HALO Report™

Annual Report on Angel Investments

ANGEL RESOURCE INSTITUTE

PitchBook

AGGREGATED NATIONAL & REGIONAL DATA

The HALO Report ™ is a collaborative effort of the Angel Resource Institute ™ and Pitchbook ™ intended to raise awareness of early stage investment activities highlighting trends that may inform our decisions and impact opportunities for angels and entrepreneurs.

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The 2020 HALO Report: A Retrospective Look at a Pivotal Year

The year 2020 was one that stressed all systems, including the purse strings of entrepreneurs and investors alike. The new Black Swan was the Covid-19. In retrospect we observed strong entrepreneurial spirit at every turn. Ingenuity and adaptability emerged in our systems. We saw winners and losers, but with an array of new opportunities.

As Covid hit our world, our Nation and the angel community, major questions immediately arose -- Will education ever be the same? Health Care? The notion of "9-5" in office? Retail? How we use our homes? What role would government play, both in attacking the immediate problem of the virus and in mitigating the effects of the virus on the economy? Uncertainty abounded! So much was already positioned to be disrupted before the pandemic hit that Covid-19 accelerated.

And we saw social systems disturbed, across gender and ethnicity, as CEOs -- women and men -- became home teachers for their families, and women for the first time in decades found themselves having to choose between family and career. Entrepreneurs of color found more reasons to rethink, to speak out, and to innovate.

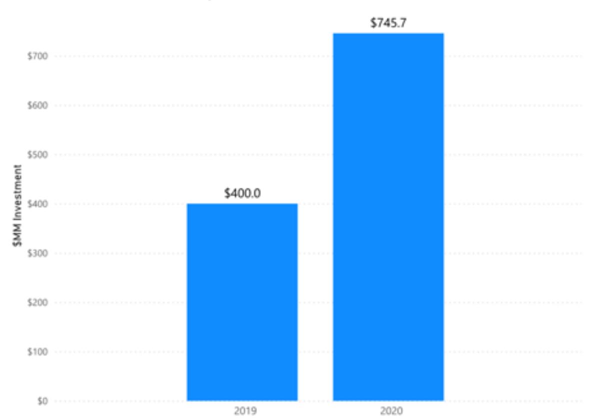
Somehow, amidst all of the disruption, almost all of our angel led companies weathered the storm. By mid-March most angels were in hyper alert mode, focused on existing companies in their portfolios, advising on cost cutting measures, and securing enough capital to keep their investments going. New Seed? Too risky! Many groups slowed their meeting schedules, others continued to meet over Zoom, but with a focus on protecting current investments vs investing new capital into new companies – the riskiest of all.

This reserve did not last long. Entrepreneurial activity continued under these new, evolving conditions, while angel investing direction and processes evolved as well.

Within less than 6-7 months, we were back to investing in these new Seed Deals, as investors saw better valuations, more well tested MVPs, and more companies solving real problems. Over the year, the price of Series A rounds rose, while Series Seed declined.

Our study stands as a solid summary of almost 2,000 early stage companies and the capital they raised in this remarkable year of economic and social disruption.

Investments made to Companies in South East increased 86% from 2019



Some of our findings:

1. Investors in our study put $4.62B to work vs $4.33B in 2019; and more in Seed companies in a year over year comparison: $2.84B vs $2.5B. By Q4 investor optimism was high, despite continued economic and political uncertainty.
2. California rose for the first time in a few years to 21% of all transactions going to California based companies; while the South East Region is clearly a region on the move.
3. Traditional business categories continue to be muddled. "Prop Tech" in the real estate category, and materials science companies in either biotech or material science. We saw chemical companies as CBD and CBD companies as Pharma.
4. We saw a decrease in the disparity between male and female entrepreneurs along our investment metrics, as both CEOs faced pressure to do more with less. And we saw that ethnic female leaders had the greatest challenges per these metrics. Which led us to a deeper dive into the statistics.
5. We saw more Super Angels and more corporate Super Angels and learned they are paying 50% less than other angels.
6. We saw more angels staying close to home with their investments than in over a decade.

2020 was a unique year in many ways.
We hope this report serves to inform and inspire.

2020 HALO Report Highlights & Trends

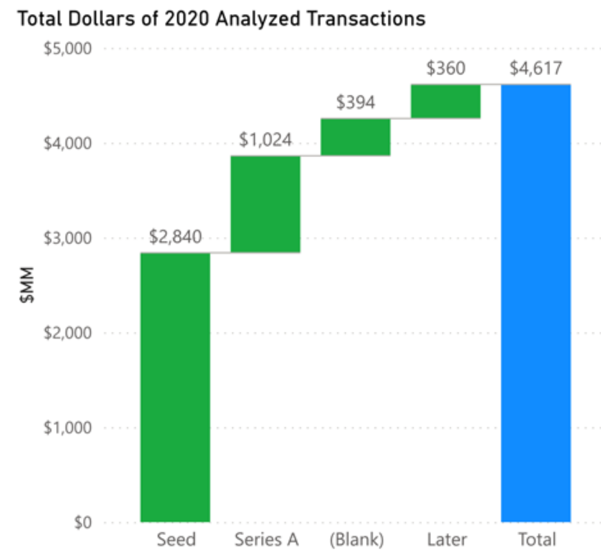
The Year of the Pandemic -- Angel Investing in a Disrupted Economy

The 2020 Halo Report is based on an analysis of 2,198 transactions completed in 2020. Our focus continued to be on Seed and Series A companies. We noted 55 identified Later Stage transactions, and included them in our New vs. Follow On count, but excluded them in the analysis of other metrics. This enabled us to analyze 1664 Seed Stage Transactions, and 285 Series A Transactions. In addition, there are 194 Transactions that are prior to Series B, but where the Stage was not clearly identifiable.

These transactions represented a total of $4.617B invested, of which $2.84B is clearly Seed or Pre-Seed, and $1.024B is Series A, (A1, or a convertible note leading to a Series A).

Our focus remains most intently on these early stage deals. Our goal is to continue to serve the angel community with relevant data on trends, challenges, and opportunities from as large a set of transactional data as possible.

We continue to thank the many angel groups who provide us their data, and enhance the quality of this study, along with our research partner relationship with Pitchbook.



Data Validation & Methodology, 2020 HALO Report ™

Angels and angel groups invest alone, together, and with many other types of investors. Unless otherwise noted, the 2020 HALO Report ™ data includes funding rounds that have at least one angel group or Super Angel participating and may include other types of investors in those rounds. Note that "Median Angel Group Investment" is the median size of reported investments made by Angel groups in the reported deals. There are many groups that have the capability of making significantly higher investments; however, the 2020 data showed that many of these groups also invested smaller amounts of capital. It is important to note that the "Median Funding Round Size" includes investments from Angel groups and non-angel groups including venture capital funds and family offices.

Data was sourced directly from angel groups through the Angel Resource Institute's data portal (www.arihaloreport.com), via email, from direct conversations with group leaders or their administrators, and/or via Pitchbook. When required/available, the SEC Form D was reviewed to validate "round size" vs. "equity sold".

Some charts include statistics for data outside of the United States. To maintain readability we included a "z_" prefix to force presentation of this data to the bottom of the chart or graph when it made sense to do so.

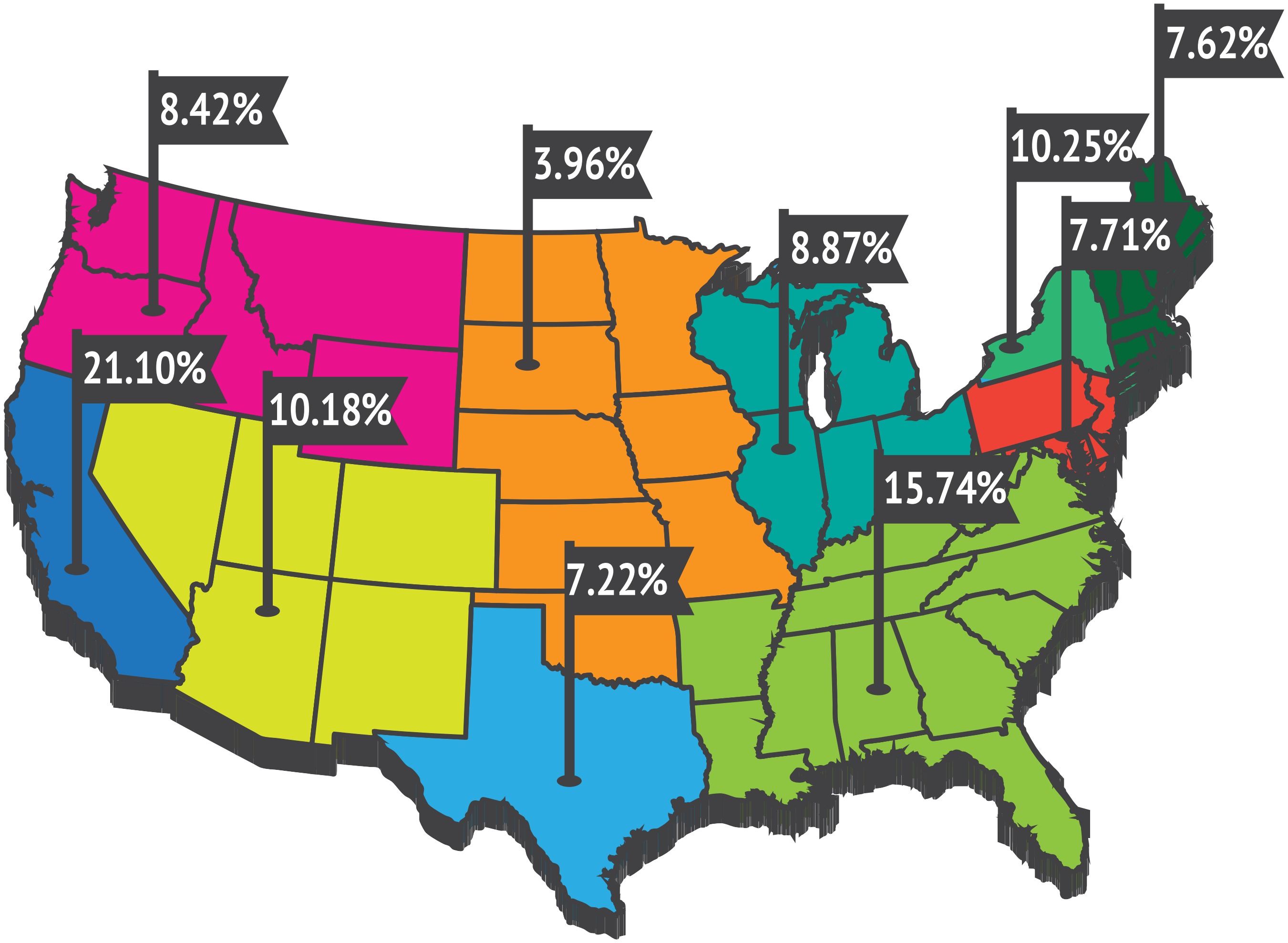
Geographic Analysis of Investor Regions

Where are the deals located?

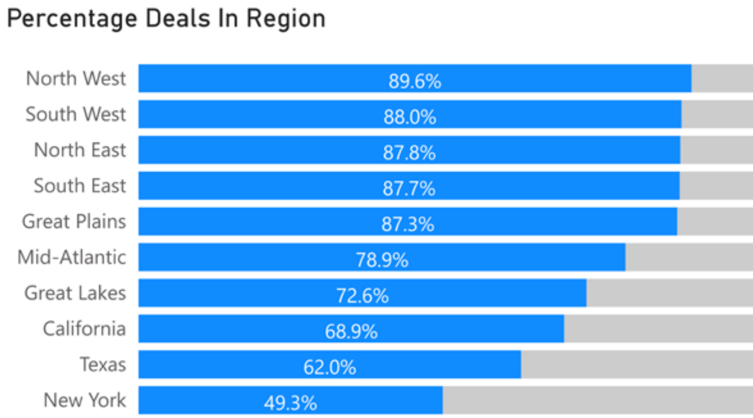
For the first year in a long time, California's percent of total deals in the US exceeded 21%. The other regions were not markedly different from 2019, with the exception of NY, which decreased by 1.75% as a percent of total US deals in Seed and Series A.

The second most active region in the US in 2020 was again the South East at almost 16%, followed by the South West, also again over 10% of total deals nationwide. The Great Lakes, North West, Mid Atlantic, and New York were all close between 8.87 and 8.37 as a % of total early stage deals, followed by the North East, Texas, and Great Plains.

It appears that more companies in California found financing in this difficult year, with vibrancy continuing in the South East and South West. New York companies seeking capital appear to have been more impacted by the pandemic relative to 2019, with a slight decline in total numbers funded.



** Puerto Rico included with South East Region, Hawaii with California, and Alaska with the North West region.*



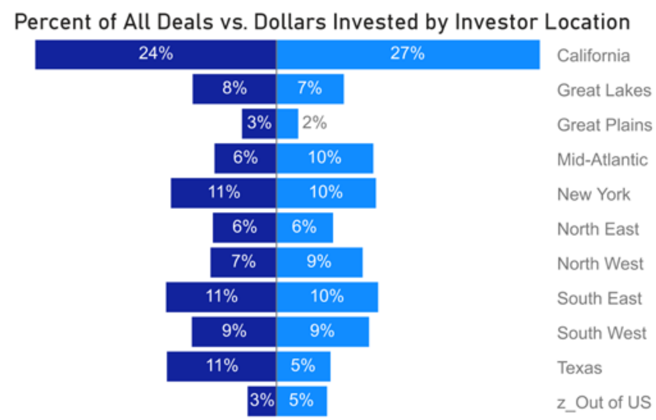
Was it the pandemic that caused more investments than in prior years to stay within the investor's home region?

While in 2019 we saw that overall, 60% of all transactions stayed within the investor's home region, 2020 saw that number increase to 75%. Even NY investors, historically most likely to invest out of their region, chose to invest in companies in NY State at least 49% of the time, an increase of 13%. The Mid Atlantic region's investor who in 2019 stayed in region 50% of the time, jumped to almost 79% in 2020. We know that angel groups Zoom for meetings more, and to also began to look at more opportunities outside of their regions with an increased interest in syndication, but we don't see the % of investments overall outside of one's region even at par with 2019. This data may also be showing us the spread of investors across the US, and the fact that many groups, from Kieretsu Forum, to Social Venture Networks, and those with regional chapters, credit their group's investment to the location of the chapter co-located (typically in region) with the company's location. A group's local chapter is typically the deal lead for the investment. Nevertheless, there is no doubt there was significantly more investing in 2020 within an investor's region that in prior years.

Comparison of Investor Activity by Region

We also compared investor activity by percentage of deals versus percent of dollars based on the investor's home base – regardless of where the company in which they invested is located. Note we excluded Series B and later stage investments.

So for example, while California companies were the recipients of 21% or all investments in the US (as illustrated on the Geographic Map of location of companies/"deal" in 2020, California based investors accounted for 24% of all investments across the country, and 27% of all dollars invested (again only for Seed and Series A). While this data continues to rank California in the top position nationally as source of dollars and number of companies funded, it is interesting that California was no longer responsible for 43% of all dollars invested, as they were in 2019. Instead, along with the drop in California, NY's percent of dollar investment also decreased, from 15% in 2019 to 10% in 2020, while dollars from investors in the South East and Mid Atlantic tied with NY at 10% each. There was a more even distribution of dollars across the country with these early stage deals, than in 2019. For example, one can see that NY, Mid-Atlantic, and South East Regions combine to account for 30% of dollars invested, while New York, South East and Texas account for 33% of all deals.



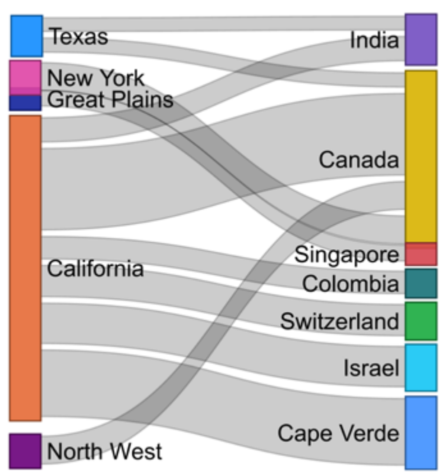
Where do US investors go when they invest outside their region?

California remains a top draw for investors, as a percent of all deals; 16% of all "out of region" transactions landed in California based companies, with almost this same % of all dollars. While the largest share, this is a relative decline from 2019 in both number of deals and dollars. What is most notable is that while the South East Region attracted the second highest percentage of out of region transactions (14.25%), the South East Region attracted by far the largest amount of capital from investors outside their own region: 21.58% of all dollars invested outside one's own region went to companies in the South East. This is the second year we see the South East Region on the rise, placing second to California in percentage of all deals, and surpassing California by over 5% in sheer dollars poured into the region from investors outside their own area.

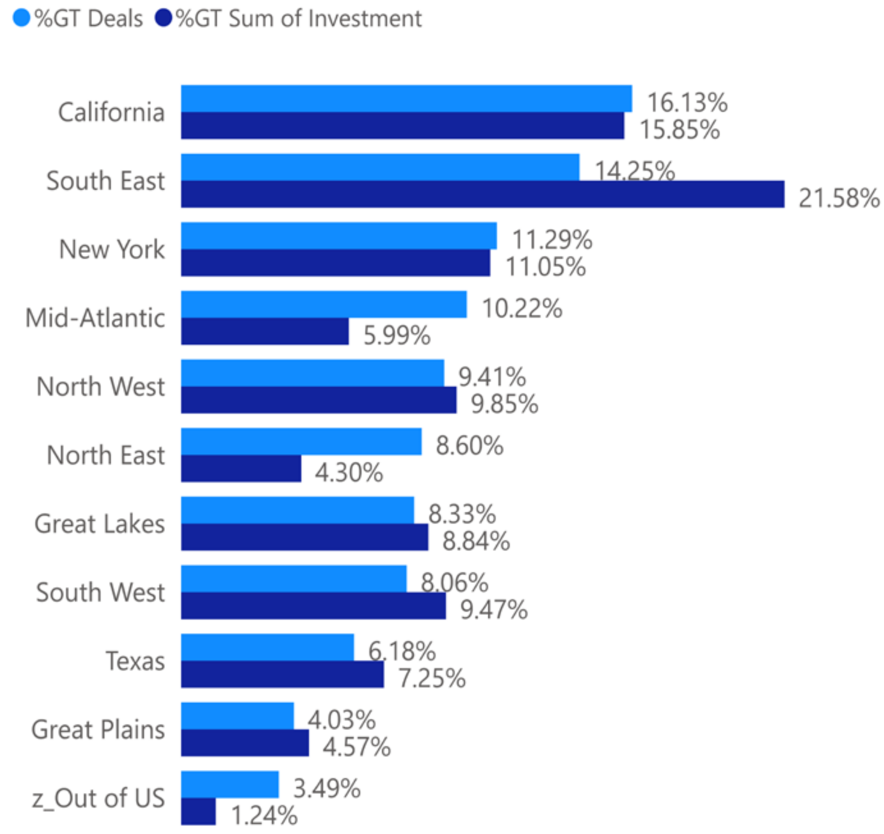
California-based investors controlled 83% of the foreign investments we tracked. Together with investors from four other regions, nearly half of the non-US investments (45%) were made to companies in Canada.

The graph on the right presents the flow of investment dollars from investors in US regions to companies located outside the US.

Investment Dollars made by US Investors to Non-US Companies



Where Out of Region Investments Go (overall)



And where is the source of this money headed to the South East?

As you can see in the Out of Region Investment Spread chart on page 7 the investors who choose the South East when going outside their own region are clearly from the Great Lakes region, followed by NY, California. From our look at the data and types of companies emerging particularly in Atlanta and in the Raleigh/Durham area of North Carolina, there are many attractive life science and health care companies at early stages. They appear to be sourcing funds from other centers of health care in California, NY, and Chicago. And of course, there is Florida, with its ecosystem of companies across many sectors.

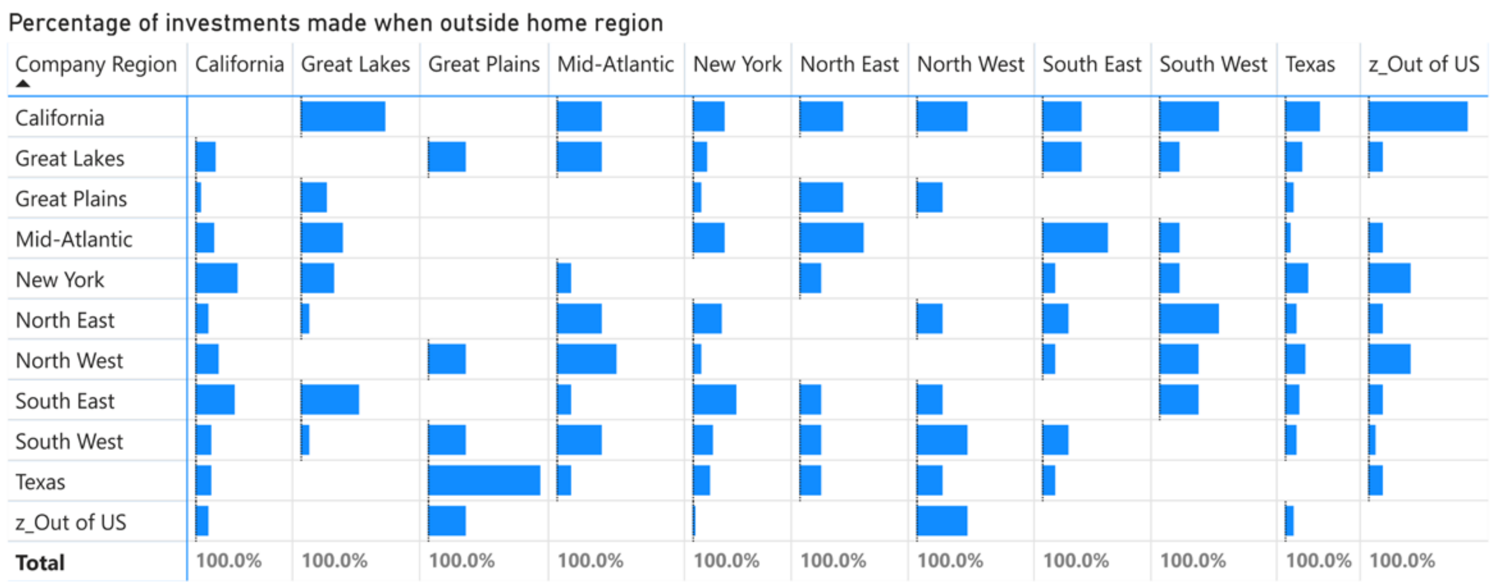
This table also tells us that in 2020, California investors still left the State for NY most often, but the South East is now a close second. Previously (2019), the North East region was second to NY. The Great Lakes favors California first, followed by the South East. Great Plains Investors made Texas their preferred location when investing outside their region.

The North East investors favored deals in the Mid Atlantic, while investors in the North West chose California, followed by the South West and outside the US (most often Canada).

When investors from the South East went out of region, they most often chose the Mid Atlantic region, perhaps reinforcing the connections building between health care in the South East and the same in the states of Pennsylvania and New Jersey of the Mid-Atlantic region.

Investors in the South West chose California and the North East. While investors in Texas chose California.

How to read the chart:
This columnar chart provides a simple representation of the investment spread when outside the Investor's home region. The location where investments are received are in the left-most column with the source of investment along the top. Notice the relatively even spread by California investors (1st column) and the uneven spread from investors located in the Great Plains region.



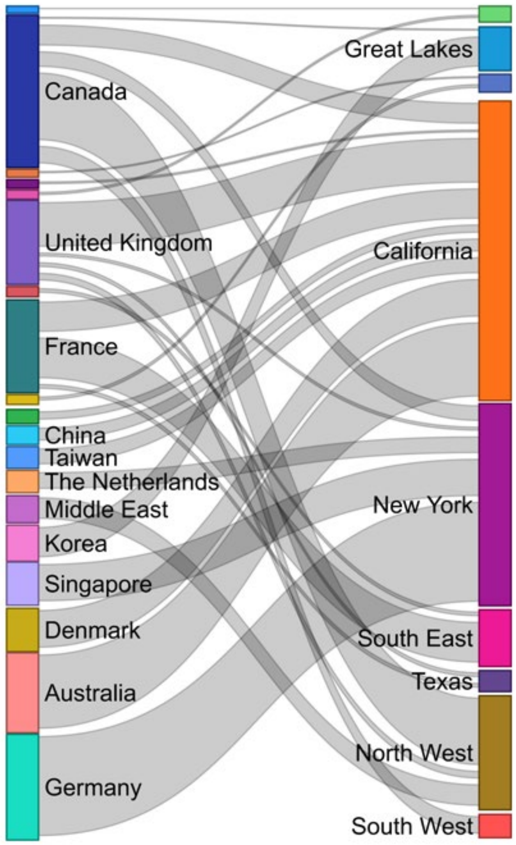
Non-US funding to US companies

The HALO report is primarily about US Angel investment. However, we captured 37 deals for $165.4MM from foreign investors. Most of these (35) were Seed or Series A investments; 2 did not disclose the series.

In all, investors from 19 different countries invested in all US regions but one, Great Plains. Companies in the California region received the bulk of deals and investment, 14 and $65.2MM respectively. Those in the New York and North West region tied for 2nd place in terms of the number of deals (6), but those in the New York Region received $46.0MM and North West $25.6MM in respective total investments.

Canada led the Top 5 of outside US investor countries with $32.4MM, followed by Germany ($27.0), Australia ($20.0), France (19.9), and the UK ($15.6).

Investment Dollars to US mainland



The larger the connection the greater the total dollars invested.

This graph shows the flow of funds from foreign investors to companies in US regions. The size of the colored block indicates the relative size of investment (made and received).

The Top 10 Angel Groups

This year Kieretsu Forum's participation put them in the top position nationwide for number of deals in 2020. They also have many chapters across the country – with direct leadership in each region. Golden Seeds (#3 most active angel group) also has chapters growing around the country, although its core is in NYC, as does the Social Venture Circle (#5 in activity level) – another large national group. Houston Angels, the second most active angel group – consistently high ranking with the sheer volume of transactions – is very active around the country, but through their core Houston location. New York Angels again continues to be very active and invests sizable sums ranking overall as 4th most active in the country. They also invest in later stage deals.

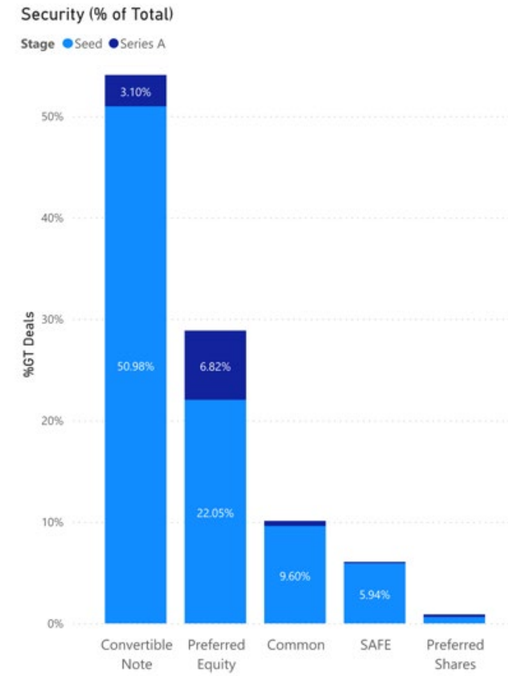
The Alliance of Angels from Seattle and the Irish Angels from Chicago tied for 6th place – both vibrant leaders in their respective regions, investing significantly outside their region as well. Tied for 7th place was Desert Angels and Maine Angels – again opposite regions of the country, both making a major difference not only in Arizona and Maine, but beyond their regions. Astia Angels, consistently committing early stage capital to women led ventures, continues to hold a position in the top 10 nationwide, now with Astia Fund going to work in 2021.

All of these groups, while leaders in their regions, are also actively engaged in out of region deals, and many of them outside the US. The top 10 of angels who directly contributed their data are below.

Top 10 Angel Groups Ranked by Number of Deals

# 1	Kieretsu Forum
# 2	Houston Angels
# 3	Golden Seeds
# 4	New York Angels
# 5	Social Venture Circle
# 6	Alliance of Angels & Irish Angels (tied)
# 8	Desert Angels & Maine Angels (tied)
# 10	Astia Angels

Deal Structure and Investment Stage Statistics



Deal Structure

While we actually saw an increase in the use of SAFE notes in 2020 over 2019, with almost 7% of all Seed deals being SAFE notes, they still represent a small percentage of the total note security type. We also looked at the regions to see where most of the SAFEs were secured, and found this year, 28% are in California deals, followed by the rising South East region (13.6%), The Mid Atlantic was back to 6% . Again these are % of total, so the fact that SAFEs were so much more prevalent in California than in 2019 (from 10% of total SAFEs to 28% of total SAFEs) they may still be alive and well in the regions noted , just appearing more diminutive relative to the rise of their usage in California. California counsel attests to their popularity, especially when the market remains frothy – as in the last quarter of 2020. They are clearly more favorable to entrepreneurs than to investors.

Security (% of Investment Stage)

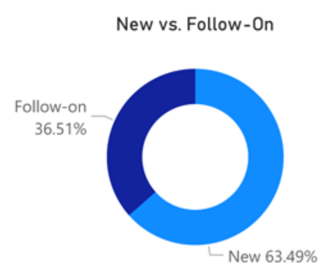
Stage	Common	Convertible Note	Preferred Equity	SAFE
Seed	10.84%	57.56%	24.89%	6.70%
Series A	4.79%	29.34%	64.67%	1.20%

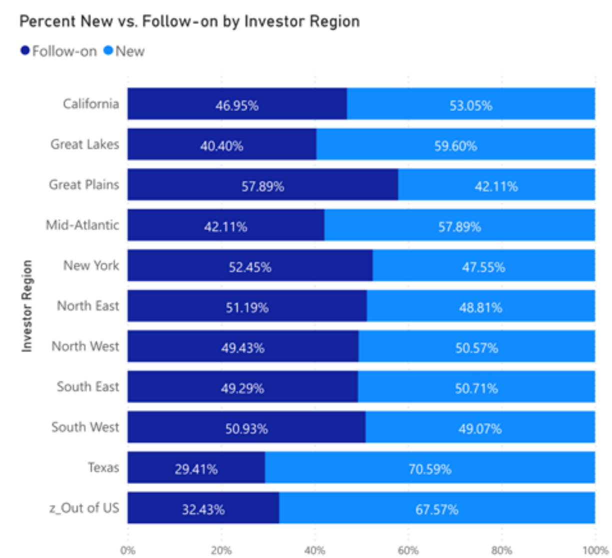
We also found more use of common stock, mostly associated with very early pre-Seed stage investments.

New versus Follow-On

2020 data shows a remarkable increase in percentage of New investments relative to Follow On investments. For years, there was a roughly 50/50 New and Follow On split between investments. While our data continues to be more focused on Seed and Series A (by design, we reduced the number of Later Stage investments in our analysis to only 55), we still observe a 6% increase as a percentage of total first time angel investments. Only 36.5% of investments in 2020 were in Follow-On rounds. This is interesting given the pandemic, and the concern angels had for the health and welfare of their existing investments. The data suggests angels continued to find even more attractive investment opportunities during this challenging 2020, and took the opportunity to invest in a disproportionate number of new deals.

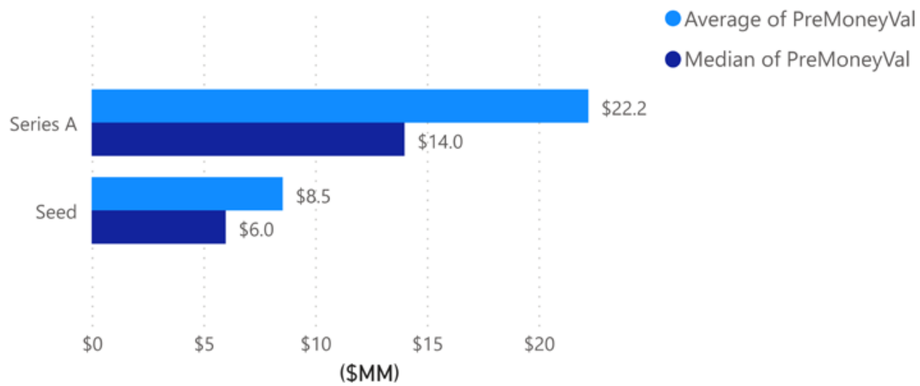
Note differences by investor region. The Regions most active with New Investments are the Great Lakes, Mid Atlantic, Texas, and the small number of transactions from outside the US. California also had considerably more New investments in 2020 than in 2019 as a % of total with 53% vs 37% of total in 2019.



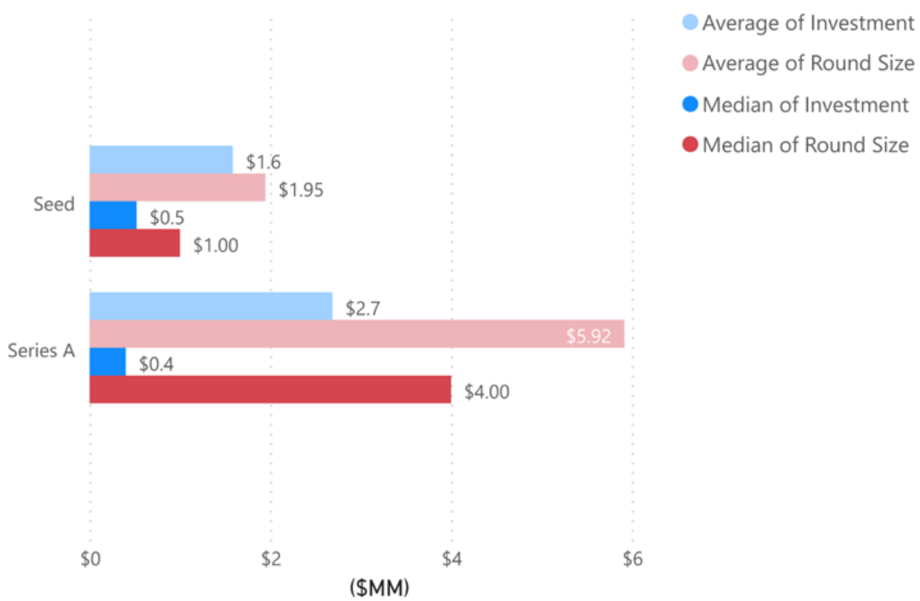


Overall Financial Statistics (2020 Seed & Series A)

Pre-Money Valuation by Investment Stage

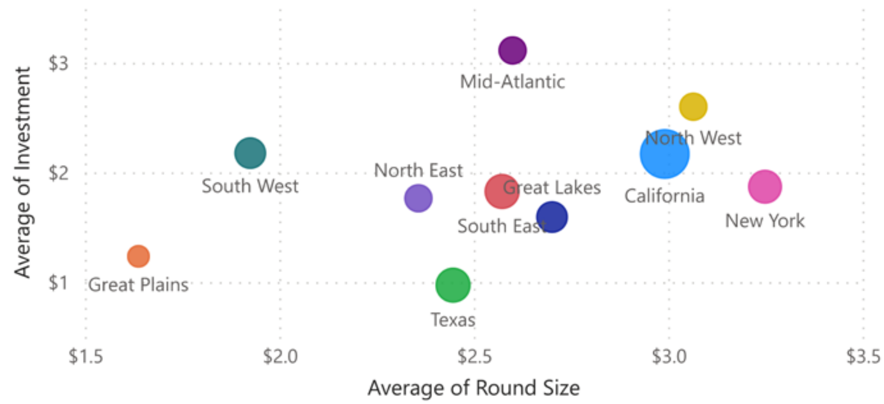


Group Investment & Round Size by Investment Stage



LOCATION OF INVESTORS

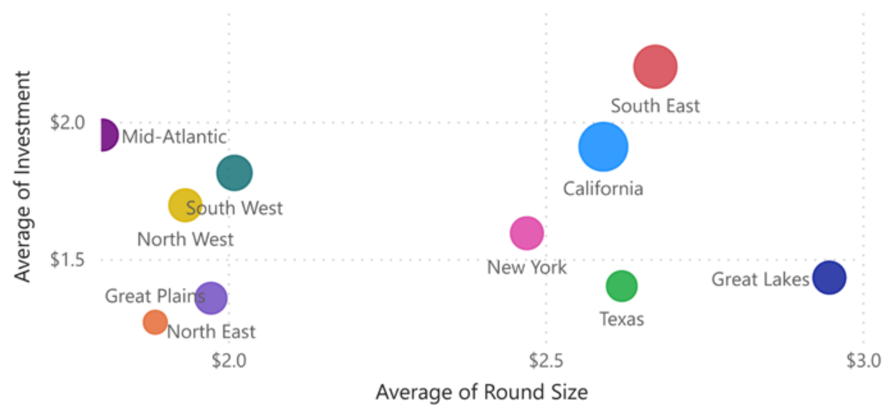
Investors in Mid-Atlantic Make Largest Investments; NY Largest Rounds



The size of the circle represents total deals by region to indicate relative activity.

LOCATION OF COMPANIES

South East Companies Raise Most Capital per Deal, Great Lakes Largest Rounds

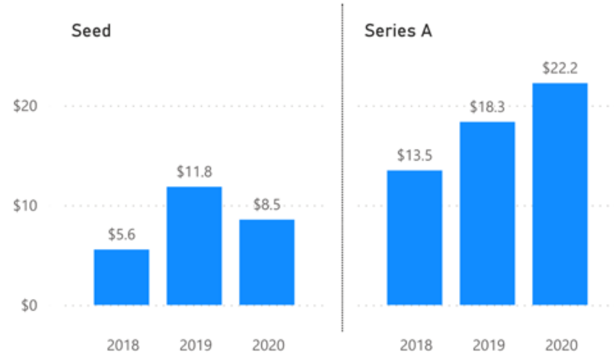


Three Years' Data: Seed / Series A Investment Metrics

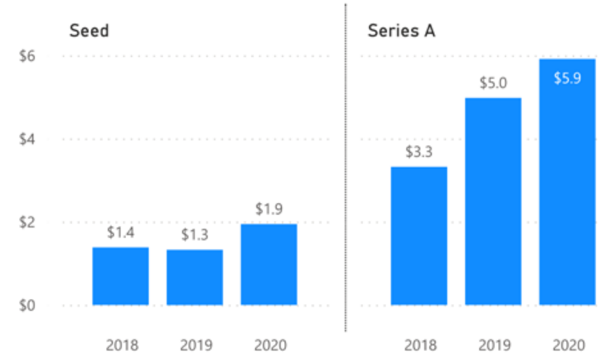
While 2019 over 2018 was for the most part a year of upward prices with slight pressure at the Seed Stage on Median Round Size, the Series A price points were dramatic increases in both Size of Rounds, and Average PMV. It was counterintuitive to think that Pre-Money Valuations and Round Sizes would continue to inflate during the 2020 Pandemic, but they did at the Series A stage, in both Pre-Money Valuations, Average and Median, as well as Round Size – more money was put to work in these Series A companies, despite constrictions.

However, Seed stage companies experienced lower valuations on Average, with a flat median valuation trend. Round Sizes in 2020 were up over 2019, indicating that Seed deals which looked most promising might have suffered slightly on valuation, but received more money to foster their growth. They at least received as much (in median) of the Seed stage companies in 2018. This is consistent with what we know about the risk of putting more money even at higher prices in less risky Series A stage companies during difficult times. Still the sheer volume of Seed Stage transactions in 2020 shows angel investor confidence in remaining very active throughout the year. On average angels benefited from lower Pre-Money Valuations than in 2019 – a drop of almost 28% on Seed average, while Seed Stage Round sizes increased on average 46%.

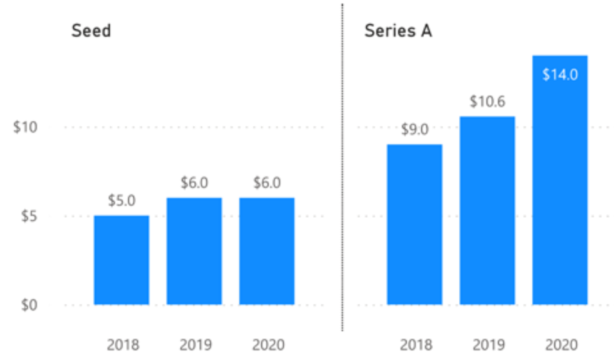
Average Pre-Money Val by Year and Stage



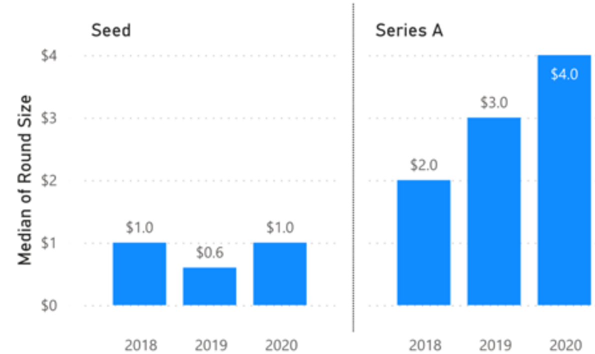
Average Round Size by Year and Stage



Median Pre-Money Val by Year and Stage



Median Round Size by Year and Stage



Industry Analysis

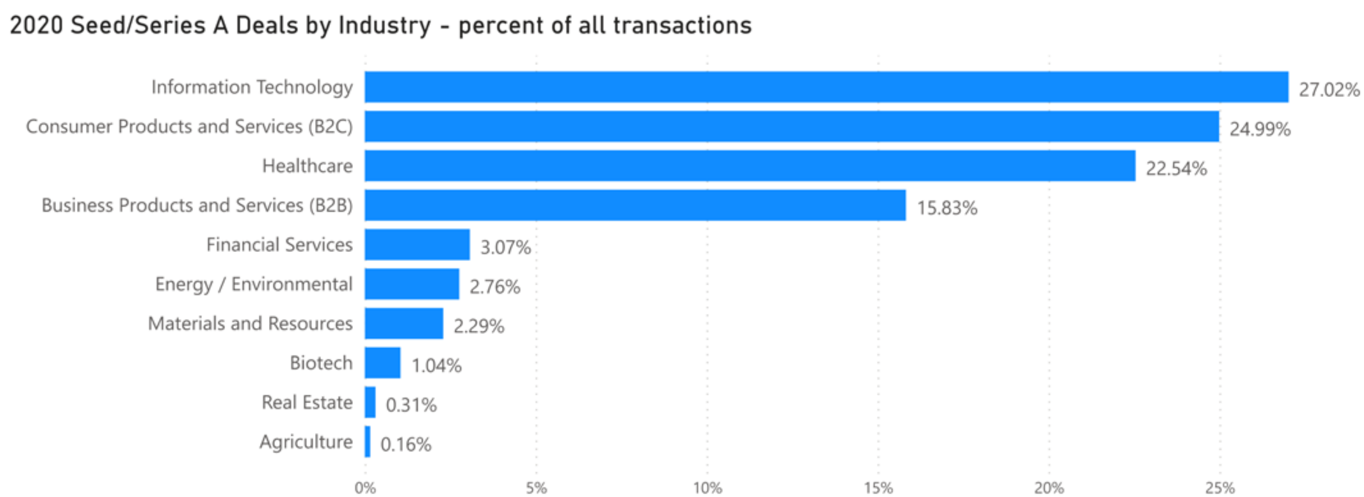
Industry Sectors Angels Prefer

While 2019 saw the long favored Information Technology and Software sector take its most dramatic decline over 2018, (from 38% to 29%) the sector, while still the predominant industry sectors, continued to decline in 2020 from 29% to 27% of all transactions. Consumer Products and Services was almost as robust as in 2019, and Health Care increased by 2.5% in 2020. Financial Services (Fin Tech) Energy/Environmental, and Biotech were stable. We saw significant upticks in Materials and Resources, warranting its own category. A new category was also warranted – Real Estate Services or "Prop Tech", technologies to aid in the management of physical property assets. We saw a sufficient number of deals in this category to believe we should track it separately, as we did last year in Ag Tech.

By the way, we are confident Ag Tech remains a high growth emerging sector, but just did not capture as many investments in our sample this year as last.

We also observed a significant number of Cannabis investments. We will extract these as a distinct category in future analyses, as some this year were categorized as Health Care/Bio/Pharma, and some as B to C. Investment in Cannabis is clearly a trend to watch, that is not just at the fringes, but coming into mainstream use, especially as pure CBD. We also found a "Super Angel", Bruce Linton, Canadian, convinced that Hemp is the long term play, and has gone on to raise a $150M fund for the sector, stimulating its growth with US and Canadian investments.

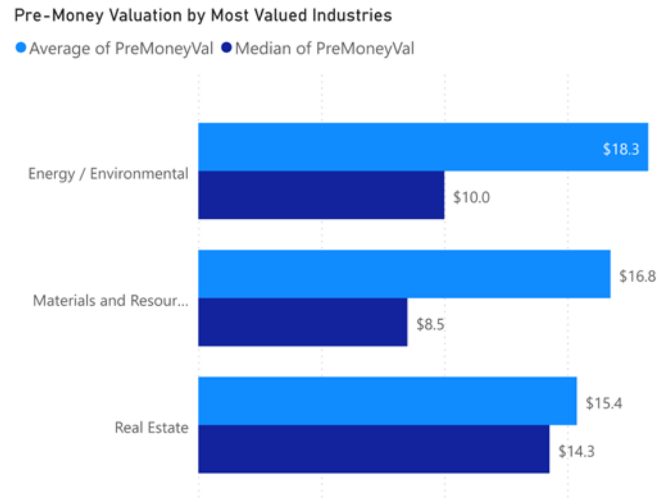
Above all, the trends in fundamental core IT, enabling technologies, AI, and software not specific to healthcare remains the dominant industry where costs are manageable, and returns promising for most angels.

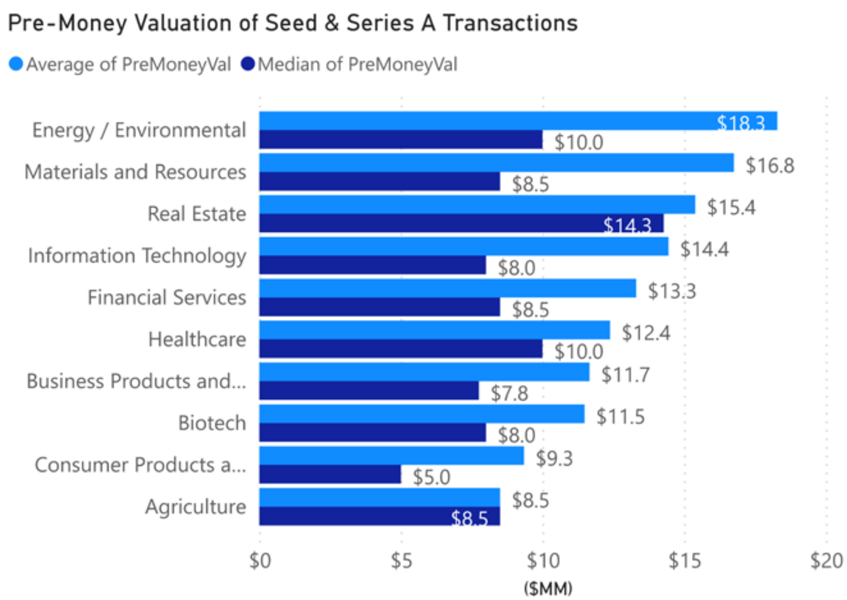


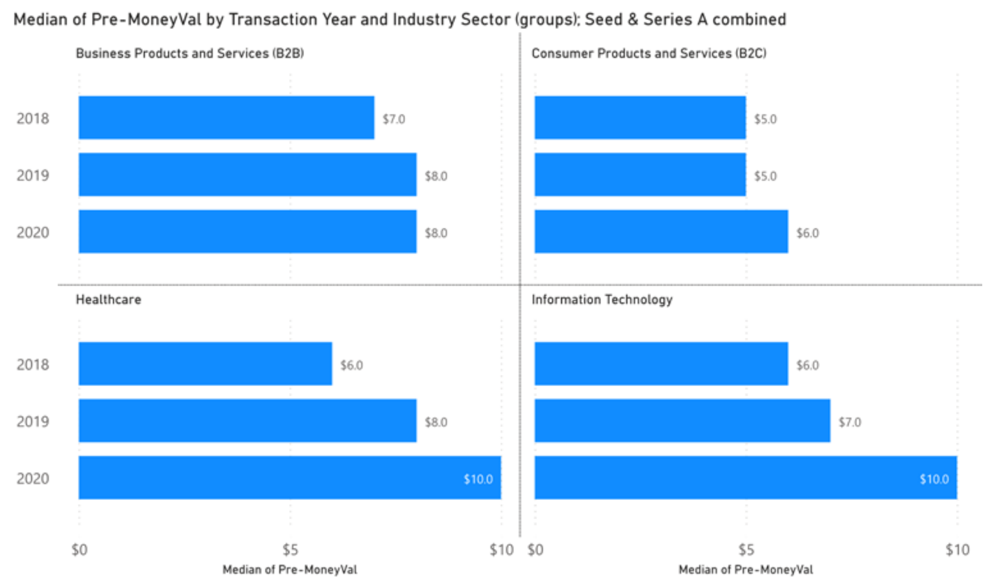
Industry Segments & Valuation

In general, Pre-Money Valuations were higher yet again in 2020 over 2019 across all industry segments, with the exception of Consumer Products and Services, which remained surprisingly flat 3 years in a row. (See page 14 of this report). Business Products and Services also remained flat 2020 over 2019, But Information Technology and Health Care Sectors continue to be major categories for angels, and Pre Money Valuations continued to rise, even in a year with significant economic uncertainty.

The segment receiving the highest Pre-Money Valuation was no longer Biotech, but Energy/ Environmental, followed by Materials and Resources, then Real Estate ("Prop Tech'). It appears emerging categories often command higher valuations as they emerge. Biotech, for example, appears to be highly valued, but has normalized to the point we included it with Health Care in our summary data.







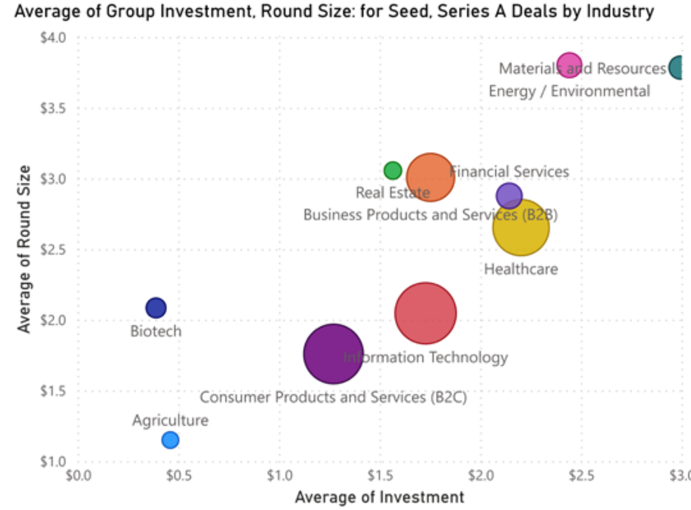
Industry Statistics

The fourth- highest sector was Information Technology, followed by Financial Services, and Health Care (w/biotech). Valuations for Agriculture increased significantly 2020 over 2019, as we expected, but our data set is limited for this sector.

We also see in the chart to the right that Energy/ Environmental and Materials/ Resources (the green dot) also received the largest investment amounts and round sizes, with Business Products and Services and Health Care closely coupled. Note size of circle indicates volume of transactions.

Note also where the companies in these industries are located. Where there is ample data, e.g. Health Care and Financial Services, we are confident companies are heavily in the South East and California. These two regions constitute over half of the transactions in Financial Services alone, and 35% of the Health Care transactions. The South East also claims more Fin Tech than California, and almost equals the percentage of Health Care companies as a % of total transactions. While Information Technology is distinctly weighted to California at 23%, the South East again is home to almost 16% of the total companies in this sector. Consumer Products and Services, and Business Products and Services are also weighted towards California but followed by the South East.

If we had a theme for 2020 it would be "The Rise of the South".



How to read this chart:

The color depth is based on the number of transactions per region (top row). Lighter colors indicate few transactions. Percentages are by row (left to right).

Industry (percentage of Seed & Series A transactions within company location)

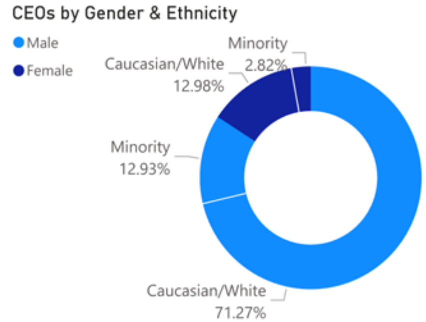
Industry	California	Great Lakes	Great Plains	Mid-Atlantic	New York	North East	North West	South East	South West	Texas	z_Out of US
Agriculture			33.33%	33.33%			33.33%				
Biotech	10.53%	5.26%		15.79%	10.53%	10.53%	5.26%	15.79%	10.53%	15.79%	
Business Products and Services (B2B)	20.72%	11.51%	3.29%	5.92%	7.89%	7.57%	8.88%	14.80%	11.18%	7.89%	0.33%
Consumer Products and Services (B2C)	18.33%	8.96%	2.92%	7.92%	11.46%	7.50%	8.54%	14.17%	10.83%	7.71%	1.67%
Energy / Environmental	22.64%	3.77%	3.77%	9.43%	3.77%	11.32%	7.55%	13.21%	11.32%	13.21%	
Financial Services	23.73%	3.39%		13.56%	10.17%	3.39%	3.39%	28.81%	6.78%	3.39%	3.39%
Healthcare	18.24%	9.47%	5.54%	10.62%	4.62%	9.24%	6.24%	17.55%	10.39%	7.62%	0.46%
Information Technology	23.02%	7.35%	4.06%	6.77%	9.67%	6.00%	10.44%	15.86%	9.67%	5.61%	1.55%
Materials and Resources	15.91%	11.36%	9.09%	6.82%		15.91%	9.09%	11.36%	9.09%	9.09%	2.27%
Real Estate	33.33%			16.67%	33.33%			16.67%			

Gender & Ethnicity

In 2020, Female CEOs comprised 15.8% of all CEOs at the Seed and Series A, a decline by 1.3%, with Males at 84.2%, a slight increase in the gender ratio. This ratio is now the same as it was in 2018.

And while CEOs from ethnically diverse backgrounds represent 15.75% of total Seed and Series A CEOs, also 1% below 2019, this number is 3% below 2018, when ethnic CEOs were 18.8% of the total. While this is a small decline, the sample size year over year of almost 2,000 CEOs is not insignificant.

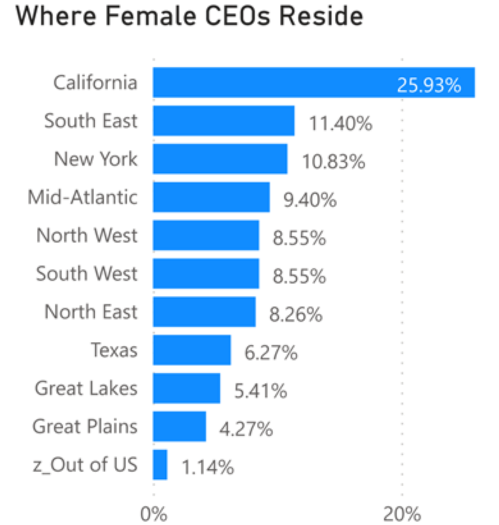
In 2019 we saw the decline in ethnic CEOs among Males, while Females increased their numbers proportionately. But 2020 data revealed proportionally fewer ethnically diverse CEOs regardless of gender. In 2020, we also took a deeper look into ethnicity. Almost 44% are SE Asian/Indian, 24% Asian, 17.5% Black/ African American, and 14% Latino/a.

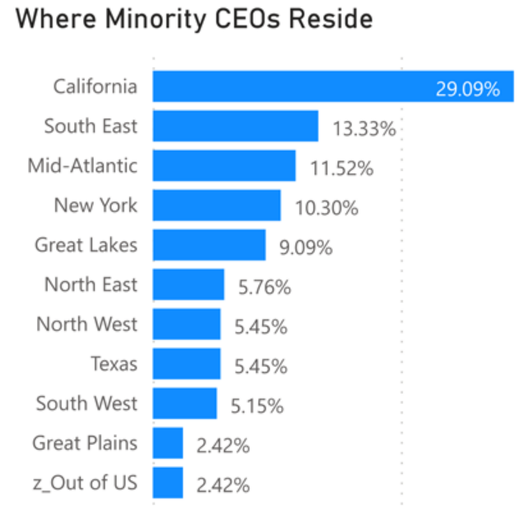


Where are the Female and Minority CEOs located?

Almost 26% of all Female CEOs in the country live in California – an increase of 4% from last year's data set. The South East Region took second place at 11.4% with New York close behind, 10.8%

An even higher percentage of CEOs with ethnically diverse backgrounds lead companies in California, almost 30% up from 28.5% in 2019, with the South East Region again in second place at 13.7%, followed by the Mid-Atlantic at 11.8%.





A Detailed View:

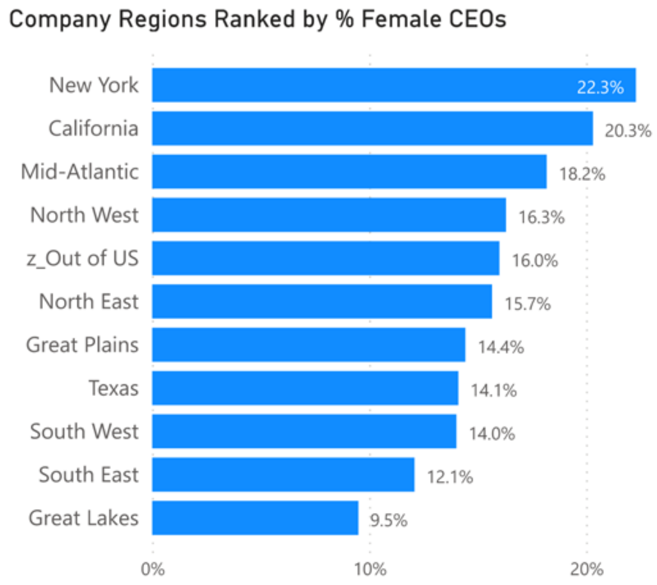
CEO_Ethnicity	Asian		Black/AA		Caucasian/White		Latino/a		Pacific Islander		SE Asian/indian		**Total**	
CEO_Gender	#	%	#	%	#	%	#	%	#	%	#	%	**#**	**%**
Female	18	0.94%	11	0.57%	249	12.98%	12	0.63%	1	0.05%	12	0.63%	**303**	**15.80%**
Male	53	2.76%	46	2.40%	1367	71.27%	32	1.67%	1	0.05%	116	6.05%	**1615**	**84.20%**
Total	**71**	**3.70%**	**57**	**2.97%**	**1616**	**84.25%**	**44**	**2.29%**	**2**	**0.10%**	**128**	**6.67%**	**1918**	**100.00%**

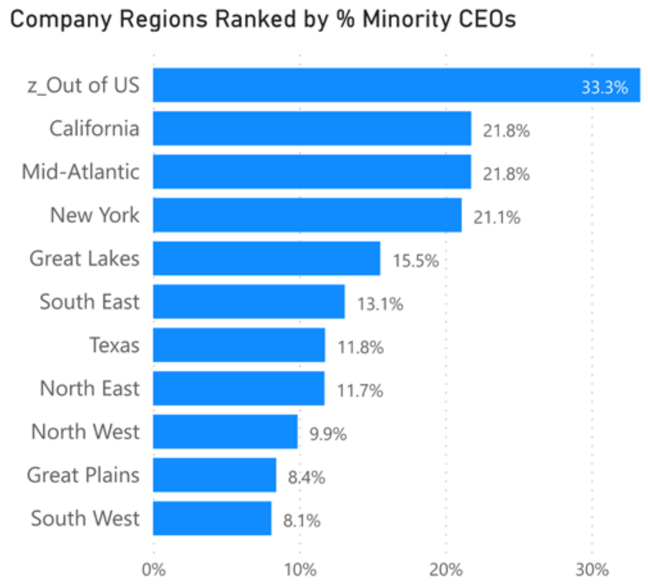
Gender & Ethnicity - Regional Comparisons

Gender & Ethnicity Comparison by Region

When we look at CEOs within each region, we find that New York ranks as the region with the highest percentage of female CEOs at 22% followed by California at 20.3%, and the Mid-Atlantic at 18.2%.

And when we look at the ethnic diversity of CEOs within regions, and exclude regions outside the US, we find California, the Mid Atlantic Region and New York, virtually tied with over 21% of their CEO's ethnically diverse.

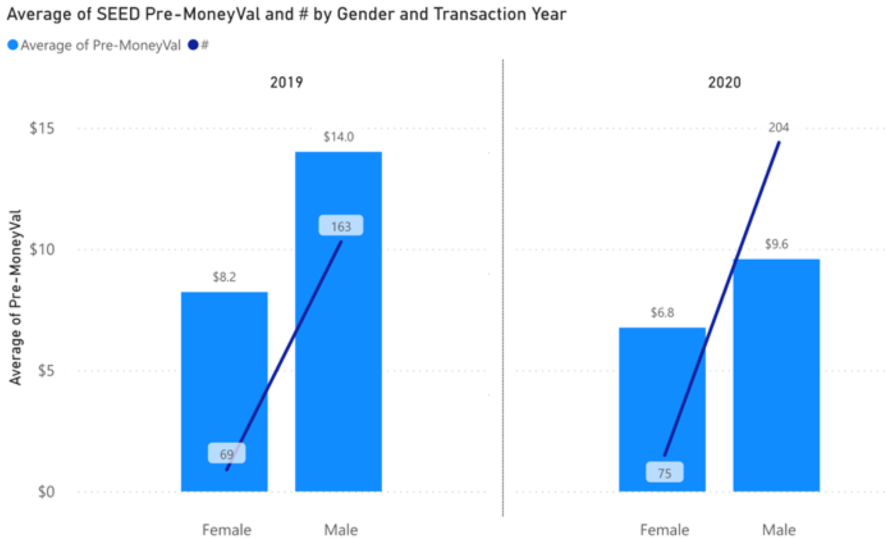




Capital Raising Attributes - Seed Deals Only

Gender & Ethnicity Capital Raising Attributes

The year of the Pandemic was especially tough on Series Seed companies. For 2020 we continued our prior year's in-depth analysis of Gender and Ethnicity analyzing Round Size, Amount Raised, and Pre- and Post-Money Valuations. We again found a stark disparity along gender lines within the Seed Stage, but our 2020 data points affirmatively to a reduction in this gap.



The 2020 Pre Money Valuation (PMV) gap for female CEOs vs. male CEOs has improved.

In 2020 male CEOs received 41% more in Average PMV than women, contrasted with 2019, when that discrepancy was a staggering 71%. The size of this gap caused us to spend considerable time in our 2019 study trying to isolate and understand the reasons for this. And now we ask the question differently:

- *Was the decline in the gap because all Seed Stage Pre Money Valuations were significantly reduced in 2020 over 2019?*
- *Were female CEOs, already lower in price, less impacted?*
- *Or were there more equitable conditions?*

It is most important to note that 2020 PMVs were reduced in Seed Stage companies with male CEOs 2020 over 2019 by 31%; while Female led companies saw a reduction of only 17%. The net effect of these reductions relative to 2019 was a decrease in the 2020 gender disparity.

NOTE: *As in 2019, our 2020 analysis for this portion of the study, and the remaining pages, is limited to Seed where we have the greatest number of data points in a price/stage category – not to be integrated with Series A.*

Average of SEED Pre-MoneyVal and # by Gender and Transaction Year

Gender	Female		Male		**Total**	
Transaction Year	Average of Pre-MoneyVal	#	Average of Pre-MoneyVal	#	**Average of Pre-MoneyVal**	**#**
2019	$8.2	69	$14.0	163	**$12.3**	**232**
2020	$6.8	75	$9.6	204	**$8.8**	**279**
Total	**$7.5**	**144**	**$11.6**	**367**	**$10.4**	**511**

So what about Round Size and Amount Raised?

Round Size at Seed Stage was also lower in 2020 than in 2019 for both genders, with males more impacted than females. Male CEOs reduced their Round Size by 17%. Female CEOs Round Size reduced theirs by less than 8%, less than half the reduction of their male counterparts.

But when it comes to amount of capital raised, Female CEOs raised 12.5% of all dollars invested, for 15.6% of the total number of deals; while 75% of all dollars invested went to Male CEOs who led 84% of the deals.

Despite the improvement in average PMV and Round Size and reduction in disparities overall between Genders, we still find a greater disparity in gender than in ethnicity. The average PMV for minority CEOs was $7.5M vs. $9.0M for non-minorities, a 17% difference. But disparity between Genders for the same PMV metric shows a 41% drop.

Capital Raising Attributes by Ethnicity (Seed, 2019 & 2020)

Ethnicity (groups)	Minority				Non-Minority				**Total**			
Transaction Year	RS AVG	RS MED	PMV AVG	PMV MED	RS AVG	RS MED	PMV AVG	PMV MED	**RS AVG**	**RS MED**	**PMV AVG**	**PMV MED**
2019	$1.6	$1.4	$11.2	$6.5	$2.4	$1.2	$12.7	$6.0	**$2.2**	**$1.2**	**$12.4**	**$6.0**
2020	$1.8	$1.0	$7.5	$6.0	$1.9	$1.2	$9.0	$6.0	**$1.9**	**$1.2**	**$8.8**	**$6.0**
Total	**$1.7**	**$1.2**	**$9.2**	**$6.0**	**$2.1**	**$1.2**	**$10.6**	**$6.0**	**$2.0**	**$1.2**	**$10.3**	**$6.0**

Yet when we look at the intersection of Ethnicity and Gender, we see a challenge. Interestingly, Minority Female CEOs more closely mirror White Female CEOs in key financial metrics, but only when we consider both the 2019 and 2020 data. With both years accounted for, Ethnic Females fair well relative to other Female CEOs. But non-minority Female CEOs drive the outliers, pushing the average PMV (vs. the median) higher by 35%.

2020, however was clearly a very challenging year – and especially for women of color at the Seed stage. In 2020 the Minority Females raised half as much as Minority Male CEOs, with PMVs that were lower by 38% for Median, and 46% for average PMV. As a result, Minority Female CEOs simply had to sell more equity, for less capital than Minority Male CEOs. This dynamic sets these Seed companies on a very challenging path.

And in 2020 relative to White Female CEOs, Ethnic Female CEO's raised only slightly less capital (16%), but had significantly lower PMVs (about 33%).

Then consider that Minority Male CEOs, relative to White Male CEOs, raised more capital, in larger rounds, but at median valuations that were 11% lower, and average PMVs 46% below their White Male counterparts.

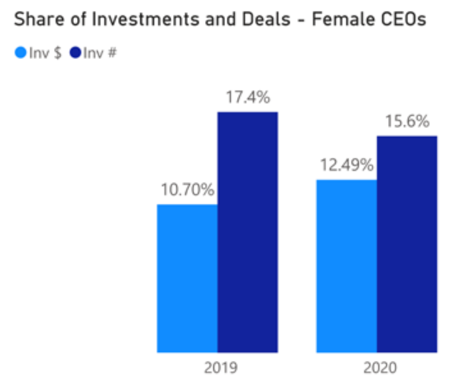
Meanwhile, White / Caucasian Female CEOs had lower PMVs, had smaller round sizes and raised on average 25% less capital with a median investment that was 60% less than their White / Caucasian Male counterparts.

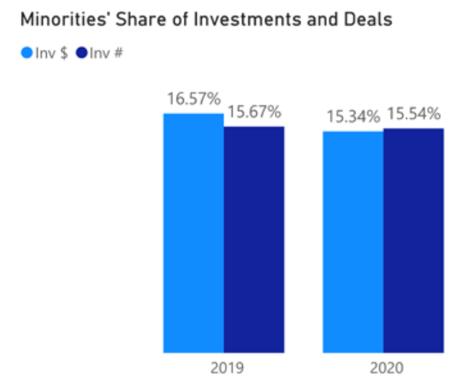
Average of SEED Pre-MoneyVal and # by Gender and Transaction Year

Gender	Female		Male		**Total**	
Transaction Year	Average of Round Size	#	Average of Round Size	#	**Average of Round Size**	**#**
2019	$1.6	69	$2.4	163	**$2.2**	**232**
2020	$1.5	75	$2.0	204	**$1.9**	**279**
Total	**$1.5**	**144**	**$2.2**	**367**	**$2.0**	**511**

Clearly there is work to do as investors to understand bias and strive to provide fair opportunities. The gender discrepancies have been broadcast for at least 15-20 years in the entrepreneurial community. As women became angels, and formed groups as long as 20 years ago, they have stimulated women's access to capital. But especially in 2020 there is greater awareness of the need to clarify the focus, to look for teams and investment opportunities across ethnicities. With more data points, we will see more clearly the intersection of gender and ethnicity. This is a start.

2020 was our first year to investigate the ethnicity data on a more granular level, now shown in the table on the bottom of page 19. It is real sample of Seed Stage CEOs and the economic attributes of their capital raise experience.





CEO Deals and Total Investments by Ethnicity and Gender

Transaction Year	2019				2020				**Total**			
Ethic-Gender	Investment	%Inv	Deals	%Deals	Investment	%Inv	Deals	%Deals	**Investment**	**%Inv**	**Deals**	**%Deals**
Minority-Female	$51.5	2.00%	63	3.24%	$57.8	1.73%	52	2.81%	**$109.3**	**1.85%**	**115**	**3.03%**
Minority-Male	$374.3	14.53%	240	12.35%	$453.7	13.61%	235	12.70%	**$828.1**	**14.01%**	**475**	**12.52%**
Non-Minority-Female	$225.0	8.74%	274	14.09%	$355.9	10.68%	238	12.86%	**$580.9**	**9.83%**	**512**	**13.49%**
Non-Minority-Male	$1,924.6	74.73%	1367	70.32%	$2,466.3	73.98%	1326	71.64%	**$4,390.9**	**74.31%**	**2693**	**70.96%**
Total	**$2,575.4**	**100.00%**	**1944**	**100.00%**	**$3,333.7**	**100.00%**	**1851**	**100.00%**	**$5,909.1**	**100.00%**	**3795**	**100.00%**

Capital Raising Attributes by CEO Gender & Ethnicity (Seed, 2020)

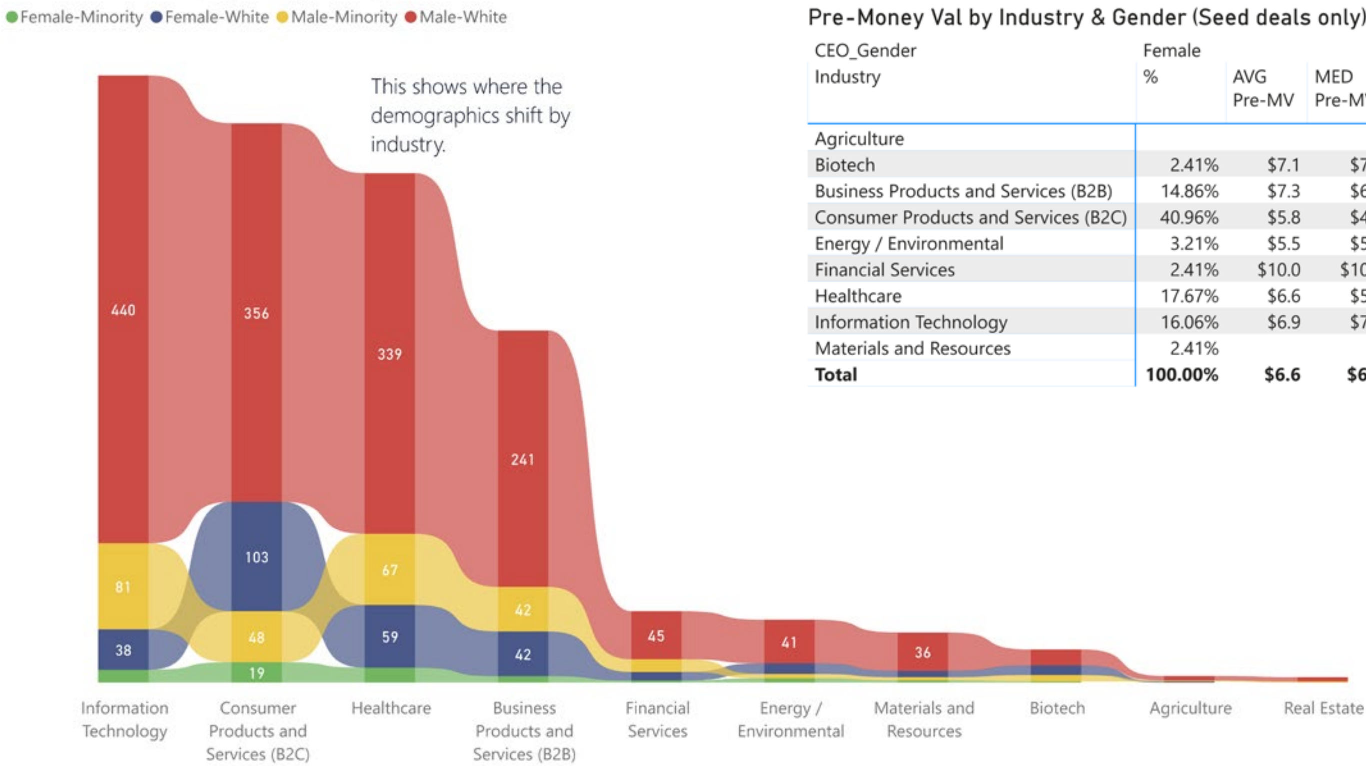
Gender	Female				Male				**Overall**			
Ethnicity-Industry (groups)	AVG RS	MED RS	AVG Pre-MV	MED PreMV	AVG RS	MED RS	AVG Pre-MV	MED PreMV	**AVG RS**	**MED RS**	**AVG Pre-MV**	**MED PreMV**
(Blank)	$2.0	$2.0	$18.0	$18.0	$2.5	$2.3	$11.5	$7.5	**$2.4**	**$2.0**	**$12.8**	**$12.0**
Asian	$0.3	$0.2	$2.0	$1.5	$2.4	$1.3	$7.3	$8.0	**$1.7**	**$0.7**	**$5.7**	**$4.0**
Black/AA	$1.4	$0.8	$4.5	$4.0	$2.4	$2.1	$12.6	$6.0	**$2.0**	**$1.0**	**$9.0**	**$5.0**
Caucasian/White	$1.5	$1.2	$7.0	$6.1	$2.0	$1.2	$9.8	$6.0	**$1.9**	**$1.2**	**$9.0**	**$6.0**
Latino/a	$1.4	$1.5	$8.0	$10.0	$2.5	$2.3	$9.0	$6.5	**$2.2**	**$1.5**	**$8.7**	**$7.0**
SE Asian/Indian/PI	$0.5	$0.5	$4.0	$4.0	$1.6	$1.5	$7.6	$10.0	**$1.6**	**$1.4**	**$7.4**	**$9.0**
Overall	**$1.5**	**$1.1**	**$6.8**	**$6.0**	**$2.0**	**$1.2**	**$9.6**	**$6.0**	**$1.9**	**$1.2**	**$8.8**	**$6.0**

Gender Analysis by Industry Segment

We are encouraged to see that based on Gender and Ethnicity, PMV appears likely more influenced by industry segment and economic opportunity value for investor returns, than on any other unhidden metric, but Gender disparity is still very apparent across most sectors.

Again, the delta on Gender disparity is less in 2020 (while still high), but we can see in the detailed chart, that women are receiving higher or comparable PMVs than their male counterparts in 3 sectors – Bio Tech, Business Products and Services, and Financial Services. However, the greatest disparity in valuation between genders is in average PMV for Consumer Products and Services. In 2020 almost 41% of all Female CEOs in our database at the Seed Stage are leading Consumer Products and Services companies. They are receiving Average PMVs 45% below their male counterparts but the Median PMV tells us that Male CEOs are driving the outliers -- the higher potential perceived in B2C companies. Also, in other highly valued industry sectors, such as Health Care and Information Technology, Female CEOs are also securing much lower valuations for their companies than their Male counterparts. These 2 industry segments have 17.7% and 16% of the Seed Stage Female CEOs respectively.

Count of CEO Demographics by Industry



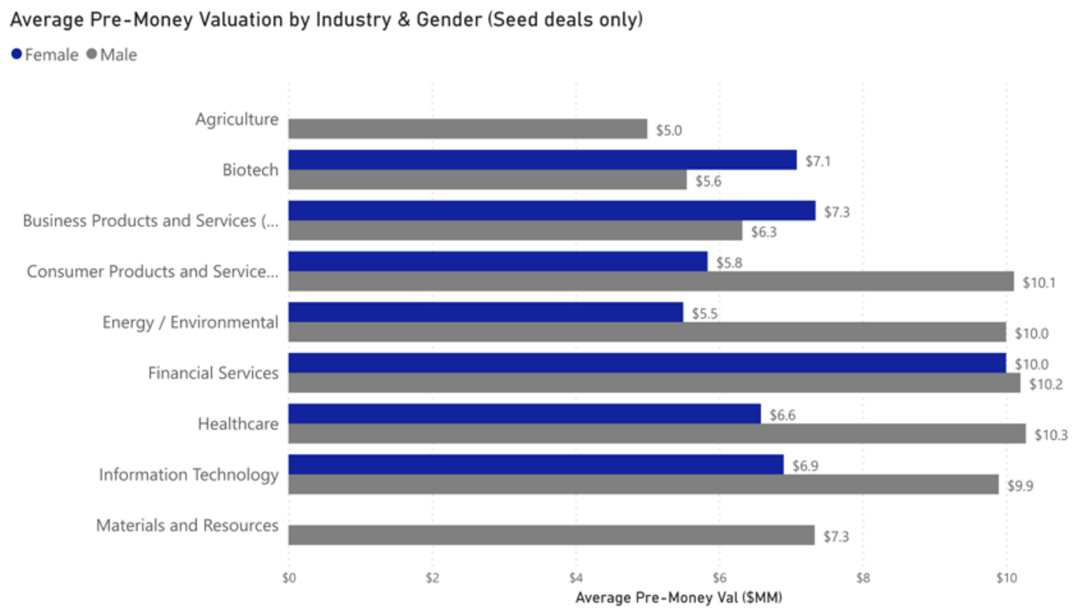
Pre-Money Val by Industry & Gender (Seed deals only)

CEO_Gender	Female			Male			**Total**		
Industry	%	AVG Pre-MV	MED Pre-MV	%	AVG Pre-MV	MED Pre-MV	**%**	**AVG Pre-MV**	**MED Pre-MV**
Agriculture				0.07%	$5.0	$5.0	**0.06%**	**$5.0**	**$5.0**
Biotech	2.41%	$7.1	$7.0	0.36%	$5.6	$5.4	**0.68%**	**$6.6**	**$6.0**
Business Products and Services (B2B)	14.86%	$7.3	$6.2	16.34%	$6.3	$5.4	**16.11%**	**$6.6**	**$6.0**
Consumer Products and Services (B2C)	40.96%	$5.8	$4.0	24.29%	$10.1	$4.0	**26.85%**	**$8.5**	**$4.0**
Energy / Environmental	3.21%	$5.5	$5.5	2.33%	$10.0	$10.0	**2.47%**	**$8.7**	**$6.0**
Financial Services	2.41%	$10.0	$10.0	3.43%	$10.2	$7.0	**3.27%**	**$10.1**	**$8.0**
Healthcare	17.67%	$6.6	$5.5	20.93%	$10.3	$8.0	**20.43%**	**$9.4**	**$7.5**
Information Technology	16.06%	$6.9	$7.0	30.05%	$9.9	$7.8	**27.90%**	**$9.5**	**$7.3**
Materials and Resources	2.41%			2.19%	$7.3	$7.0	**2.22%**	**$7.3**	**$7.0**
Total	**100.00%**	**$6.6**	**$6.0**	**100.00%**	**$9.3**	**$6.0**	**100.00%**	**$8.6**	**$6.0**

CEO Gender & Ethnicity by Industry

The adjacent bar chart of industry participation by Gender provides insight on gender industry preference, as does the table of Industry Segment by Ethnicity.

Using our more detailed ethnicity data, what does this "heat map" of Industry Segment by Ethnicity tell us? That the largest CEO concentration of any ethnic group is SE/Asian (note only 1 Female SE/Asian in our data set) of which 34% are leading Information Technology and Software companies (also the Industry Sector with the second highest average PMV). SE/Asian CEOs also concentrate in Health Care (27%), another highly valued Industry Sector. The Asian population of CEOs also is concentrated, but more closely between IT and Health Care. The Latino/a population is weighted in Consumer Products and Services, but secondarily participating equally between Health Care and IT, and showing up only in Fintech. The Black/African American CEOs are well distributed across 4 major industry segments, and showing up in Financial Services – a new high growth segment. This is a snapshot which we hope signals greater participation in the entrepreneurial ecosystem from entrepreneurs across gender and ethnicity and in their industries of choice.



Industry Segment by Ethnicity

CEO Ethnicity (groups)	Asian		Black/AA		Caucasian/White		Latino/a		SE Asian/Indian/PI	
Industry	#	%M	#	%M	#	%M	#	%M	#	%M
					28	1.53%	1	2.13%	5	3.40%
Agriculture					5	0.27%	1	2.13%		
Biotech	3	3.80%			24	1.32%	1	2.13%	3	2.04%
Business Products and Services (B2B)	13	16.46%	14	24.14%	283	15.51%	7	14.89%	14	9.52%
Consumer Products and Services (B2C)	16	20.25%	15	25.86%	459	25.15%	15	31.91%	21	14.29%
Energy / Environmental	3	3.80%			51	2.79%	1	2.13%	4	2.72%
Financial Services	2	2.53%	5	8.62%	53	2.90%	3	6.38%	4	2.72%
Healthcare	20	25.32%	12	20.69%	398	21.81%	9	19.15%	40	27.21%
Information Technology	22	27.85%	11	18.97%	478	26.19%	9	19.15%	51	34.69%
Materials and Resources					42	2.30%			5	3.40%
Real Estate			1	1.72%	4	0.22%				
Total	**79**	**100.00%**	**58**	**100.00%**	**1825**	**100.00%**	**47**	**100.00%**	**147**	**100.00%**

Super Angels

What we thought was an interesting discovery in our 2019 data turned out to be remarkably consistent in our 2020 Halo data, a group of investors called "Super Angels." In fact, almost an identical number of 2020 deals (131) were identified as sourced through Super Angels, and 123 were Seed/Series A.

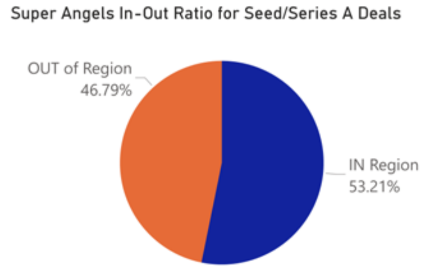
These Super Angels are individuals identified by name, working together or with several other high net worth individuals, not in angel groups. We found them usually investing in their own name, and often affiliated with a family office. Some were clearly still in operating executive corporate roles or entrepreneurs with companies for which they would clearly add value to the company as well as a sizable investment.

Those Super Angels who are currently entrepreneurs appear different from "exited" entrepreneurs who dedicate a significant amount of their time to angel investing. They are still actively immersed as a company builder, yet at ease to invest in a fellow entrepreneur's company where synergy is obvious. Others were in corporate executive roles, adding value to the nature of the angel investment with their industry knowledge and connections.

This year many of the same angels showed up again, and there were some new entrants. It was certainly interesting to find in small print, investor name "Meghan Markle" in Pitchbook's data. The Duchess invested in a Latina entrepreneur in her new home town of Montecito, California. Just an anecdote that we excluded from our Super Angels, since the amount was not discoverable, nor likely to be repeated.

Nevertheless, it shows the spirit in which high net worth individuals can participate in these emerging growth companies and make a personal difference. Some seek to leverage their connections, like well known (and highly

compensated) athletes and social influencers; while some more quietly align their capital with what they want to see more of in the world. An included anecdote was Issa Rae backing a young black female data scientist, and Jaylon Smith, Dallas Cowboy who decided one angel investment was not enough, so launched the Minority Entrepreneurship Institute with access events around the country.



And how about "full round" Super Angels, like seasoned entrepreneur /executive, former founder of 2 unicorns, People Soft and WorkDay, Dave Duffield; who took the Seed Round of a SaaS company suited to benefit from his expertise. Indeed, every data point tells a story.

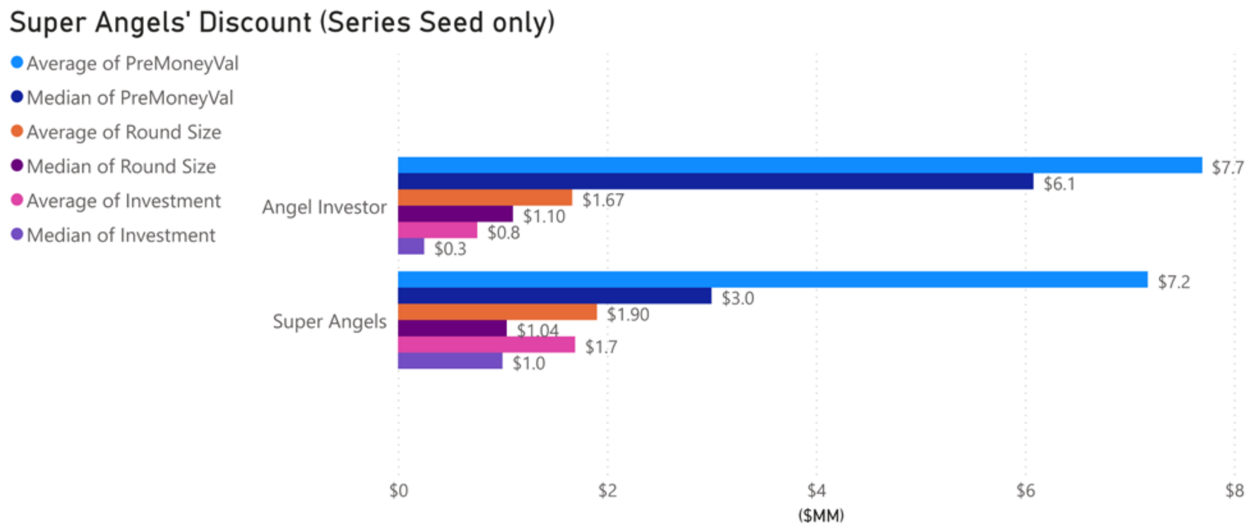
As we found in 2019, Super Angels are located across all of our regions and outside the US. In 2020 almost 33% were concentrated in California. However, they were willing to invest out of region 47% of the time. In addition, 54% of their investments went into new deals. And they were even more likely to invest in ethnically diverse CEOs -- 26% of their companies had nonwhite CEOs, and 18% of their companies had Female CEOs.

All Deals by Region

Investor Region	Deals	% Deals
California	43	34.40%
Texas	16	12.80%
South East	13	10.40%
New York	11	8.80%
z_Out of US	10	8.00%
Great Plains	8	6.40%
Great Lakes	6	4.80%
North West	6	4.80%
North East	5	4.00%
Mid-Atlantic	4	3.20%
South West	3	2.40%
Total	**125**	**100.00%**

Super Angels Secure A 50% discount on the Median Pre Money Valuation

What is perhaps most striking about Super Angels from an investor perspective is that they command attractive valuations. Their median valuation is 3.0M for Seed deals, while the median valuation for all Seed deals is $6.0M - a striking 50% difference. And their average PMV was $7.2M for Seed while the average for all angels was $8.5M, still a nice 15% discount. And like the Duffy example, the statistics show that most Super Angels fill the round. In fact, we see on the bar chart Average of Investment of Super Angels almost equals Average Round Size. Easier to negotiate, manage, and create mutual success. They appear to have opportunities to invest 2-3 times as much of their capital in a single deal than angels in groups, at half the median price, and then leverage their expertise and networks for mutual success.



Almost 34% of Super Angels invest in Consumer Products and Services, which already tend to command lower valuations. To further add to the value creation opportunity, these companies are where their personal recognition and / or connections for distribution agreements can launch their companies into the upper end of investor returns.

Another 34% of Super Angel investments are in Information Technology and Software – one of the highest valuation categories. So securing such low median PMVs must indicate flexibility in valuation for the apparent added benefit their capital brings.

Stage			Later		Seed		Series A		**Total**	
Industry Sector	Deals	% Deals	Deals	% Deals	Deals	% Deals	Deals	% Deals	**Deals**	**% Deals**
Business Products and Services (B2B)	1	0.76%			14	10.69%	1	0.76%	**16**	**12.21%**
Consumer Products and Services (B2C)	2	1.53%			41	31.30%	1	0.76%	**44**	**33.59%**
Energy	1	0.76%			2	1.53%			**3**	**2.29%**
Financial Services			1	0.76%	2	1.53%			**3**	**2.29%**
Healthcare					17	12.98%	2	1.53%	**19**	**14.50%**
Information Technology	2	1.53%	1	0.76%	39	29.77%	3	2.29%	**45**	**34.35%**
Materials and Resources					1	0.76%			**1**	**0.76%**
Total	**6**	**4.58%**	**2**	**1.53%**	**116**	**88.55%**	**7**	**5.34%**	**131**	**100.00%**

Notable Changes in 2020 to the Landscape for Angels

Revenue Based Financing has been evolving as an alternative for companies with revenue and high margin businesses, and is now finding its footing. Sometimes complementing traditional equity, or using convertible notes with repayment options, and without mandatory conversion are some of the alternatives available. Despite the closing of Indie.vc, these models are becoming attractive to entrepreneurs who want more control over their growth plans, and are willing and able to repurchase equity from investors (or return the capital in a debt like model).

Funds like those at angel-led Sage Growth Capital in Idaho are experimenting and proving attractive to entrepreneurs and angels alike; and in North Carolina, emerging Pathos Ethos is targeting entrepreneurs in their region specifically innovating for rural communities. Good returns for investors, good for the right entrepreneurs. Meanwhile, the Revenue Based Financing Community finds form in RBFN.org to share best practices. And Zebras Unite expands yet again in 2020.

We are seeing the explosive growth of companies like Hello Alice. "Empowering the New Majority" as they launch their credit, debt, and sponsored grant programs for entrepreneurs across the country. Backed by SVB and QED, these companies are Fintech innovators, serving the market that used to be the backyard purview of angels. But rather than compete, they can complement, adding value to angel endeavors.

CNote is another Fintech platform, shaping the landscape more quickly than we can even track. Who ever heard of a CDFI before 2020? And now, these regional community banks are becoming savvy -- tech enabled, AI smart and robustly capitalized to serve entrepreneurs in their communities with an array of financing options. Meanwhile, CNote goes on to enable the $3Trillion dollars sitting in cash from Corporations putting it to use for social and financial benefit for entrepreneurs.

New forms of capital are emerging for both angels and our entrepreneurs – in unexpected and most positive ways.

Perhaps most striking, a new digital bank, Greenwood, was founded in Atlanta in 2020 propelled by the events of this pivotal year, to focus on the Black and Latin communities – with loans and grants – building community today without brick and mortar limits. When considering this is also a major initiative in the already growing South East Region, we see so many signs of change for investors. More entrepreneurs rising, more options to fill their capital needs.

And imagine e-commerce companies able to borrow against their reliable monthly revenue from none other than the company who carries their shopping carts - Shopify. Shopify has the company's growth history automatically. And Stripe? Consider their database, and ability to offer cost effective loans. These are the future lenders, already lending. It will soon matter less that an early stage, promising entrepreneur cannot get a bank loan when alternatives, like Shopify and Stripe, and options funded by both angels and institutions emerge.

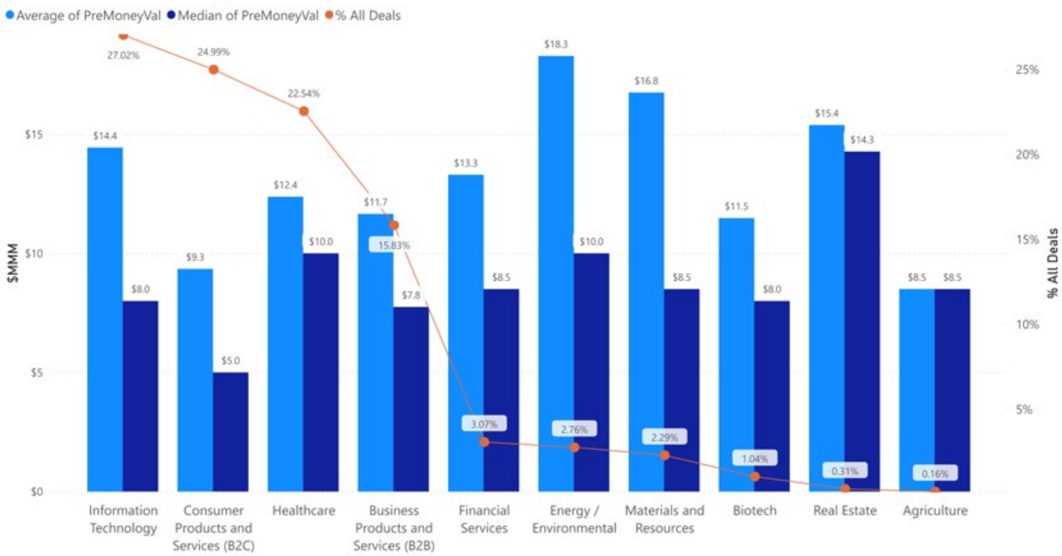
We are basically seeing more entrepreneurs whose target markets are entrepreneurs, addressing and solving the problems of capital access they experienced in their own journeys. Angels are doing the same, as they look to balance portfolios with a blend of Unicorn hunting and predictable growth.

Who could have imagined in January of 2020 what was in store for the year, how markets responded, and how angels stayed the course?

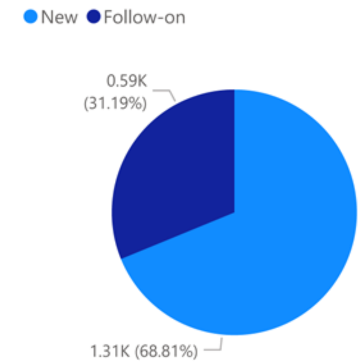
We will continue to reinvent ourselves along with the entrepreneurs we serve.

National Summary & Regional Statistics

Industries Angels Like



Deals by Investment Stage



Deal Structure (% Deals)

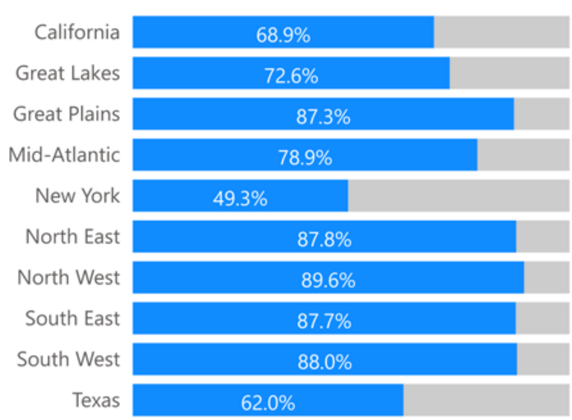
Convertible Note
54.07%

Preferred Equity
29.75%

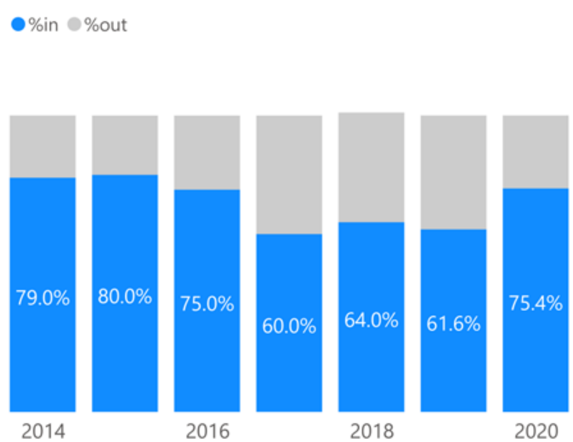
Common
10.11%

SAFE
6.06%

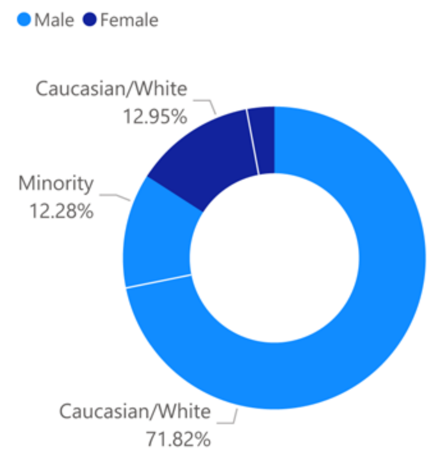
Percentage Deals In Region



Historical In/Out Ratio

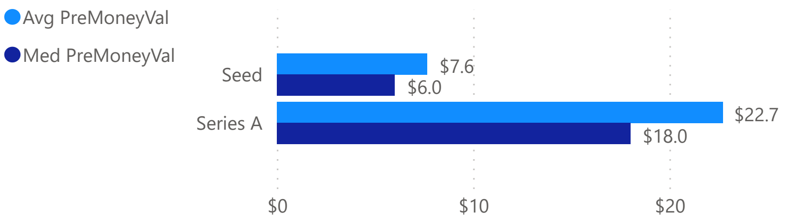


CEOs by Gender & Ethnicity

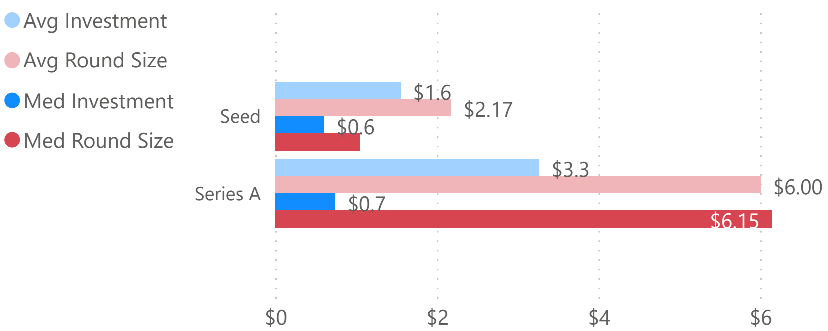


2020 CALIFORNIA

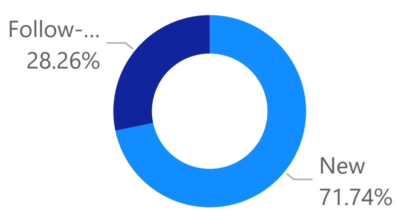
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
50.30%

Preferred Equity
28.96%

Common
10.37%

SAFE
10.37%

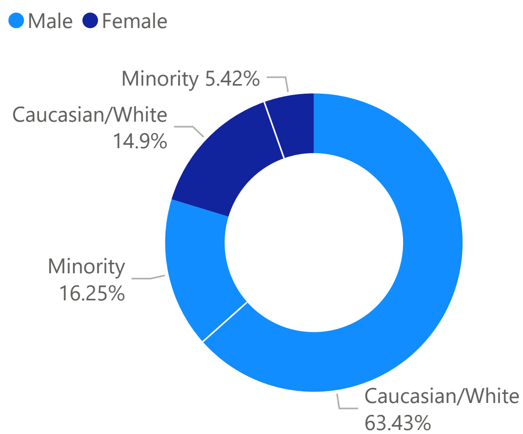
Regional Industry (% deals)

Industry	% Deals
Information Technology	30.68%
Consumer Products and Services (B2C)	23.67%
Biotech & Healthcare	20.77%
Business Products and Services (B2B)	16.43%
Financial Services	3.38%
Energy / Environmental	2.90%
Materials and Resources	1.69%
Real Estate	0.48%
Total	**100.00%**

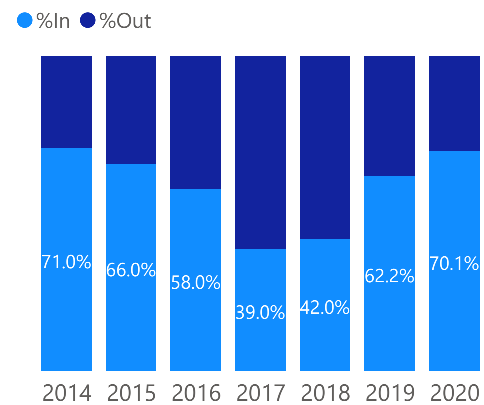
Most Active Angels

#1 Kieretsu Forum
#2 Astia Angels
#3 Golden Seeds
#4 Sacramento Angels
#5 Social Venture Network

CEOs by Gender & Ethnicity



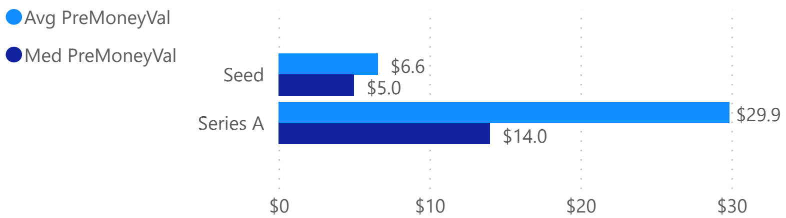
Percent Deals In Region



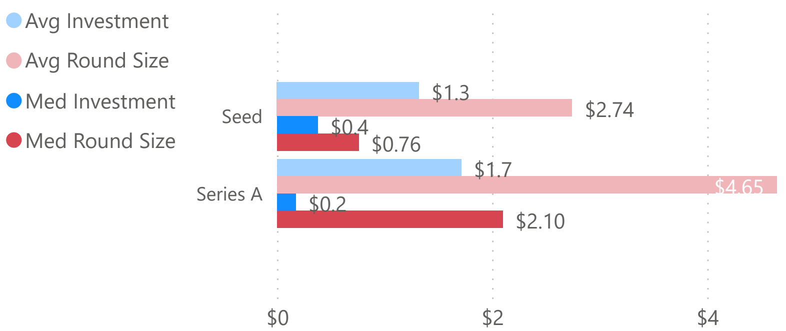
2020

GREAT LAKES

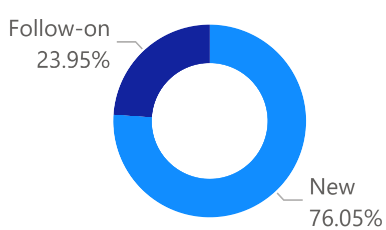
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
64.08%

Preferred Equity
20.42%

Common
9.86%

SAFE
5.63%

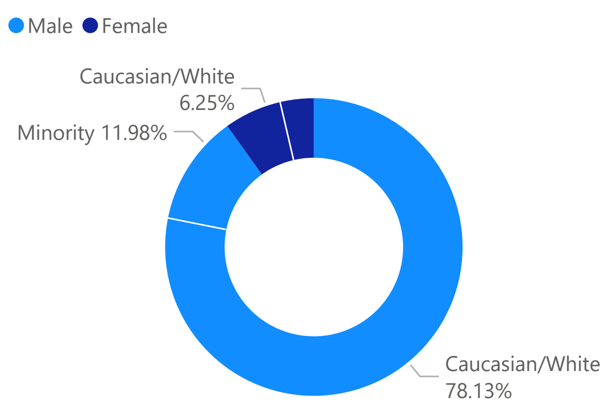
Regional Industry (% deals)

Industry	% Deals
Consumer Products and Services (B2C)	26.01%
Biotech & Healthcare	25.43%
Information Technology	22.54%
Business Products and Services (B2B)	20.81%
Materials and Resources	2.89%
Energy / Environmental	1.16%
Financial Services	1.16%
Total	**100.00%**

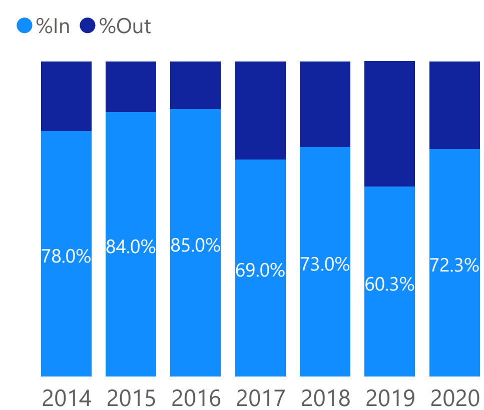
Most Active Angels

#1 Irish Angels
#2 Kieretsu Forum
#3 Michigan Angel Fund
#4 Central Illinois Angels

CEOs by Gender & Ethnicity

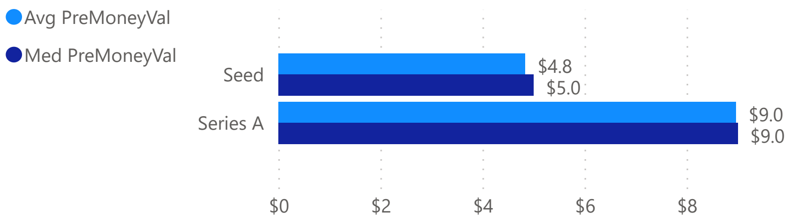


Percent Deals In Region

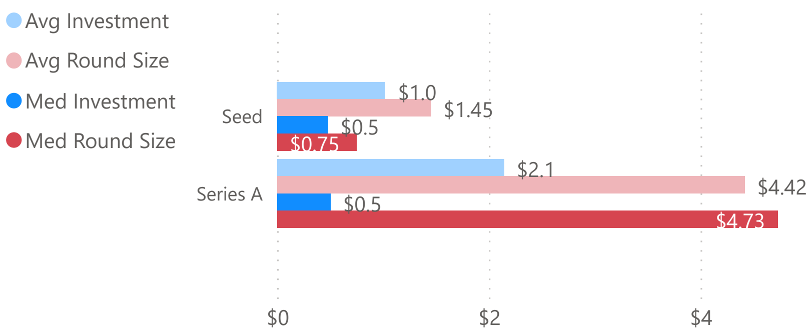


2020 GREAT PLAINS

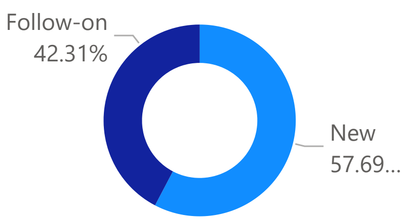
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
39.71%

Preferred Equity
38.24%

Common
14.71%

SAFE
7.35%

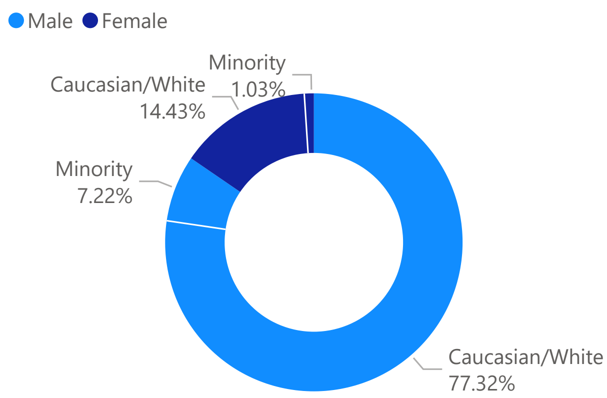
Regional Industry (% deals)

Industry	% Deals
Biotech & Healthcare	30.38%
Information Technology	26.58%
Consumer Products and Services (B2C)	21.52%
Business Products and Services (B2B)	12.66%
Materials and Resources	5.06%
Energy / Environmental	2.53%
Agriculture	1.27%
Total	**100.00%**

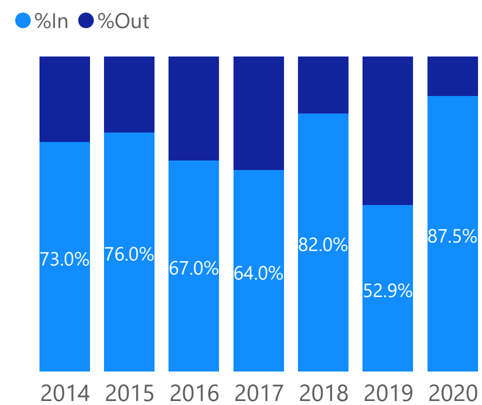
Most Active Angels

#1 Saint Louis Arch Angels
#2 Super Angels
#3 Kieretsu Forum

CEOs by Gender & Ethnicity

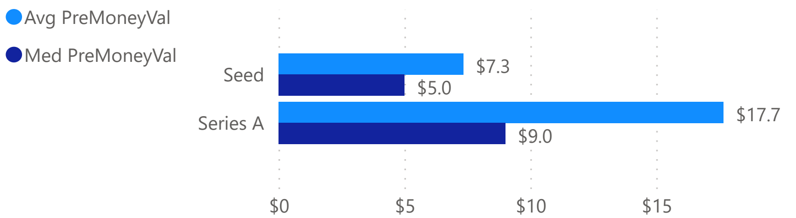


Percent Deals In Region

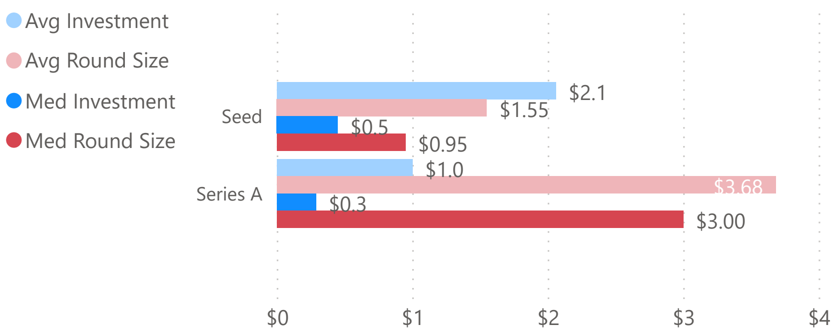


2020 MID-ATLANTIC

Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



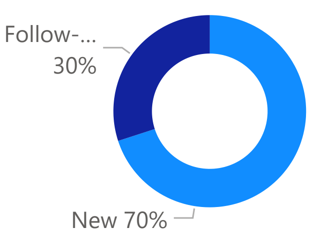
Regional Industry (% deals)

Industry	% Deals
Biotech & Healthcare	30.72%
Consumer Products and Services (B2C)	24.70%
Information Technology	22.29%
Business Products and Services (B2B)	11.45%
Financial Services	4.82%
Energy / Environmental	3.01%
Materials and Resources	1.81%
Agriculture	0.60%
Real Estate	0.60%
Total	**100.00%**

Most Active Angels

#1 Kieretsu Forum
#2 Blue Tree Capital
#3 Broad Street Angels
#4 Social Venture Network

New vs. Follow-on



Deal Structure (% Deals)

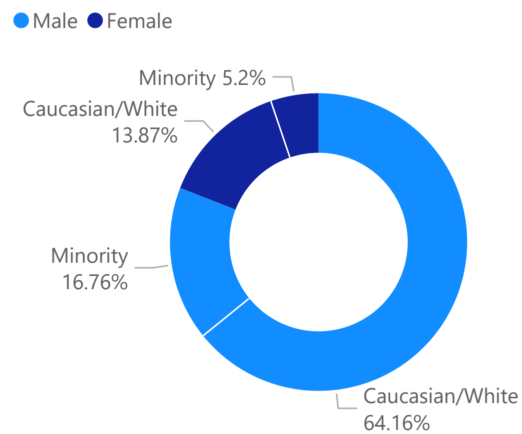
Convertible Note
53.49%

Preferred Equity
27.13%

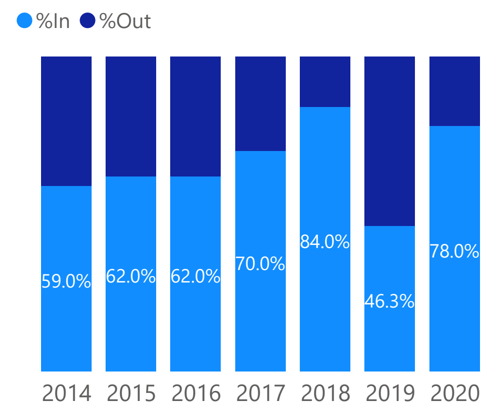
Common
11.63%

SAFE
7.75%

CEOs by Gender & Ethnicity



Percent Deals In Region

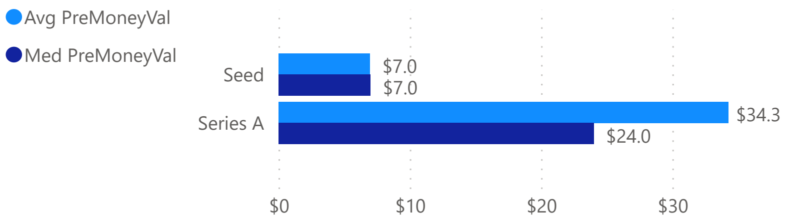


HALO Report™

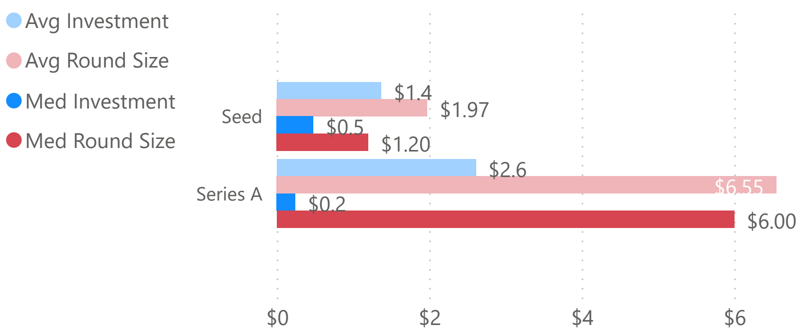
2020

NEW YORK

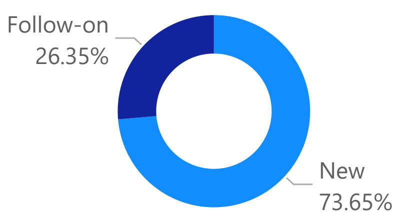
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
51.09%

Preferred Equity
32.12%

Common
8.76%

SAFE
8.03%

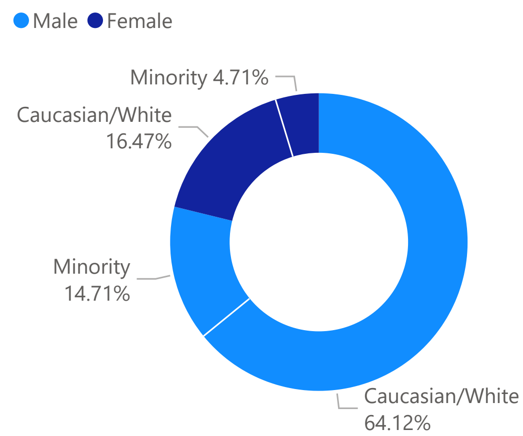
Regional Industry (% deals)

Industry	% Deals
Consumer Products and Services (B2C)	34.94%
Information Technology	30.72%
Business Products and Services (B2B)	14.46%
Biotech & Healthcare	13.86%
Financial Services	3.61%
Energy / Environmental	1.20%
Real Estate	1.20%
Total	**100.00%**

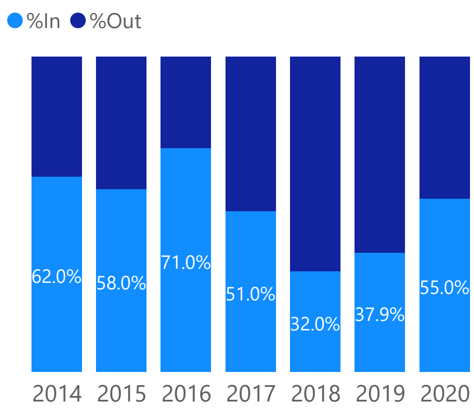
Most Active Angels

#1 NY Angels
#2 Golden Seeds
#3 Kieretsu Forum
#4 Social Venture Network

CEOs by Gender & Ethnicity

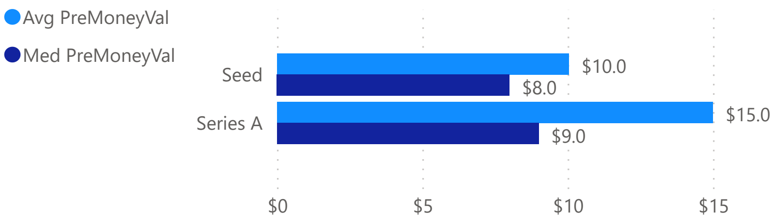


Percent Deals In Region

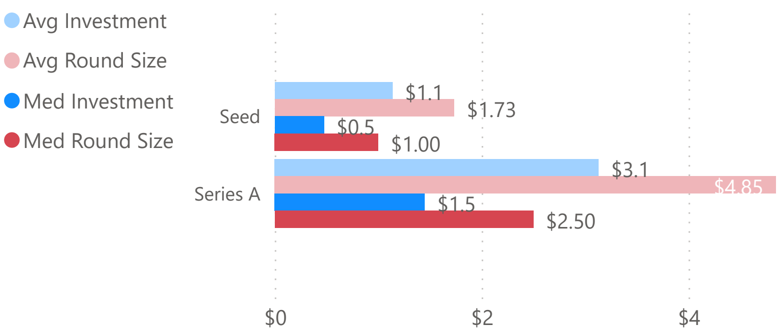


2020 NORTHEAST

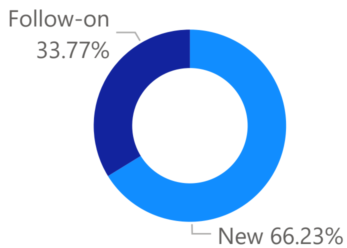
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
56.39%

Preferred Equity
28.57%

Common
8.27%

SAFE
6.77%

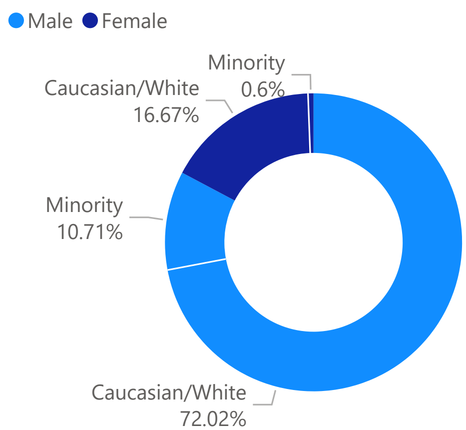
Regional Industry (% deals)

Industry	% Deals
Biotech & Healthcare	28.48%
Consumer Products and Services (B2C)	23.84%
Information Technology	21.19%
Business Products and Services (B2B)	16.56%
Materials and Resources	4.64%
Energy / Environmental	3.97%
Financial Services	1.32%
Total	**100.00%**

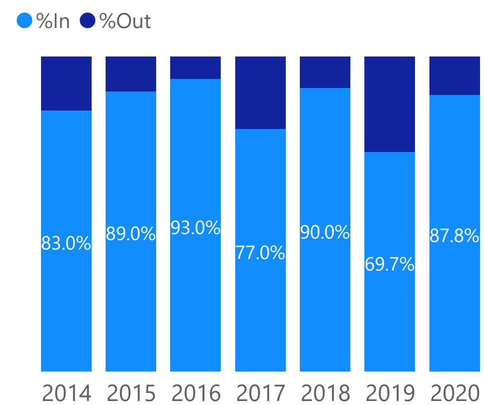
Most Active Angels

#1 Maine angels
#2 Kieretsu Forum
#3 Golden Seeds
#4 Social Venture Network

CEOs by Gender & Ethnicity



Percent Deals In Region



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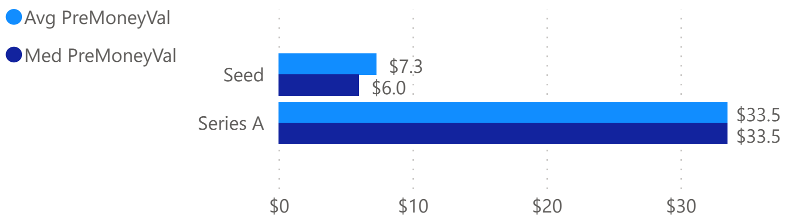
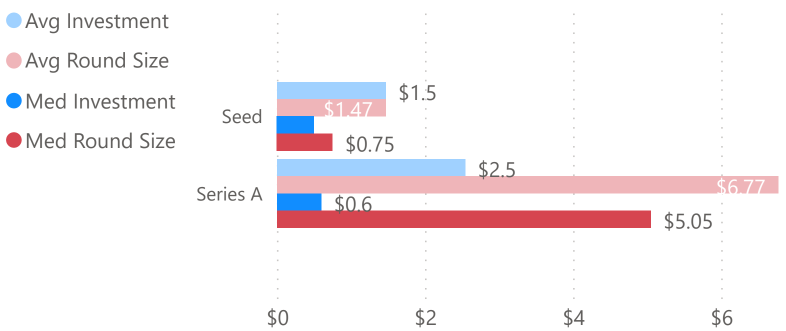
2020 NORTHWEST

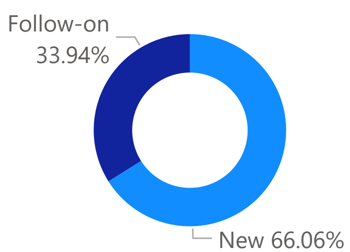
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
56.93%

Preferred Equity
27.74%

Common
8.76%

SAFE
6.57%

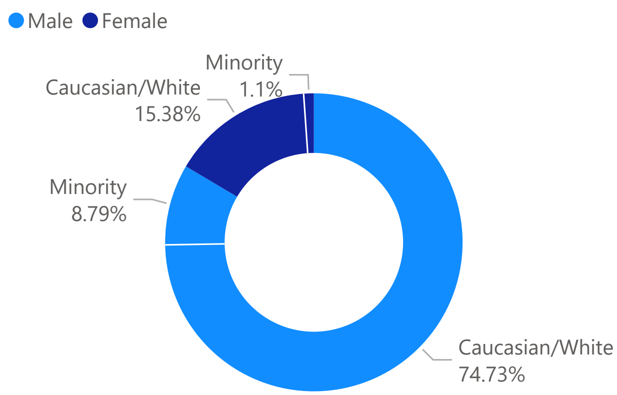
Regional Industry (% deals)

Industry	% Deals
Information Technology	32.93%
Consumer Products and Services (B2C)	25.75%
Biotech & Healthcare	17.37%
Business Products and Services (B2B)	17.37%
Energy / Environmental	2.40%
Materials and Resources	2.40%
Financial Services	1.20%
Agriculture	0.60%
Total	**100.00%**

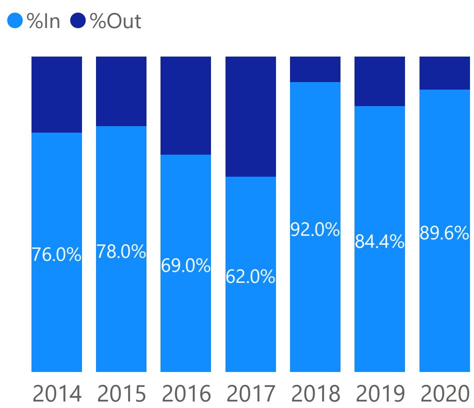
Most Active Angels

#1 Alliance of Angels
#2 Kieretsu Forum
#3 SeaChange

CEOs by Gender & Ethnicity



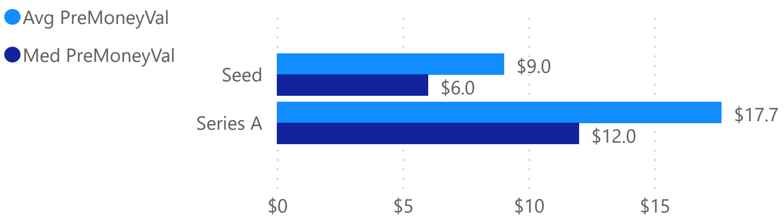
Percent Deals In Region



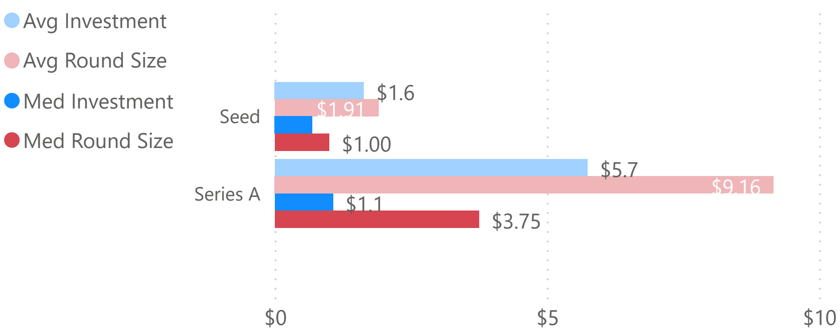
HALO Report™

2020 SOUTHEAST

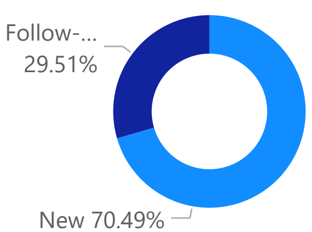
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
52.78%

Preferred Equity
28.97%

Common
12.30%

SAFE
5.95%

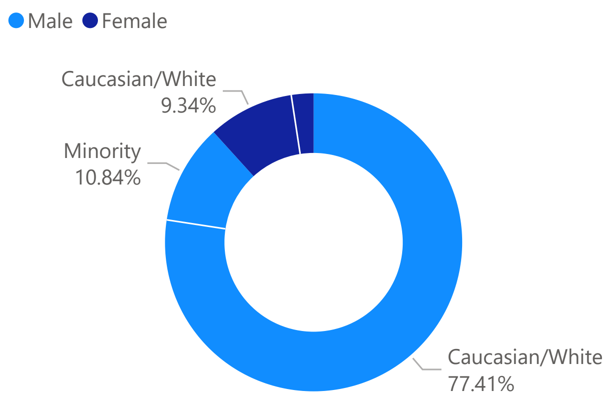
Regional Industry (% deals)

Industry	% Deals
Information Technology	26.60%
Biotech & Healthcare	25.64%
Consumer Products and Services (B2C)	23.08%
Business Products and Services (B2B)	14.74%
Financial Services	5.45%
Energy / Environmental	2.56%
Materials and Resources	1.60%
Real Estate	0.32%
Total	**100.00%**

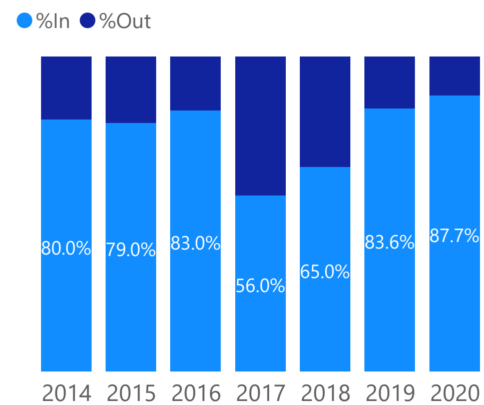
Most Active Angels

#1 Kieretsu Forum
#2 Super Angels
#3 Tamiami
#4 Social Venture Network

CEOs by Gender & Ethnicity



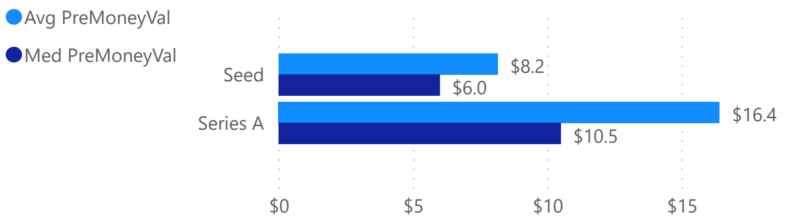
Percent Deals In Region



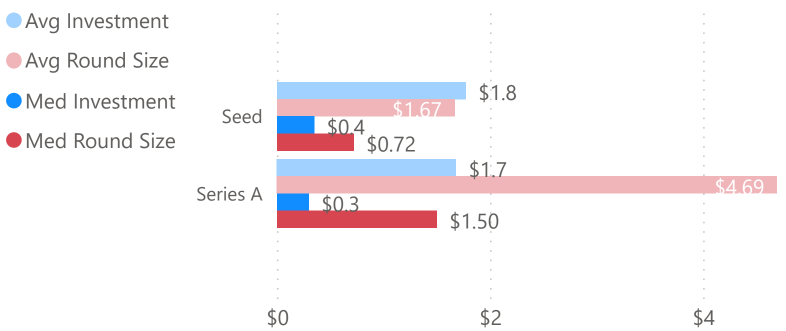
HALO Report™

2020 SOUTHWEST

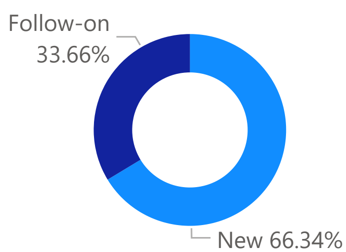
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
58.48%

Preferred Equity
29.24%

Common
7.02%

SAFE
5.26%

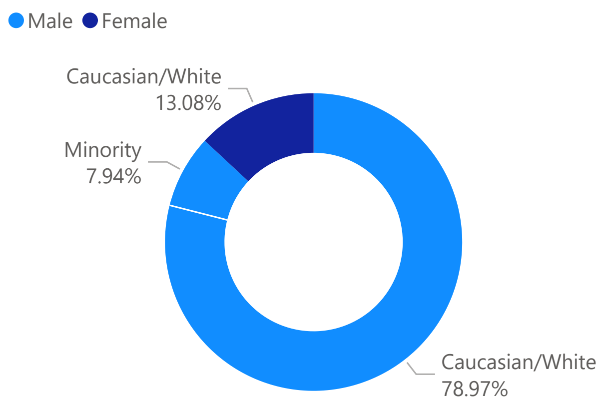
Regional Industry (% deals)

Industry	% Deals
Consumer Products and Services (B2C)	26.60%
Information Technology	25.12%
Biotech & Healthcare	24.63%
Business Products and Services (B2B)	16.75%
Energy / Environmental	2.96%
Financial Services	1.97%
Materials and Resources	1.97%
Total	**100.00%**

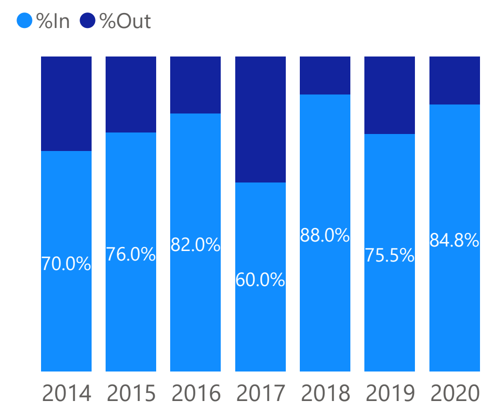
Most Active Angels

#1 Desert Angels
#2 Reno Seed Fund
#3 Kieretsu Forum
#4 Social Venture Network

CEOs by Gender & Ethnicity

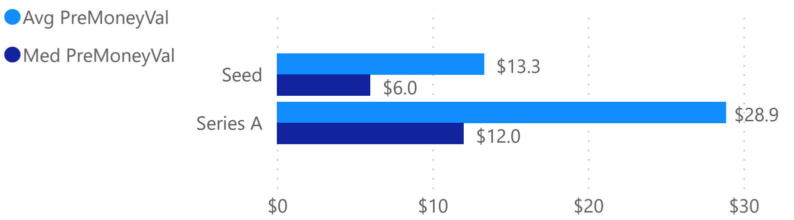


Percent Deals In Region

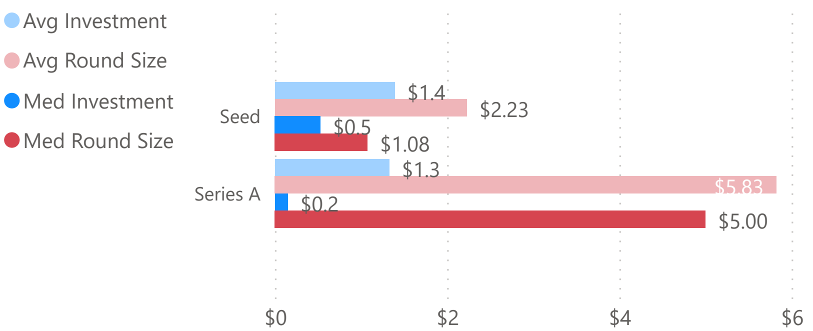


2020 TEXAS

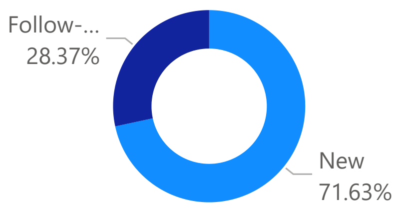
Pre-Money Valuation (MM) by Investment Stage



Group Investment & Round Size (MM) by Investment Stage



New vs. Follow-on



Deal Structure (% Deals)

Convertible Note
54.31%

Preferred Equity
32.76%

Common
8.62%

SAFE
4.31%

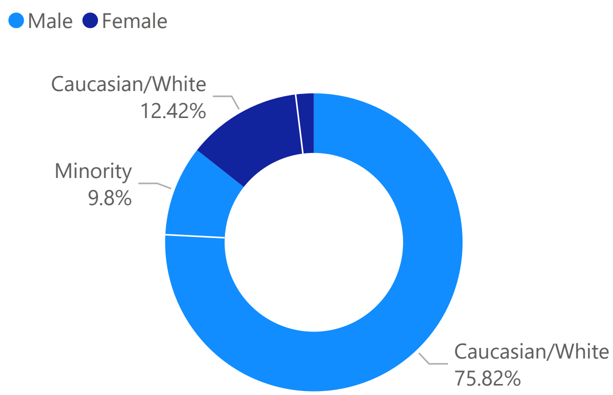
Regional Industry (% deals)

Industry	% Deals
Consumer Products and Services (B2C)	26.95%
Biotech & Healthcare	25.53%
Information Technology	21.28%
Business Products and Services (B2B)	17.02%
Energy / Environmental	4.96%
Materials and Resources	2.84%
Financial Services	1.42%
Total	**100.00%**

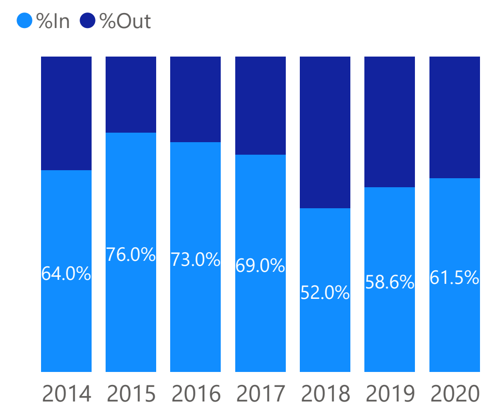
Most Active Angels

#1 Houston Angels
#2 Super Angels
#3 Kieretsu Forum
#4 Social Venture Network

CEOs by Gender & Ethnicity



Percent Deals In Region



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The **2020 HALO Report** provides early-stage investors and entrepreneurs with comprehensive data and associated analysis from both third party sources and Angels themselves, resulting in an enhanced understanding of how Angels invest, startups are funded, and the ecosytem's demographic shifts.

About the HALO Report

The HALO Report provides analysis and trends on the US angel community. Angels, and angel groups, invest alone, together and with many other types of investors. The HALO Report data focuses on early stage investments primarily Seed Stage and those Series A deals that include significant angel participation.

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A special thank you to senior analyst Claire Vu, Stanford University intern Alex Peng, and many colleagues who worked tirelessly on data sets, verifying and researching the unglamorous details.

And to Zack Self and extended team whose enthusiastic support encouraged ARI to go deeper than in years past. A data scientist turned entrepreneur with a passion for the industry, Zack's ongoing support with both technical and creative insights, immense patience, and "can do" attitude, was constant inspiration. www.zackself.com.

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