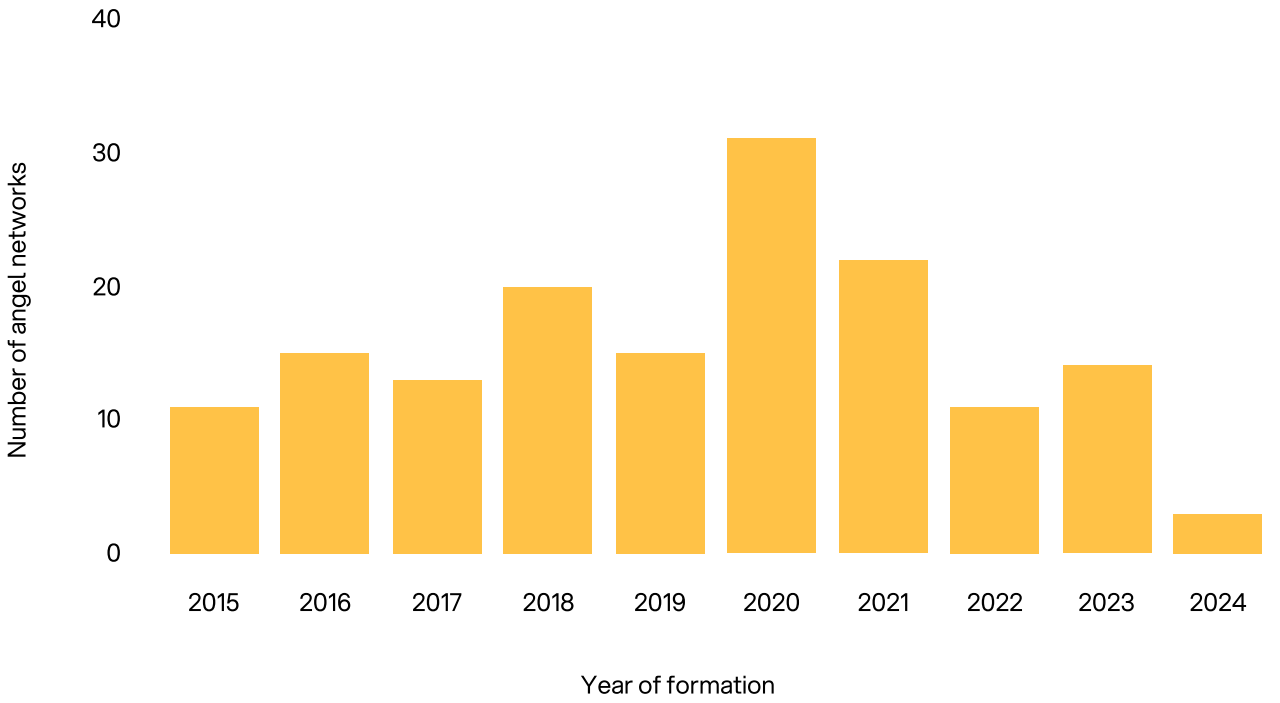
Source: Briter Intelligence, KIIs

[3] Note that the tiers presented are based on broad grouping of startup ecosystems, though nuances may vary depending on the specific variables considered.

i. Angel networks have increased in number, but they differ in size and reach

More than three-quarters of angel networks across all the regions explored were formed in the past decade, with the highest number in 2020. In response to the COVID-19 crisis, global central banks set near-zero interest rates, resulting in an influx of overseas investors and a surge in startup funding in emerging markets. Funding to digital and technology-led ventures reached record peaks in 2021 and 2022, drawing interest from funders across the continuum, from angels and accelerators at the early stage to venture capital (VC) firms, private equity (PE) players, and debt providers at the growth stage. While global funding flows slowed in 2024, mirroring the decline of new angel network formation, many angels continue to invest through existing structures, though with greater caution.

Figure 3: Distribution of operational angel networks by formation year

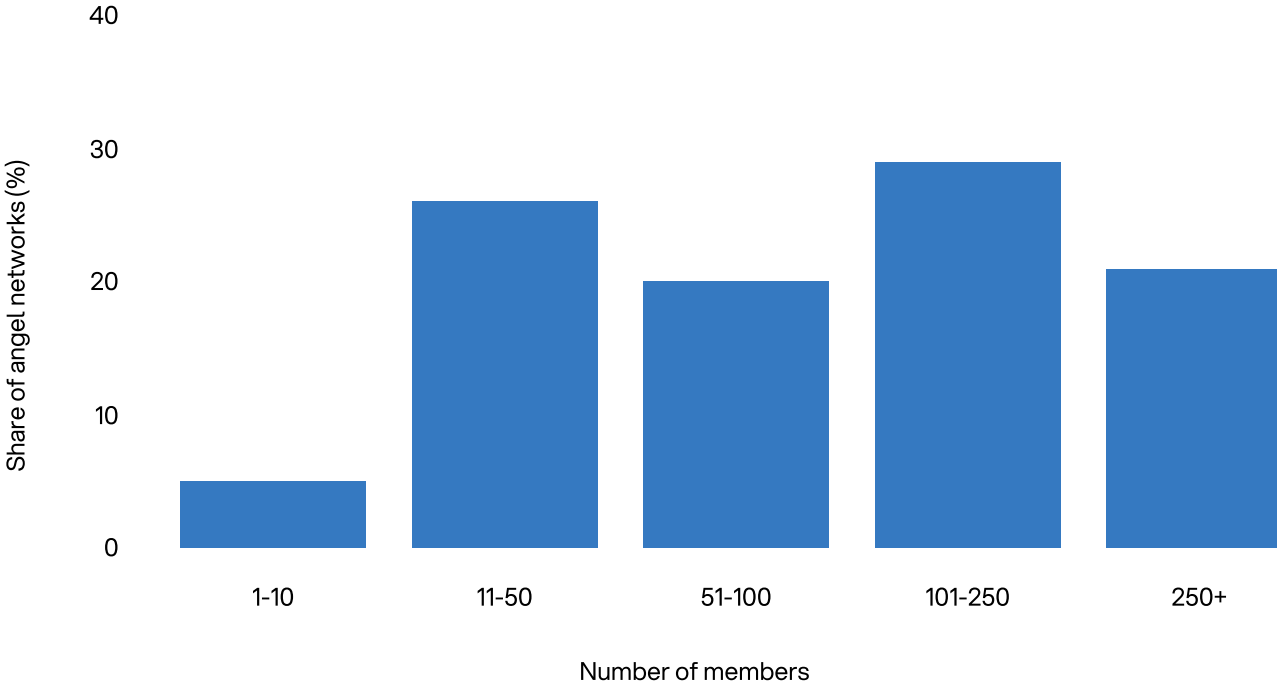


Close to two-thirds of networks manage portfolios of up to 50 companies. Additionally, half of networks maintain membership bases of up to 100 members. Some angel networks form around the shared expertise of members, such as Fintech Angel Operators. Others are united by focus areas, such as Asia Sustainability Angels, who invest in climate change solutions; by demographic, such as all-female Tarasa Collective and Epic Angels; or by alumni ties, as with Insper Angels (Insper Business School alumni) and FEA Angels, associated with the University of São Paulo's School of Economics, Administration, and Accounting (FEA).

Figure 4: Distribution of portfolio companies



Figure 5: Distribution of network membership



> We probably benefited from the momentum of 2021, of everybody hearing about a lot of money flowing into deals in Africa and more people jumping in.



Nick Vilelle
Founder at NaiBAN

> What helped was that the startup ecosystem in Bangladesh was just starting to take off, and 2019 to 2021 saw more activity from international investors, and we benefitted from it.

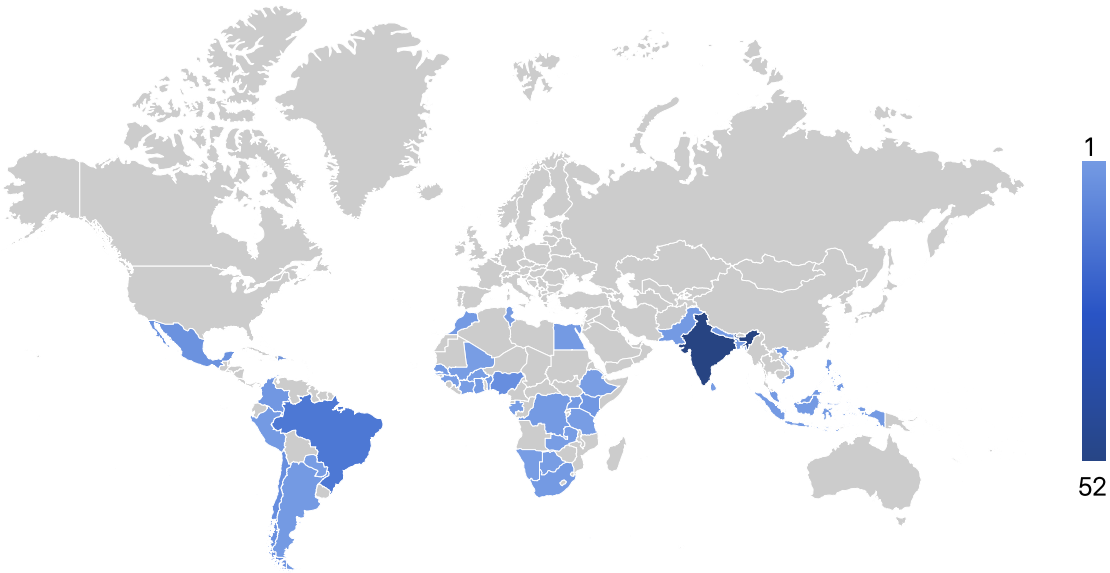


Sanchayan Chakraborty
Founder at BAN

ii. Angel investment activity is concentrated in key hubs

A strong and active startup landscape often goes hand-in-hand with the presence of angel networks. Across the four regions explored in this study, India leads in total number of networks with 31%, followed by Singapore, Brazil, Nigeria, Chile, and Mexico, accounting for a 30% combined share. The rise of angel investment ecosystems needs to be understood in the context of their broader entrepreneurial ecosystem. A high concentration of angel networks in a market is connected to a strong regulatory environment, the availability of essential support mechanisms, an active funding landscape, and a quality innovation pipeline. This is seen in the existence of angel groups in major cities such as Lagos Angel Network (LAN), Delhi Angel Network, Curitiba Angels, and Singapore Angel Network (SGAN). It should be noted that many angel networks, though based in key hubs, invest across multiple markets where they find investment opportunities. A few angel networks invest across regions such as COREangels Pacific (Latin America and Asia-Pacific), Epic Angels (Southeast Asia and Latin America) and XA Network (Southeast Asia and Africa).

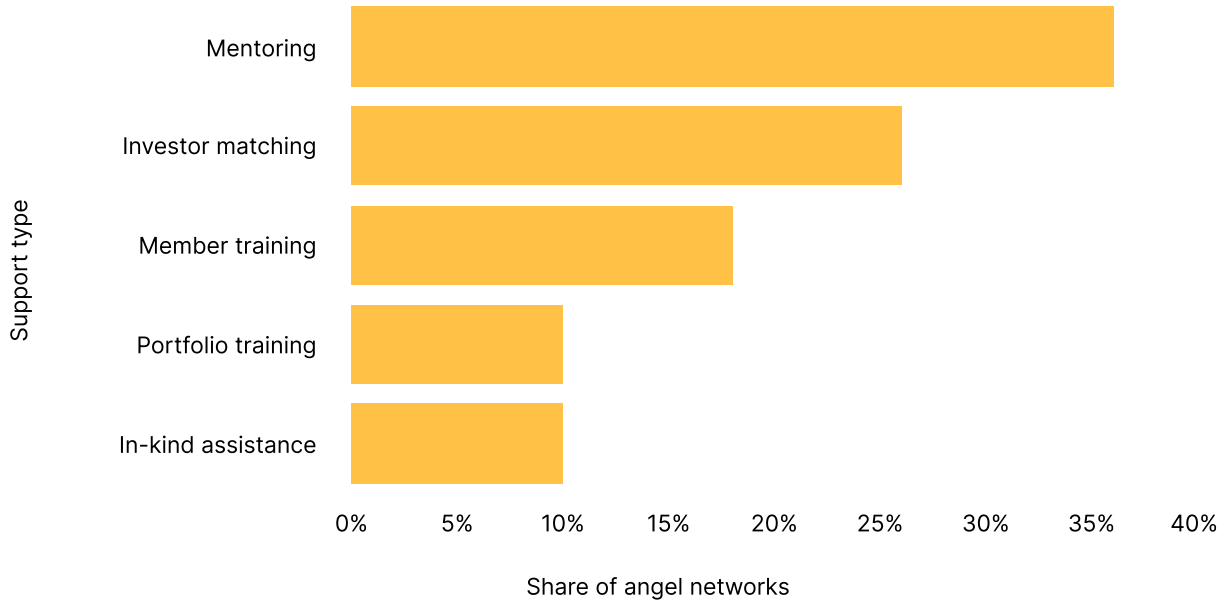
Figure 6: Distribution of network membership



iii. Investment strategies target early-stage, high-growth opportunities with capacity-building support

Most angels and angel networks shape their investment approaches to target early-stage opportunities where there is potential for big returns. This is evidenced by three quarters of angel networks mapped in this study writing smaller ticket sizes and investing across pre-seed and seed rounds. Several angel investors have achieved notable successes by investing early in companies, including Nigeria's Flutterwave (funded by LAN members), Chile's Cornershop (received seed investment from multiple angel investors), and India's Mamaearth (which also received angel investment). Angel network strategies also reflect a generally sector-agnostic and diverse approach to investments, although certain commercially attractive sectors like fintech, healthtech, and e-commerce emerge as favourites by the number of deals. In terms of the types of support offered, angel networks primarily provide access to funding for companies, with additional support mechanisms including mentoring and strategic guidance, such as with hiring and tech stack development (offered by one third), and access to networks by introducing them to VCs (by one quarter of mapped networks). SAFE and convertible notes are the most common investment instruments, used by 76% and 19% of angel networks, respectively, due to their simplicity and flexibility in early-stage deals.

Figure 7: Additional support type offered by angel networks[4]



[4] Based on Briter's mapping and review of publications in the studied regions. Note that the analysis focuses on angel networks with digital public activity. Subsequent publications will include additional operational networks identified.

Most of our members invest between $1,000 and $5,000 per deal and most of the network's investments are in the $30,000 to $60,000 range. So, because of these relatively modest figures, we have to be very early for it to make sense. Typically, pre-seed or small seed stage is where we invest alongside other investors.



Nick Vilelle
Founder at NaiBAN

SAFE and convertible debt are the most common funding instruments used by angels. Typically, the startup proposes the preferred structure and both sides agree to terms on a case-by-case basis.

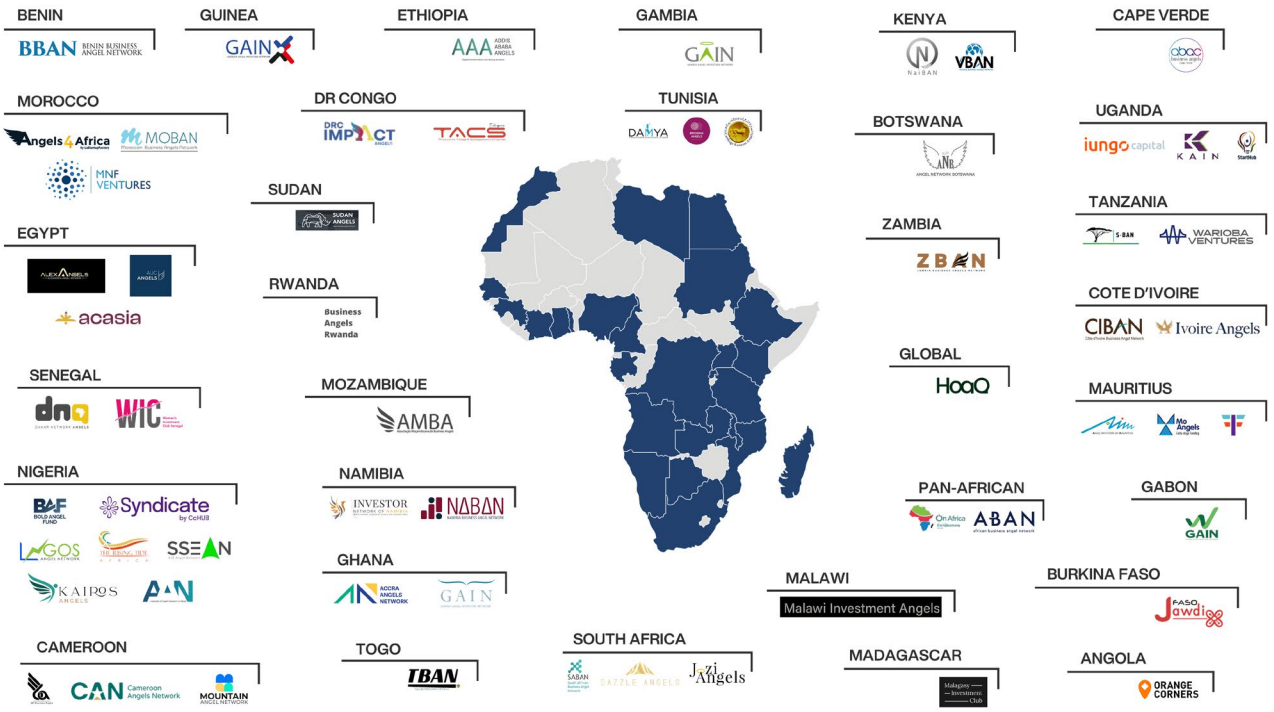


Marwa Abouelseoud
Membership Manager at Alexandria Angels Network

The trends highlighted in sub-sections i-iii above offer a glimpse into the profile of angel networks in emerging markets. Yet, a comparative analysis by region showcases the similarities and nuances that exist within and between these markets.

Africa

Figure 8: Angel networks in Africa



*Mapping includes angel networks with publicly available information. Source: Briter Intelligence

There are over 65 angel networks based in 33 countries in Africa, with 33% showing no public digital activity. There has been a rise in angel investments in Africa through formal organisations that provide visibility for angel investor activities. The ABAN Angel Investment Report 2024 showed that 46% of African angels invest through a syndicate[5], reflecting a preference for collaborative investment approaches. Syndicates reduce barriers to entry for retail investors, allowing individual angels to combine resources for pre-IPO investments in businesses, which may be otherwise inaccessible[6]. Angel investing in Africa is still in its early stage, with development organisations actively participating in building the necessary foundations to catalyse the ecosystem's growth. Briter's data shows that funding flows to the continent's innovation ecosystem have surpassed $25 billion since tracking began in 2015, with strong deal activity remaining consistent at the early stages[7]. A key driver of the growing interest in angel investing in Africa is the emergence of a fast-growing innovation ecosystem and a growing number of successful startup exits.

More than 175 publicly disclosed exits were recorded between 2015 and 2024, according to the Africa Investment Report 2024. Notable examples include Stripe's acquisition of Paystack in the Anglophone West African region and WorldRemit's acquisition of Sendwave in Francophone West Africa, which provided liquidity for numerous angel investors. However, angel investing activity has concentrated in four of the continent's largest startup ecosystems, namely Nigeria, South Africa, Egypt, and Kenya, which host the most number of startups and capture the largest share of venture funding. Yet, frontier markets like Cameroon, Senegal and Morocco are emerging as alternative destinations for portfolio diversification. Some groups and communities that are not structured as angel networks also contribute to the early-stage funding ecosystem, providing mentoring and strategic guidance for companies, including Women Who Build Africa (WWBA) and Kamelizer. Other crowdfunding platforms like Fiatope and Thundafund help African entrepreneurs launch their innovative ventures.

Emerging angel investment ecosystem deep dive: Morocco

Over the past few years, Morocco has attracted increasing interest from Middle Eastern and European investors due to its strategic location, enabling environment, and growing entrepreneurial ecosystem. In the past decade, Morocco has emerged as one of the thriving startup ecosystems in the North African region, alongside Egypt, Tunisia, and Algeria, capturing over $110 million between 2022 and 2024 according to Briter Intelligence data. Active participation from venture capital firms, including Maroc Numeric Fund (MNF), UM6P Ventures, Outlierz Ventures, and CDG Invest has driven the growth of early and mid-stage companies, providing them with funding and other forms of support. The launch of government-backed programmes like FORSA has encouraged entrepreneurship in the country. Ecosystem actors like Tamwilcom (formerly CCG) and a host of incubators and accelerators like Plug and Play Tech Center have contributed to the development of the early-stage funding ecosystem. Morocco's angel investment landscape was bolstered by the launch of the Moroccan Business Angel Network (MoBAN) and Angels4Africa in 2019 in response

[5] ABAN, AAA, & Briter (2024), African Angel Investment Survey Report
[6] HoaQ (2022), A Beginner's Guide to Understanding Syndicates
[7] Briter (2024), Africa Investment Report 2024

to the lack of support structure for early-stage startups in the country. While angel investing had been taking place previously through initiatives such as the MNF Angel Fund launched in 2011, the process was unstructured, making it difficult for new angels to access the market. Additionally, a funding gap existed between the financial aid offered by accelerator programmes like Innov Invest and the financial support typically provided by venture capital funds at Series A and beyond. Since its launch, Angels4Africa has provided pre-seed funding ranging from $10K to $50K, coaching, and access to networks to over 14 high-potential startups to support their growth needs[8].

Latin America and the Caribbean

Figure 9: Angel networks in Latin America and the Caribbean



*Mapping includes angel networks with publicly available information. Source: Briter Intelligence

More than 45 angel networks operate across the Latin America and the Caribbean regions, though 24% have shown no recent public digital activity. Over the past decade, angel investing in Latin America has evolved into a more structured practice. According to Ana Prieto, "angel networks have become more professionalised, engaging in founder-friendly activities such as balancing return expectations with startup support and structuring deals to avoid hindering future investments, reflecting a deeper understanding

[8] Angels4Africa (2021), Angels4Africa a network of disruptive business angels

of the startup journey." Several factors have driven the rise of angel investing in the region, including a thriving venture capital landscape, which attracted over $47 billion between 2017 and 2024[9], as well as strong support mechanisms enabled by government-led initiatives like CORFO in Chile, alongside universities and large corporate organisations. Also, "proximity to the US has allowed foreign investors to access assets in Latin America that offer significant upsides", as noted by Andrew Don, Director at Cordillera. These factors have resulted in notable success stories like Nubank, which was backed by numerous angels and counts among the 50 startups that have gained unicorn status in the region[10], and created numerous exit opportunities like Cornershop's acquisition by Uber, boosting the ecosystem's credibility to provide liquidity for investors. Additionally, macroeconomic-influenced investment trends have shifted traditional venture capital focus towards growth-stage deals in the past five years, leading early-stage ventures to rely on angel investors for support[11]. Across the region, 75 leading angel investors, of which 61% are part of angel networks, have collectively deployed over $51 million across 1,563 deals[12]. The majority of venture capital activity is concentrated in key markets like Brazil, Mexico, Argentina, and Chile, which host three-quarters of the region's angel networks, including Urca Angels, AngelHub, ADDVenture Club, and Atacama Angels. Venture capital activity is also emerging in secondary hubs such as Colombia, Uruguay, and Peru. In the Caribbean, venture capital activity remains nascent due to the limited participation of institutional investors. However, development banks like the Inter-American Development Bank (IDB) and Development Bank of Jamaica (DBJ) play a key role in helping to bridge the funding gap. Angel networks in the region include Enlaces and FirstAngels Caribbean, among others.



"

There are two main profiles of angel investors in Latin America. The first are entrepreneurs who have done well and reinvest part of their earnings into other startups, such as those who previously built companies like Rappi, Bacu, Chiper, Frubana or Mono. The second group consists of business owners or professionals with additional capital and some exposure to entrepreneurship in their careers. Ages vary widely from 35 to 65. While most angels are still men, an increasing number of women are entering the field, often with a focus on backing businesses that create a positive impact. The guiding rule is that capital invested should be money they can afford to lose, given the high risk.



Ana Prieto
Investment Associate at B Venture Capital (BVC)

[9] Startuplinks (2025), Latin America Venture Capital Report 2025
[10] Magma (2025), Where successful founders come from in Latin America
[11] Latam Republic (2025), Angel investors: keys for early-stage startups
[12] Forbes (2025), The 50 most influential angel investors in Latin America

Chile's venture capital landscape is one of the most mature in Latin America, despite the country's relatively small population size of 19 million people, attracting over $3 billion between 2018 and 2023[13]. Government efforts to position Chile as an innovation hub in the region led to the launch of a business accelerator programme Start-Up Chile in 2010 under the Chilean Economic Development Agency (CORFO). The goal of the programme was to make Chile the destination for global entrepreneurial talents and foreign investors. Start-Up Chile has provided grant funding support for companies and venture funds to the tune of $1 billion as of 2023[14], boosting the country's early-stage ecosystem. Among its notable successes is NotCo, a portfolio company valued at over $1 billion. Government support has helped de-risk Chile's startup ecosystem, providing founders with early-stage capital that is often unavailable in other emerging markets, and enabling them to mature into experienced second and third time founders, supported by established structures that fund their learning journey. However, Chile's startup ecosystem has become heavily reliant on government support, with limited private sector activity and a nascent local exit market. Yet, though angel investment in Chile is still at an early stage, angel networks such as Atacama Angels, COREangels Pacific, and ChileGlobal Angels play an important role by addressing the demand for venture funding below $500,000 ticket sizes, as many pre-seed and seed deals in the country exceed $1 million[15].

“

Programs like Startup Chile help mitigate early-stage investment risk; without these programs, angel investing would be much riskier. However, government support was reduced last year, leaving networks that support early-stage companies without a key source of funding and facing significant financial challenges. As a result, several networks have been forced to sell services to survive. In particular, ChileGlobal Angels used to receive public funding, but that was not provided last year.



Eduardo Steffens
President at ChileGlobal Angels

[13] Cuantico (2024), Stability and Growth: Chile's Venture Capital in a Post-Pandemic Perspective
[14] Venture Capital Chile
[15] fDi Intelligence (2021), The rise of 'Chilecon Valley' and the double edged sword of government intervention

Southeast Asia

Figure 10: Angel networks in Southeast Asia



*Mapping includes angel networks with publicly available information. Source: Briter Intelligence

Over 40 angel networks were identified in Southeast Asia, with 58% showing public digital activity. Southeast Asia's angel investment ecosystem has thrived alongside a booming startup scene that attracted over $72 billion between 2019 and 2023[16]. This growth has been driven in part by the activities of angel syndicates that create a supportive funding pipeline for founders by connecting them to foreign-based VCs in the US, Middle East, and Europe. This has contributed to a number of high-profile mergers and acquisitions (M&A) and public listings including Grab, GoTo, and Singlife, and secondary sales to later-stage investors, providing liquidity for investors and making angel investments attractive. Angel investing sprung out of Singapore, the region's largest startup ecosystem, following efforts by the government to promote entrepreneurship and innovation in the mid-1990s[17]. This birthed the first formal angel network known as Business Angel Network of Southeast Asia (BANSEA) in the country in 2001, and more than a decade later, the formal practice of angel investing spread to other countries within the region like Malaysia, Philippines, and Thailand. Today, regional networks such as AngelCentral play a crucial role, training more than 500 angel investors who have collectively invested over $25 million to support early-stage companies[18]. However, with exits scarce and startup failure stories becoming more common, in part due to conditions associated with the global funding reset, angel investors in the region have slowed or paused investing[19]. This trend is reflected in the operations of angel networks, with 45% of identified

[16] Lightspeed (2024), Southeast Asia: Resetting Expectations
[17] ANGIN and SPF (2020), The emergence of angel investment networks in Southeast Asia
[18] AngelCentral (2024), AngelCentral Basic Series: A Preview to Angel Investing
[19] TechinAsia (2023), Why ASEAN's angel investors are hibernating amid tech winter

networks showing no recent public digital activity. While Singapore dominates venture funding and angel investment activity, hosting 68% of operational angel networks in the region, a growing startup ecosystem is emerging in Indonesia, Thailand, the Philippines, and Vietnam.

Emerging angel investment ecosystem deep dive: Vietnam

Vietnam's digital economy is growing rapidly, driven by government support through the Vietnam National Innovation Center, high internet penetration with up to 79% of its nearly 100 million population connected to the internet, and a thriving startup ecosystem. From 2014 to 2023, over $4 billion was invested in Vietnamese-based startups, with the number of early-stage deals remaining resilient through the global funding slowdown[20]. A mix of local and international investors actively participate in Vietnam's startup ecosystem, supported by government-funded programmes such as "Project 844". This has placed the country's startup ecosystem behind Singapore and Indonesia in both deal value and count over the past seven years. However, despite this progress, Vietnam's startup ecosystem faces early-stage funding gaps, which are contributed to by regulatory barriers to establishing and operating investment funds, with no dedicated policy measures to incentivise angel investors or venture funds. As a result, angel investing remains limited and largely unstructured. Active players that have supported entrepreneurs and helped shape Vietnam's early-stage ecosystem since its inception include HATCH!, an incubator and accelerator programme established in 2012. Currently, networks bringing visibility to the activities of angel investors in Vietnam include VIC Partners (founded in 2017) and Vietnam Angel Network (founded in 2018). In addition, other regional networks like AngelCentral also provide support for Vietnamese startups.



[20] Do Ventures (2024), Vietnam Innovation & Tech Investment Report 2024

South Asia

Figure 11: Angel networks in South Asia



*Mapping includes angel networks with publicly available information. Source: Briter Intelligence

Excluding India, angel investment activity in the South Asian region is still nascent. India alone accounts for more than 100 unicorns and boasts of strong exit pathways for investors, including IPOs and M&As[21]. Factors that have driven the growth of India's startup ecosystem include a thriving economy, urbanisation, technological advancements, and a large talent pool. From the mid-2000s, pioneer angel networks in India, namely Indian Angel Network and Mumbai Angels, emerged to address the funding gap for early-stage companies. Since then, the angel investing landscape has matured, attracting a diversity of investors, including individuals, networks, platforms that facilitate investments, and syndicates. India accounts for 90% of operational angel networks identified in the region. However, due to initiatives by the Securities Exchange Board of India (SEBI) in 2013 to make angel investments safer for investors, angel networks have faced heavy competition in recent years from funds writing small cheques for startups[22]. Due to geopolitical challenges hindering cross-border investments and collaboration, the region has not capitalised on the growth of India's venture capital ecosystem. Yet, countries like Pakistan, Bangladesh, and Sri Lanka are gaining recognition as tier 2 markets, driven by growing venture capital activity, diaspora and returnee participation in the local entrepreneurial ecosystem, and startup success stories like ShopUp in Bangladesh.

[21] Inc42 (2025), India's Unicorn Club: Here's the comprehensive list of 100+ unicorns in India

[22] Inc42 (2023), Decoding the rise of angel networks in India

Venture capital dominates Bangladesh's investment ecosystem, accounting for 76% of nearly $1 billion in startups over the past decade[23]. The country's startup ecosystem is growing, with a steady pipeline of startups emerging annually. However, while government-led initiatives such as the National Startup Policy and the Fund of Funds have shaped the ecosystem's growth, in recent years, political instability has created uncertainty for both local and foreign investors, affecting funding inflows. According to Minhaz Anwar, Chief Storyteller at BetterStories, Bangladesh's entrepreneurial ecosystem has gone through three major phases in the past two decades, starting with the launch of Bdjobs in the early 2000s, which digitised the traditional advertising landscape, and bKash ten years later, which democratised access to financial services for the country's unbanked. This was followed by the rise of ESOs such as incubators and accelerators providing organised support for technology-driven companies to help them launch and scale. Many companies in this phase replicated successful business models from the US. This phase produced Bangladesh's premier angel group, BAN in 2018, to address the demand for early-stage funding. The current phase emerged after the pandemic, marked by accelerated adoption of digital solutions and greater collaboration between local ecosystem actors and the diaspora. Entrepreneurs are now building solutions that address local problems while appealing to global markets. Yet, the ecosystem remains nascent, facing challenges such as heavy reliance on foreign investors, who account for 93% of total funding since 2013, a weak pipeline due to the closure of ESOs, and limited venture capital activity. Nevertheless, the efforts of key players like BAN are helping to nurture and strengthen the country's entrepreneurial landscape.

[23] Exitstack (2025), Bangladesh Startup Investments: A Decade in Review

Chapter 3

Structures of angel investing

The set-up of angel networks vary, depending on financial resources, administrative capacity, and membership size. Many angel networks are organised as for-profit organisations and as limited liability companies (LLC) to invest in companies. This corporate structure protects the founders from being personally liable for the LLC's debts or legal problems. Others structure as non-profits, prioritising ecosystem development over profit. The most common organisational structures of angel networks are discussed below.

Member-led angel networks

In member-led groups, the structure is less formal. The network relies on the collective activity of members, from recruiting new members to sourcing and screening deals, and conducting due diligence. In some cases, the network acts as an arranger and may share details about a deal for members to invest independently. In others, members pool funds through a syndicate, with investment decisions made collaboratively through voting. Lower ticket sizes of less than $10,000 are common from individual angels, however, networks help aggregate small tickets to jointly contribute a larger sum towards an investment. Investments are made commonly using a SAFE, which reduces costs for the network. As angel investing can be a passive activity for angels, members can decide their level of involvement beyond financing based on their availability. However, this can lead to overreliance on the network's founder or leader, causing progress to stall if they are unavailable or occupied. The revenue streams are limited, relying largely on annual membership fees, which typically range from $250 to $500 for locals and $500 to $1,000 for diaspora. As a result, member-led networks struggle to achieve sustainability. Other additional revenue may come from event hosting and sponsorships, donor funding, and consulting services. Members benefit from programmes that promote peer learning and provide deal support resources and training through masterclasses. Member-led networks are predominant in Africa, for example, SBAN in Tanzania. Member-led networks often establish more formal structures once they have a strong base of active members and a steady deal flow, transitioning into manager-led networks to improve efficiency.

> We had started a formalisation process for the network, but decided that it was more important to get started and do deals. As our network grows over time, we'll figure out the structure. One issue that we have is that the network is quite reliant on me because I initiated it. If I'm occupied or unavailable for a while, everything slows down.



Matthias Möbius
Team Lead at UBAN

> When we initially set up the network, we thought that since we were few, everyone would contribute equally, taking turns to lead deals and so on. Unfortunately, I just don't think that's very realistic in practice, mainly because the people who have enough money to invest tend to be very busy, and with full-time jobs and other things.



Nick Vilelle
Founder at NaiBAN

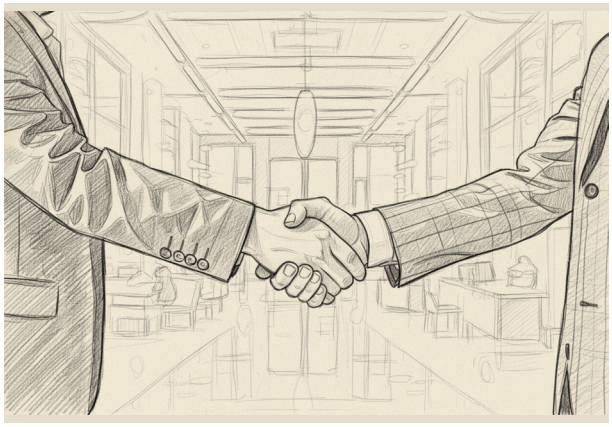
Turning an angel network into a thriving business is tough. Many networks start strong but soon lose momentum, some fold entirely, while others struggle to close even two deals a year. Yet with the right strategy and partners, sustainability is possible. Support from the DGGF helped us move from passion to a viable model, while EU funding enabled us to train a new generation of angels, empowering them to make their first deals with confidence. Our first investment unlocked a matching grant from Catalytic Africa, proving that collaboration fuels growth. Every deal we do follows a clear structure, a SAFE side letter with founders and a syndicate agreement with our angels. As we scale, we will move toward SPVs for larger rounds of up to $80,000.



Rodrique Msechu
Founder at SBAN

Manager-led angel networks

In this organisational structure, a professional manager with a strong track record runs the network. Members may be recruited organically through the manager's personal network or via marketing. The manager sources deals, screens opportunities, and presents



them to members. Members invest based on the manager's recommendations rather than doing the heavy lifting themselves. In some cases, the manager works with a committee of active members that support in conducting tasks such as curating and executing deals. There may also be a champion in the group that helps to rally interest from members and ensure deal closure. Deal flow typically comes through direct applications from founders, pitching events organised by the network, and through partnerships with accelerators. The average ticket size is around $50,000, but can go up to $250,000. An SPV may be used to simplify administration when members invest collectively, with the process typically taking about a month from the pitch call to when a decision to invest is made. Examples of platforms for creating SPVs include Sydecar and Carta. The manager-led funding model includes annual membership fees from individual and institutional investors, transaction fees, and performance fees (carried interest), with additional funding often from donors. However, transaction fees of up to $5,000 often discourage member participation. Catalytic funding from development organisations helps to cover operating costs for some networks beyond what membership fees alone can sustain, and helps lower barriers for new investors. However, such funding is often short-term, leaving networks to struggle once grants cease. Manager-led networks often organise training sessions to promote knowledge sharing among members. As they grow, they can pivot toward adding carried interest or transitioning to a micro VC fund structure to improve their sustainability. The manager-led network model is common in Latin America and Southeast Asia. Examples include LAN, AngelHub, and BAN.

The structure of the Dakar Network Angel (DNA) keeps evolving. We started as a manager-led network, then transitioned briefly to member-led, and are now back to being manager-led. Since the inception of DNA, we have covered the core setup costs and maintenance fees of SPVs used to make investments collectively, with grant funding support from catalytic sources. This early funding has enabled the network to operate more effectively and attract investors without asking them to bear these additional costs.



Marième Diop
Founder at DNA

We are a small team of four, and membership revenue is too low to cover salaries. To address this, we rely on carried interest from successful investments as a potential source of compensation for the team



Maaike Doyer
Co-Founder at Epic Angels

Table 3: Comparison of angel network structures

Comparison	Member-led networks	Manager-led networks
Pre-conditions	• Require only a small member base • Leadership track record is not a necessity • Well-suited for nascent ecosystems with limited startup support • Investments are typically structured through SAFEs	• Require a strong and engaged member base • Depend on a network manager with solid investment skills and a track record • Rely on a steady pipeline of deals • Commonly use SPVs to simplify administration
Success factors	• Focus on getting deals done, rather than being overly process-heavy • Operating expenses are kept low without a management team or costly vehicles like SPVs • Function primarily as arrangers, with final decisions made by individual members	• Strong coordination and administration • Strong member organisation through core groups of active members who carry out tasks like curating and executing deals • Legal support and adoption of diverse instruments such as SAFEs and SPVs

Alternative structures

A structure that often overlaps and shares linkages with angel networks is the micro VC model. Micro VCs operate like institutional VCs, but at a smaller scale with asset under management (AUM) typically less than $10-15 million. In the micro VC model, a dedicated fund manager makes investment decisions. Capital is committed upfront by limited partners (LPs), composed mainly of individual investors, with additional commitments from institutional investors. A key differentiator between micro VCs and traditional angel networks is that micro VCs deploy committed capital across multiple deals, rather than on a deal-by-deal basis. Deal flow typically comes directly from founders or from larger VCs that pass on opportunities too early for them. The minimum fund commitment per investor is usually $20,000, with at least $250,000 invested in startups at the fund level. However, they also face competition from established VCs and may struggle to raise funding quickly enough to invest in companies. Micro VCs may charge LPs an entry fee, as well as management fees which follow a two and twenty VC fee structure, representing 2% annual management fees and 20% carried interest on successful investments, with 80% returning to the LPs. Bali Investment Club and nVentures are examples of early-stage investors structured as micro VCs.

Another structure similar to angel networks is investment platforms. These are online platforms that simplify startup investing by connecting companies seeking capital with angel investors. Some operate globally, such as Dealum, AngelList and Angel Investment Network, which offer local versions tailored to specific markets; others are regional, like NEXEA in Southeast Asia; and some focus on specific countries, such as Growth91 and LetsVenture, both in India. In South Asia, angel investment platforms are widely used, with some launched directly by networks such as BAN. In Africa, investment platforms like SI FUSE by Rising Tide Africa are used.

> In Latin America, there is a growing trend of creating regional micro VCs. These are groups of angels that invest collectively, often outside major cities, allowing investment to spread into intermediate cities.



Ana Prieto
Investment Associate at B Venture Capital (BVC)

> We've seen that some family offices and angel investors prefer investing through a fund structure rather than on a deal-by-deal basis, allowing them to make larger commitments. We recently fundraised through this model, enabling angels to contribute higher amounts to a pooled fund that invests across multiple deals



Nicolo Castiglione
Managing Partner at Bali Investment Club

Table 4: Regional comparative analysis of angel investing structures

Region	Structures of angel investing	Manager-led networks
Africa	The dominant organisation structures are member-led networks, although several networks are structured as manager-led.	DNA, NaiBAN, SBAN, and LAN
Latin America	Manager-led models are the dominant angel network structures in Latin America's growing angel investment landscape.	AngelHub, COREangels Pacific, ChileGlobal Angels
Southeast Asia	In Southeast Asia, manager-led models are more common, though some networks raise funds after a few years to become micro VCs.	Bali Investment Club, Epic Angels
South Asia	Many angel networks in India, South Asia's most mature market, are structured as micro VCs or transition into them over time. Across other countries in the region, manager-led networks are common.	Nventures, BAN

Chapter 4

Motivations, roles and impact of angel investors

The motivations, roles and impact of angel investors are broadly similar across emerging markets, though subtle differences reveal insights into the relative maturity of each startup ecosystem. A summary is provided below.

i) Motivations of angel investors

To achieve financial returns. Many angel investors are motivated primarily by the potential to generate significant returns from their investments. Though their investments may generate impact indirectly, it is not a priority for this type of angel. Angel investors may diversify their portfolios beyond traditional asset classes such as gold, real estate, and bonds to access higher return opportunities in startups. The high-risk nature of angel investing makes investors plan their exit strategies from the outset. They seek to maximise their returns by investing early and supporting companies to reach key milestones that enable future fundraising, creating opportunities to exit through secondary sales to VCs or acquisitions to larger companies. Although exits remain limited in many emerging markets, a key strategy is to invest in companies with strong product scalability, regional reach, and significant market potential to increase their chances of success. Many Southeast Asian angel investors consider financial returns as a key reward for angel investing[24].

> We try to take companies from -1 to 0 and then 0 to 1 quickly, typically within a three-year timeframe. We usually exit through secondaries or when a larger startup acquires the company. Our strategy is to invest in companies with regional impact, which increases our opportunities for successful exits.



Chalinda Abeykoon
Managing Partner at nVentures

To generate impact. Some angel investors focus on generating economic, social and environmental impact through their investments, in addition to generating financial returns. For instance, they prioritise companies that positively impact low-income populations by increasing their income, contribute to decarbonising the environment or focus on addressing challenges faced by a minority group. Less than 10% of the identified angel networks across the studied regions explicitly follow this impact-focused approach. Socially-focused impact angel groups evaluate investment opportunities through an impact lens, and incorporate specific requirements into their investment mandates to guide their decision making.

[24] AngelCentral (2024), Angel Behaviour Survey Report

For instance, Central America Angel Fund Initiative (CAFI) requires that Guatemalan startups seeking funding must have at least one female founder, Rising Tide Africa and Findicate focus on startups owned or led by women and Bali Investment Club uses KPIs to evaluate the social and environmental impact of their investments around the network's core impact areas. Many angels in Africa are motivated by the potential to generate economic impact, such as job creation, poverty reduction, and financial inclusion[25].

> Impact is the first requirement for us when evaluating an investment. We assess whether the company meets our KPIs such as waste reduction, CO2 reduction, or social impact, before considering other factors



Nicolo Castiglione
Managing Partner at Bali Investment Club

To stay connected with and give back to the ecosystem. Experienced professionals and entrepreneurs see angel investing as a way to help the younger generation of entrepreneurs to succeed. They do this by sharing their expertise and providing mentorship to help others avoid the common pitfalls that early-stage companies face. Angel investors are also motivated by a desire to learn about technology and innovation trends by staying actively involved in the ecosystem. This is exemplified by some senior executives and professionals in Latin America, Africa, and Southeast Asia who invest in startups as a way to engage directly with the evolving technology landscape. Further, angels in nascent ecosystems are driven by the desire to build communities or support systems for early-stage companies where gaps exist. They organise networking events to connect key actors, fostering collaboration and building trust. An example includes Techne Summit by Alexandria Angels Network. Angels also build structures to support startups and educate stakeholders about angel investing, helping to ensure that early-stage companies receive the right kind of support. For instance, BAN was established to fill support gaps for early-stage businesses in Bangladesh.

> Angels are driven by the desire to give back to other entrepreneurs and believe in technology's potential to transform society. They enjoy engaging with the entrepreneurial journey and seek to contribute beyond capital through knowledge, mentorship, and connections



Nils Galdo
Co-Founder & Managing Partner at COREangels Pacific

> In Bangladesh, the startup ecosystem was very, very early. There was little or no angel investing happening. People did not really understand what angel investing meant. When Bangladesh Angels came along, one of the things that we tried to do was to educate the market. We ran a lot of sessions to help them understand how to structure deals.



Sanchayan Chakraborty
Founder at BAN

[25] ABAN, AAA, & Briter (2023), Angel Investment Survey Report

Table 5: Comparative overview of angel investor motivations[26]

Motivation for investing	Most common in	Notes
Financial returns	Latin America, Southeast Asia	These regions tend to have relatively clearer exit pathways due to their markets' maturity level, encouraging financially driven investments.
Ecosystem building and mentorship	Africa, Latin America, South Asia	Many angels are motivated to fill gaps in early-stage support.
Impact generation (social, economic, environmental)	Africa, Latin America, Southeast Asia	Reflects growing interest in aligning investments with broader development and sustainability goals.
Learning and exposure to innovation	Latin America, Africa, Southeast Asia, South Asia	Angels value proximity to innovation and emerging technology trends.

ii) The role of angel investors and networks

Angels fill critical early-stage funding gaps. Angel investors in frontier and emerging markets fill critical early-stage funding gaps in risk-averse markets where venture capital activity is limited. Individual angels typically invest early, though not always as the first funders, while angel networks can come in later, providing more structured support to startups. They provide capital for the "missing middle", referring to a segment of SMEs and startups that face financing gaps due to their small size and perceived high risks. For instance, in Africa, this gap is more common in the $250,000 to $1 million ticket size range. The majority of angel networks across the studied regions offer support around this bracket. For example, Bangladesh Angels Network invests $60,000 to $300,000 in South Asian companies, HoaQ Club offers $25,000 to $350,000 to African companies, Urca Angels offers $50,000 to $500,000 to Latin American companies, and Business Angel Network of Southeast Asia (BANSEA) deploys $75,000 to $750,000 cheques. Some angels also provide follow-on funding, such as Bali Investment Club.

[26] This table highlights some broad themes in the motivations for angel investing and where they are most prominent. However, it is important to note that these motivations often overlap rather than fit neatly by region.

Angel networks play a key role in the startup financing cycle. After friends and family, angel investors are the next critical source of funding before startups reach venture capital. Strengthening angel investing is essential for building a virtuous cycle in the ecosystem



Mario Garcia
Co-Founder at AngelHub

If we didn't invest in startups, many of them wouldn't remain operational. Venture capitalists, especially in Southeast Asia, are quite risk averse, making it difficult for founders to raise their first round. They prefer to invest in mid-stage rounds. As a result, there is a significant funding gap, especially in early-stage impact investing. Usually, it's relatively easy to access larger rounds, such as $10 million to $20 million Series A deals. However, raising smaller seed rounds of around $300,000, particularly in Indonesia, is hard, and that's where we step in.



Nicolo Castiglione
Managing Partner at Bali Investment Club

When B Venture Capital emerged, it was because there was a major gap in very early-stage investment. Most funds were focused on later stages, so angels had to play an essential role. In the past, cap tables showed more angels, but often with very large ownership stakes that consumed too much equity. Today, angels are better prepared, invest more strategically, and help startups understand how to use capital effectively.



Ana Prieto
Investment Associate at B Venture Capital (BVC)

Angels provide far more than capital. Angel investors offer strategic guidance, mentorship, and access to networks that help startups grow and professionalise their operations. Their involvement often includes supporting startups through due diligence for follow-on funding, connecting them with partners, and offering tailored feedback that institutional investors typically cannot provide. Some networks, such as Alexandria Angels Network and HubBOG, support startups through acceleration programmes, while Bali Investment Club offers venture building for its portfolio companies. Angels also help provide a pipeline of companies for growth-stage investors, and in nascent markets where trust levels are low, their participation helps to catalyse VC activity in high-impact sectors and underserved markets. For instance, the African Business Angel Network (ABAN) launched thematic-focused angel networks, helping to channel investor expertise and support into sectors such as climatetech and healthtech, that offer potential to generate financial returns and sustainable development. Similarly, DNA's focus on Francophone West Africa has helped attract investment to geographies that are often overlooked by investors.

By being more than just capital providers, serving as mentors and connectors, angels contribute to startup development and the broader investment culture.



Mario Garcia
Co-Founder at AngelHub

Angels provide mentorship for startups, without which most of these startups would not get to the point where they are able to raise further capital. The angel investing community is needed to provide that first layer of structure, belief, strategy, and access to markets that other institutional investors, like the VCs and PEs can build upon



Dr. Solomon King
Executive Director at LAN

iii) Evaluating the success and impact of angel investments

Many early-stage companies lack sufficient data to help investors easily evaluate their business. Angel investors thus consider factors relating to team experience, cohesion, and ability to execute. Over time, as they build their portfolio, angels rely on qualitative metrics to assess success and impact, such as revenue growth, return on investment (ROI), internal rate of return (IRR), or valuation. Some angel investors evaluate their investment performance using KPIs linked to impact goals or by applying environmental, social, and governance (ESG) frameworks. Several angel networks provide members with proprietary digital platforms for portfolio tracking, which generate regular reports to enhance visibility and transparency for investors. Examples include Alexandria Angels Network, AngelHub, COREangels Pacific, and Bali Investment Club.

The following case studies showcase practical examples and lessons from operational angel networks across emerging markets. They explore strategies for enhancing angel investing success, strengthening participation, increasing women's involvement, and ensuring the long-term sustainability of networks. Together, they offer insights into how different actors are shaping more inclusive, resilient, and effective angel ecosystems.



Alexandria Angels Network: Enhancing angel investor success, and other lessons

- **Leverage digital tools for success.** In response to macroeconomic challenges, Alexandria Angels Network revised its investment approach by adopting digital tools to streamline operations. The network uses digital platforms like Telegram to host pitching sessions and engage members, along with a proprietary tool for investment tracking. Leveraging digital tools has made the network both cost-effective and accessible for its members. Since its launch, Alexandria Angels Network has achieved a 6x multiple on its investments.
- **Offer value to your companies and members.** Beyond the initial investment, Alexandria Angels Network offers non-financial support to its companies, including mentorship and advisory support, matchmaking with investors, and follow-on capital. The network also supports its members with monthly curated dealflows from vetted startups, educational content to increase their knowledge about angel investing, and training to help them avoid mistakes. Additionally, Alexandria Angels Network encourages its members to use their first 3-6 months to learn about investing and only invest afterwards.
- **Have diversified income sources.** Alexandria Angels Network charges close to $1,000 for its premium membership, which includes access to its tracker tool, deal flow, and training. Other revenue sources include a one-time registration fee charged to new members and a 5% carry on each investment for members and 10% for non-members. The network also receives sponsorship from development organisations and banks for its events.

AngelHub: Strengthening angel participation, and other lessons

- **Liquidity planning creates long-term value.** A key pillar of AngelHub's sustainability model and long-term value lies in its structured approach to liquidity events (exits). While angel investing is by nature a long-term game, they expect liquidity within a 5 to 6 year horizon through two main channels: primary exits and secondary sales. AngelHub facilitates this process among its members and wider network, offering flexibility for those who want to exit earlier. In addition, their strong network of senior executives and high-net-worth individuals supports an active secondary market that helps accelerate these opportunities.
- **Equity-backed mentoring deepens engagement.** Unlike traditional mentors, angels hold equity stakes, which create a closer and more committed relationship with founders, which can be a significant boost for business growth and ultimately lead to a return on their investment.
- **Diversified revenue ensures resilience.** Having multiple revenue streams is essential to ensure the operational viability of the network, along with maintaining strong connections within the ecosystem. Beyond the angels, AngelHub is well-connected with VCs, incubators, accelerators,

universities, and large corporations, which strengthens the infrastructure that supports the startups they invest in, making it easier for them to grow and to find new opportunities.

Epic Angels: Lessons learned for increasing women's participation in angel investing

- **Empower more female investors to bridge the gender funding gap.** While Epic Angels does not invest exclusively in women-founded businesses, it aims to increase funding for them by empowering more women to become angel investors. Epic Angel's founder, Maaike Doyer's hypothesis is that, "rather than focusing on who gets funded, we need to start focusing on who is writing the cheque." The women-only network provides its members with training and access to deal flow, while lowering the barrier to entry by allowing small ticket size investments from $1,000.
- **Build strong local communities to activate more angel investors.** Epic Angels drives greater women participation in angel investing through community-building initiatives, including WhatsApp groups, regular meetups, and local captains who serve as community managers.
- **Provide active education to strengthen angel investors.** Epic Angels is democratising access to angel investing for women in Latin America and the Asia Pacific. The network offers a free bi-weekly seminar for women interested in becoming angel investors and trains them on how to conduct due diligence and make investment decisions.



- **Have a strong governance structure.** Although Bangladesh Angels Network (BAN) is structured as a for-profit company, its profits are reinvested into the network to further its goals. The network is governed by a board that comprises key stakeholders from Bangladesh's startup ecosystem. The board appoints the CEO and sets the network's strategic direction and performance targets, such as the number of angels recruited and deals closed.
- **Leverage support to achieve sustainability.** Many angel networks incur losses during their initial years due to limited revenue streams. To ensure their sustainability, BAN secured support from the DGGF, which funded the programme for three years to cover these early losses. This guaranteed funding enabled BAN to launch and establish its programmes confidently and drive its early growth.
- **Have continuous deal flow.** BAN set performance targets to ensure the network remains active and self-sustaining. Maintaining engagement between startups and SMEs and angels through deal closures was a crucial way to achieve this. Sanchayan Chakraborty, Founder at BAN highlights that, "A network only works if it creates a continuous cycle - a snowball effect that keeps it relevant. It must effectively connect both angels and startups and facilitate deals."
- **Professionalise angel investing to build a critical mass of angel investors.** BAN was established at a time when angel investing in Bangladesh was largely informal, driven mainly by high-net-worth-individuals (HNWIs) and constrained by a limited startup pipeline. Many founders accepted early-stage investments at very low valuations and under unfavourable terms, often giving away excessive equity and key rights. BAN addressed this gap by educating the market through training sessions with angel investors, focusing on how to structure deals more equitably. This effort helped expand the number and profile of angel investors in the country to include professionals who typically invested in public equity markets, institutional investors, and non-resident Bangladeshis, who form part of the network's member base.

Chapter 5

Challenges and support gaps in angel investing

Angel investors in emerging markets face multiple challenges arising both from the nascent stage of startups and the early nature of angel investing itself. They are summarised below.

Structural and sustainability issues of angel networks. A quarter of the total angel networks identified across the regions studied show limited or no recent public digital activity. Financial sustainability remains a key challenge for many networks, constrained by limited revenue streams, few exit opportunities, and long timeframes to achieve liquidity. For example, according to its founder, Luis Fernando Ortiz, SC Angeles ceased operations after relying solely on membership fees and struggling to secure liquidity for much of its portfolio, having invested at peak valuations. Alternative funding sources also come with challenges. For instance, donor grants are irregular, consulting projects often push angel investing to the background, and the lack of exit opportunities limits potential revenue from performance fees or carried interest. In addition, economic and political uncertainties often discourage members from renewing their subscriptions, threatening the viability of networks that depend on these fees. More broadly, while angel investors and networks play a vital role in financing early-stage, high-risk ventures in emerging markets, the absence of targeted incentives further limits their ability to sustain consistent angel investment activity. However, angel networks with diversified revenue streams from members and their portfolio show greater sustainability and commercial viability.

Knowledge and awareness gaps. Despite interest, few angel investors in emerging markets have the skills and experience to support startups effectively. While exposure to entrepreneurship has grown through tech media, social networks, and shows like Shark Tank, many lack a deep understanding of how startup investing works. This leads to unrealistic return expectations, as many investors use traditional investment metrics to evaluate startups, placing undue pressure on founders.

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In the past, startup investing was often confused with traditional business investing, where investors expected dividends and lower risk. Today, more investors recognise that startup investment is a different world, characterised by high risks, no dividends, and based on long-term bets. There's also a growing sophistication around understanding returns and the importance of evaluating founding teams. However, many investors still approach startups using traditional investment metrics, which can be misleading. Consequently, there is a critical need for investor education, especially on the absence of dividends and the inherent risks of startup investing.



René Rojas
CEO at HubBOG

There is a lack of awareness and education about angel investing, and fear among potential investors about engaging in something unfamiliar.



Tarek El Kady
Founder at Alexandria Angels Network

Liquidity and exit challenges. Angel investing faces liquidity and exit challenges that make it less attractive to investors. M&A opportunities are few, particularly in Africa and parts of Latin America, and remain scarce in the Caribbean, due to weak collaboration between startups and corporations. Additionally, in Africa and Latin America, IPOs are rare as a result of inactive public markets, making local listings an unviable exit pathway. Although secondary sales with VC collaboration are possible, liquidity is often slow to materialise.

High cost of investing. Despite efforts to lower entry barriers to angel investing, high minimum ticket size requirements and transaction fees still hinder many people from participating. This disproportionately affects women because, among other reasons, they often face income gaps compared to men, which creates a gender imbalance.

Economic and political instability. Currency devaluation and economic instability in several African countries have led many angels and angel networks like Alexandria Angels Network to pause and later resume investments in the last five years. Similarly, political and economic uncertainties across Latin America and in South Asian countries like Sri Lanka and Bangladesh have fueled risk aversion, leading investors to adopt a "wait-and-see" approach, including delaying membership renewals until stability returns. These conditions have also discouraged young people and professionals from pursuing entrepreneurship, reducing the pipeline of investable startups. Furthermore, due to rising interest rates, angel investing also faces strong competition from safer, liquid investments like real estate, debt funds, treasury bonds, and local mutual funds.

The economic instability and currency devaluation in Egypt have discouraged investment and paused fundraising efforts, contributing to the closure of a few angel networks. Angel investing as an asset class needs to be made more attractive for investors.



Marwa Abouelseoud
Membership Manager at Alexandria Angels Network

Our network is largely made up of members in their 30s. However, because they are not deep-pocketed individuals, in a downturn economy, they might write a $1,000 cheque instead of a $3,000 cheque, or not write a cheque in the year.



Nick Vilelle
Founder at NaiBAN

Everyone is waiting for economic and political stability. As a result, there is reduced activity from both investors and startups.



Sanchayan Chakraborty
Founder at BAN

Regulatory and policy gaps. While angel investors tend to invest locally in the market they are most familiar with, a few adopt a regional approach to investing to spread risks and tap into opportunities that a single market may not offer. However, fragmented regulations cause complexities for investors navigating the markets. Additionally, the absence of targeted incentives such as favourable tax rates or savings discourages further angel investments. While financial centres like the Tanzania Investment Centre (TIC) and Kigali International Finance Centre (KIFC) are positioning their countries as attractive destinations for investments, the incentives offered are not tailored to the needs of angel investors. For angel investors to continue driving ecosystem development, which often involves investments with no direct returns, broader enabling conditions are needed, including strong public and institutional frameworks similar to those that supported mature ecosystems like Silicon Valley.

Support organisations in Bangladesh are overlooked by policymakers. Over the past few years, there has been a near-complete halt in pipeline-building activities by incubators and accelerators, as startups are unable to afford their services. As a result, corporates that made early-stage bets are finding fewer incentives to continue.



Minhaz Anwar
Chief Storyteller at BetterStories

There is a need for regulatory sandboxes and lower taxes or incentives to encourage investment in high-growth startups. In places like the UK and the US, investors can offset losses from angel investing, which stimulates risk-taking. However, in countries like Kenya, losses cannot be written off. So if you lose $20,000 in one year, you still face 30% corporate income tax or 35% personal income tax. This discourages investment and stifles innovation



Nick Vilelle
Founder at NaiBAN

Risk aversion caused by uncertainties in the ecosystem. Many investors are skeptical of investing in early-stage companies due to fear of engaging in something unfamiliar or being misled by bad actors. This skepticism is reinforced by widespread negative perceptions of startup failures and the limited number of visible success stories of angel investments to inspire confidence in new investors.

Table 6: Comparative analysis of angel investor challenges

Region	Challenges and support needs
Africa	Angel investors experience challenges linked to investing in nascent markets, including regulatory gaps, limited exit opportunities, and weak deal flow.
Africa, Latin America	High cost of investing, knowledge gaps, and sustainability issues of angel networks are prevalent, acting as entry barriers for new investors.
Africa, Latin America, South Asia	Economic and political instability cause uncertainties that make angel investors risk-averse.
Africa, Latin America, Southeast Asia	Key challenges experienced by angel investors include limited liquidity and long timeframes to realise returns. The scarcity of visible success stories of angels generating significant returns, combined with prevailing negative perceptions of startup failures, has led to investor skepticism.

Chapter 6

Strategies for increasing angel participation

Angel investors play a critical role in driving innovation that fuels economic productivity and growth. Expanding their participation is therefore essential to amplifying this contribution. The following strategies have the potential to strengthen angel participation in emerging markets.

Strengthen the capacity and visibility of angel networks. Strengthening the capacity of angel networks is key for attracting angel investors. Given the developmental role that angels play in the ecosystem, development funders are well-positioned to support angel networks, particularly in their early years, to build sustainable structures and business models to achieve their goals. While organisations like the DGGF, Orange Corners, and the European Union are already active in this space, greater participation from similar actors is still needed. Some key areas where angel networks could benefit from development funders' support include:

1. **Member recruitment and retention**

   By helping them to strengthen their online and physical presence to attract and retain a diverse range of angel investors across age, gender, professional backgrounds, and geographies. This would help networks reach individuals who may have an interest in investing but were previously excluded due to a lack of access to established personal networks, while also enabling the development of a stable core membership that enhances execution capacity.

2. **Enhancing operational management**

   By empowering them to adopt digital tools that actively engage their members, facilitate their investment process, and enable portfolio management. Angel networks could also be supported to diversify their revenue streams around core angel investing activities and develop their management capacity through mentoring, enabling them to better achieve their mission.

3. **Enhancing value proposition to members**

   Development funders can support angel networks to build their members' capacity, lower entry barriers for new participants, and introduce alternative financing options such as debt or revenue-sharing models. This would help increase the number of local investors in ecosystems that are typically dominated by foreign capital.

> If you want angel investors, you need a network that houses and nurtures them. The organisation itself must be well-supported to effectively cater to the needs of angel investors.



Dr. Solomon King
Executive Director at LAN

Promote community engagement and awareness about angel investing. To attract greater participation in angel investing, angel networks need to intensify efforts to raise awareness about the risks and realities. One way to achieve this is by organising investor education programmes and events to help create a cohort of angels with the capabilities to support startups effectively. Another is to encourage experienced angels to openly share their experiences and learnings to build trust and help new angels gain confidence and avoid common mistakes. Additionally, positioning angel investing not only as an opportunity to generate financial returns, but as an asset with the potential to generate significant economic and social impact would help attract and motivate a broader range of investor profiles to participate.

Incentivise angel investing through regulatory and policy tools. Angels provide early, high-risk capital in early-stage companies, contributing to the development of a vibrant startup ecosystem. To ensure that angels continue to contribute to the growth of the ecosystem, they need targeted regulatory and policy support to incentivise their participation. For instance, the launch of KIFC in Rwanda is a notable first step in supporting angel investors, with DNA establishing its investment vehicle and structuring its operations through the financial centre, driven by ease of setup, favourable tax regime, and flexibility. Some tailored policy measures could include offering tax incentives to angel investors, such as Malaysia's Angel Tax Incentive, introduced to encourage greater participation in early-stage investing. Additionally, providing an economically and politically stable environment, with clear and consistent regulatory frameworks, would help ensure that angel investors have the confidence to commit capital, remain active in the ecosystem, and contribute to long-term startup growth. For instance, Singapore's strong regulatory frameworks have attracted a high concentration of startups, accelerators, angels, and VCs, positioning the country as a gateway to neighbouring markets in the region.

> Public policy plays a significant role. Where governments have been supportive, ecosystems develop faster.



Ana Prieto
Investment Associate at B Venture Capital (BVC)

Improve liquidity and exit opportunities. Angels realise returns from investments through exit events. However, without viable exit opportunities or timely liquidity pathways, many investors will likely not participate. To facilitate greater exit opportunities, startups should be encouraged and enabled to list locally to ensure local wealth creation. For instance, in Africa, Local Eats, an investment holding company, is using an innovative model to help high-growth SMEs in the agricultural sector list on the Mauritius stock[27] exchange. Similarly, in Latin America and Southeast Asia, regulatory reforms and government initiatives are helping to attract new listings to the local stock exchanges[28][29]. Equally, angel networks can play a key role in making local public markets more attractive to investors. They can also explore mechanisms that offer quicker returns, such as COREangels International's intramarket, which allows members to sell their shares

[27] How we made it in Africa (2025), Investing in African agribusiness, Warren Buffett style
[28] The Business Times (2025), South-east Asia's IPO market shows signs of revival after subdued H1
[29] Latam Republic (2025), Latam IPOs 2025: trends, challenges and what to expect

within the fund rather than waiting for a full startup exit event. Additionally, angel investors can leverage liquidation preferences that grant them priority rights during exits. For instance, BAN uses convertible equity and debt that provide preferential shares. Moreover, by actively building relationships with VCs, corporates, and late-stage startups, angels can create pathways for follow-on funding, strategic partnerships, and acquisition opportunities that facilitate smoother and more frequent exits.

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We are focused on developing innovative funding instruments that blend debt and royalty models, creating new opportunities for local stock investors to participate and strengthen our ecosystem. We are also committed to addressing the liquidity pathways that remain a challenge for many local stock exchange investors, ensuring that exits become an achievable reality rather than an afterthought.



Rodrique Msechu
Founder at SBAN

What topics would you like us to explore further?

We welcome your suggestions as we continue to deepen our understanding of angel investing in emerging markets.

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Ministry of Foreign Affairs
Kingdom of the Netherlands