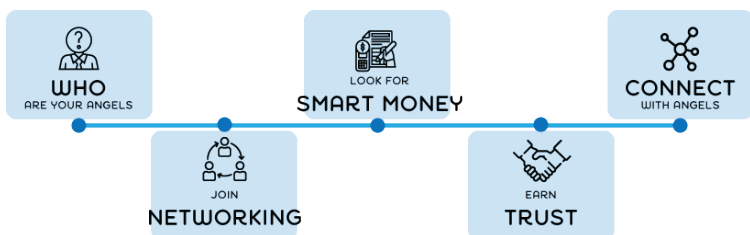


# CONNECTING WITH THE ANGELS

12th January 2021  
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When startups begin their journey, establishing connections with angel investors and getting their support appears next to impossible. In this webinar, Mr. Lomnitz and Mr. Yong offered two important pieces of advice for startups.

## 1 GET TO KNOW THE OTHER SIDE (ANGEL INVESTORS)



**Who are your angels?** Establish understanding and get insight to their motivations for Angel investing. Motivation varies from person to person and is very specific to each angel.

**What startup should look for in an angel is SMART MONEY.** An experienced angel on the company's capitalization table helps guarantee the success of the subsequent fundraising round.

For angel, **deal flows mainly come from networking and referrals.** This means startups should focus on their visibility and attend networking events. Some angels only consider deals referred by their personal network, while others might accept cold calls or cold emails. The latter is uncommon.

Always acknowledge that angels have many investment options that form part of a prudent portfolio allocation. **Startups should critically ask why the angel should invest in you or your company.**

**Earn trust** from them by being honest and by letting them get to know the real you. This process takes time and could range from months to even years.

**If** you are interested in getting connected with an angel network, **a good starting place would be your university alumni network.** Several universities have initiatives to connect their graduates to funding networks.

## 2 KNOW WHAT ANGELS LOOK FOR IN STARTUPS

Understand the business inside-out and be sure to **address these key aspects** investors look for:

- Product-Market Fit
- Traction
- Market Size
- Financials
- Valuation

Adhere to your **Integrity**: be transparent and honest.

**Demonstrate your passion** and the reasons you founded the company. Communicate it through words and actions.

**Have a strong team.**

**Be realistic** about market size, revenues, and the solution for the problem you are trying to solve.

**Possess a willingness to learn** and **be coachable** with an adaptable and growth-centered mindset.

Towards the end of the webinar, there were questions about how Covid-19 has affected investment appetite and trends. Both gentlemen acknowledged that angel investors have become more risk-averse and conservative with their investments. However, both guest speakers expressed an interest in pandemic proof businesses such as food, edtech, health and other necessities that continue to perform steadily in the face of an unexpected external shock.