



B U S I N E S S A N G E L S E U R O P E

The role of the angel investor in pioneering circular opportunities: hard questions

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Who we are / where I speak from

The voice for angel investing in Europe

- ❖ we promote growth for BA investment in Europe
- ❖ we work both with consolidated and emerging markets
- ❖ BAE network: 250 structured BA networks
43,000 BAs (over 90% of visible market)

Our Membership

Full Members: UKBAA, France Angels, German BAND, Italian BAN...

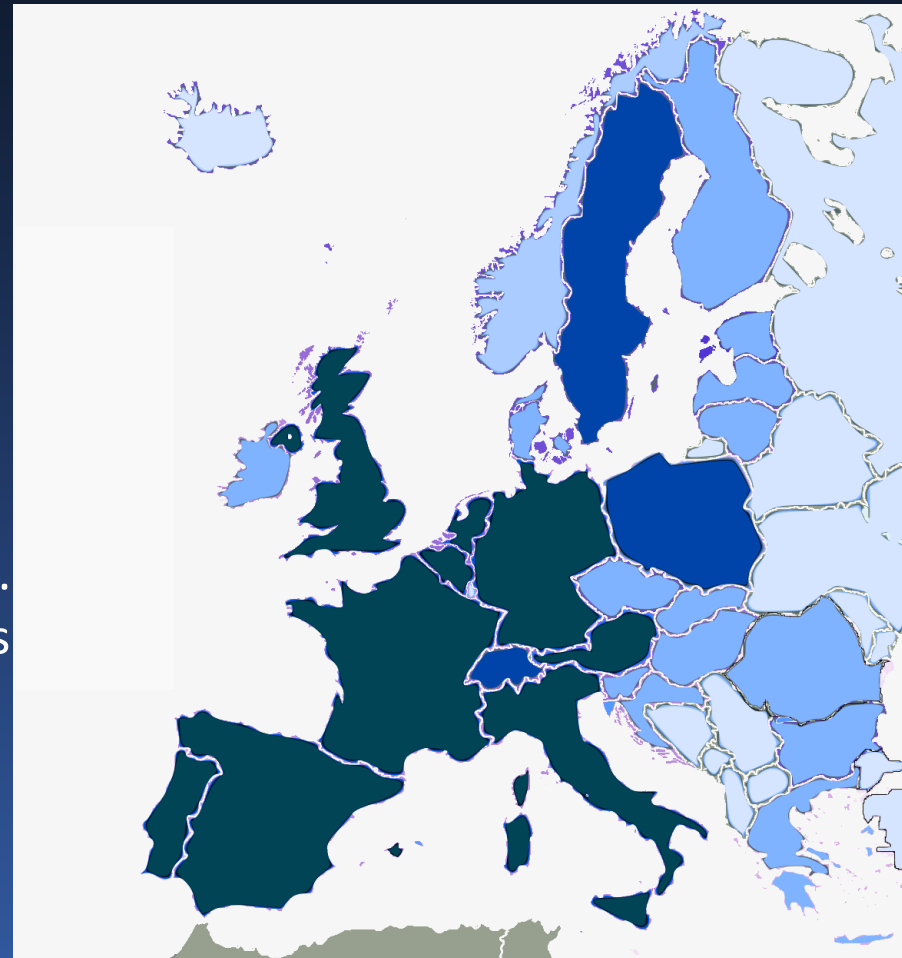
EU federations or national associations

Affiliate Members:

*BA networks, syndicates or relevant groups.
Non EU federations or national associations*

Associate Members:

other organizations sharing BAE objectives



What we do

- ★ Be the voice of BA towards EU policy makers
- ★ Research BA investment activity
- ★ Stimulate investment beyond borders
- ★ Improve BA practices and networks
- ★ Expand under-developed BA populations

Setting the European scene



Structural characteristics of European markets

- ❖ Fragmentation: 28 markets for innovators and investors
- ❖ Uneven local realities: Hubs and deserts
e.g. S-East UK / Cambridge / Scotland
Paris Region swallowed northern French BA activity syphoning North of France (most BAs invest 2 hours away from home)
- ❖ Smallish ticket size (starting at 5K / even the avg ticket of large investors in EAF is only 132K per company)
- ❖ Brain / cash drain: EU unicorns vs the rest of the world 28/227
2/3 of our top are companies sold outside... or moved
 - to the US (IPOs, being acquired)
 - increasingly to the East –now even design is moving to Asia

Setting the European scene



BA role still not fully apprehended by policy makers

- ❖ Focus on DLT crowdfunding and VCs – BAs in a void?
- ❖ 30 years of policy making focussed on entrepreneurship, only recently on investors
- ❖ single market not completed – let alone for investment (tax competition rules / fiscal competence is by MS - unanimity)
- ❖ sore lack of reliable data - does not help decision making in favour of BAs
- ❖ very limited cross border activity
- ❖ gender issues now on the table but again more to help women entrepreneurs...

Setting the European scene



YET, the full picture is brighter than it seems ...

- ❖ Pre-Covid Barometer initial results give 4/5 positive sentiment about being a BA
- ❖ Some Member States now working fast on innovation finance (FR | Portugal + EU billions, also becoming an investor)
- ❖ COOPETITION / Cooperation with VC, fund, public authorities
 - even bankers speak a new language : BAs have new partners / leverage effect is almost x4
- ❖ new profiles among BAs.: younger, more entrepreneurs, more women all eager to make their mark in the new economy
- ❖ transfers of know how to new regions East / SEast
- ❖ structuration, maturation

Opportunities – link up with BAE Club!

A limited number of angel networks/syndicates from **European leading marketplaces** to:

- ★ Help **internationalize** those companies in which the angels have invested; 71 Angels joined our last e/pitch
- ★ Stimulate **interest for cross-border collaboration** and investments;
- ★ Exchange **best practice, network** with peers;
- ★ And provide **market feedback for policy making.**

BAE Club and Local Partners in Eastern Europe

Archangels

Newable



funderbeam

APER VENTURES

UVCA

PRO
ENTRANSE

Startup
GRIND
powered by
Google for Entrepreneurs
Tbilisi



KAGIDER
ANAYASA RAPORU

MOVE.BG

GROWceanu
de la greu la grow

BUDAPEST BUDAPEST
ENTERPRISE AGENCY



CyRIC



business
angels
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vlaanderen

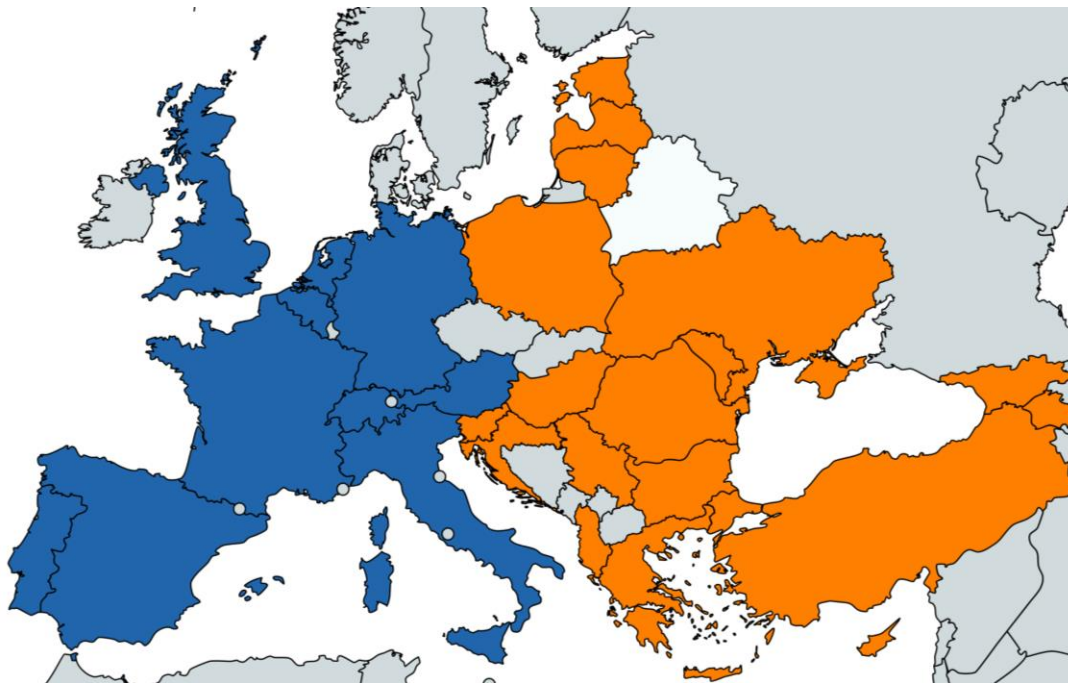
beangels

GO BEYOND
EARLY STAGE
INVESTING

PARIS
Business Angels

Angels
santé
1^{er} RÉSEAU DE BUSINESS ANGELS SANTÉ EN FRANCE

APBA
Associação Portuguesa
Business Angels



IESE
Business School
University of Navarra

Italian Angels
FOR GROWTH

austria
wirtschafts
service
aws

GIACOMELLI MEDIA
PARTNERS IN CHANGE

Z: CER
ZAGREB INNOVATION CENTRE

acolin
InfoTech



BUSINESS
ANGELS
NETWORK GREECE

ANGEL INVESTING AND COVID



Liquidity is scarcer, yet the full picture is brighter than it seems ...

- ❖ Angel Investing has investment characteristics in the medium to long term. In this phase, the duration of which could last for the next 18-24 months, the liquidity available to the market could have a significant decrease, slowing down a process that seemed finally growing.
- ❖ Co-investment funds, Guarantees and Fiscal Incentives can represent a stable source of investment, even more important in times of crisis like this.
- ❖ The advantage in these moments is also that of obtaining valuations net of inflationary pressures, and perhaps even lower in what is expected to be the "new normal" world.
- ❖ Angel Investing will continue to invest but focus on existing portfolio and sectors "benefiting" from Covid.
- ❖ Going Online not causing major process disruption. Already traditionally, also for the high number of people involved, the angel investing processes are well structured and digital; in this period there has been a rapid ability to adapt to the ways of interacting remotely.
- ❖ The injection of both short and medium-term funds into other European countries is very important: in England Innovative UK has just announced a £ 750ml measure and BPI France has developed an action ranging from immediate liquidity to medium-term initiatives in support of innovative companies

Hard questions to be asked to the entrepreneurs

★ What is the role of an angel investor in bringing the innovation to market?

❖ first private investor

❖ business partner/mentor/coach in high risk companies

❖ patient: doing good and/or professionally stimulating, having fun and making money

Hard questions to be asked to the entrepreneurs – Circular Economy



What are specific questions that concern angel investors with regard to sustainable and circular innovations?

- ❖ Not many investors understand the inherent risk in linear model
- ❖ Circular model implies legal changes, these are not there,
- ❖ Banks have regulatory issues, and until regulatory change there is too much capital reserves required to invest in “intangibles”.
- ❖ The private sector can put equity and signalling change which is already undergoing, It did already happen: Solar, Cannabis
- ❖ BUT, is the window of opportunity open?

How can you reach us?

If you have any questions, please do not hesitate to contact me:



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