

## **Raphta Angel Network:**

### **Mission Statement:**

Raphta Angel Network's mission is to support and empower early-stage businesses by providing them with strategic guidance, seed funding, mentorship, and growth-hacking techniques while fostering a collaborative ecosystem of founders investing in founders.

### **Vision Statement:**

Our vision is to be the leading angel network transforming how startups are funded and supported, driving innovation and wealth creation in the entrepreneurial ecosystem.

### **Ideology and Manifesto:**

- Raphta Angels believes in a hands-on approach, with Lead Angels playing a pivotal role in understanding and supporting the founders and their ventures.
- We prioritise unconventional financing models, such as Revenue-Sharing and Profit-Sharing agreements, over traditional equity and debt financing.
- We are committed to building a solid network of founders, investors, and partners to create a thriving entrepreneurial community.
- We aim to fulfil the promise of wealth creation and diversification for Sahara Ventures shareholders through active participation in the network.

### **Relationships:**

- *Sahara Ventures Shareholders:* Shareholders of Sahara Ventures are automatically part of the Raphta Angel Network but need to invest to benefit fully from the network's offerings.
- *Sahara Accelerator:* Sahara Accelerator is closely affiliated with Raphta Angels and co-invests through the Raphta Fund.
- *Raphta Fund:* Raphta Fund is a revolving fund owned by Sahara Accelerator, which invests in promising ventures alongside Raphta Angels. Sahara Accelerator enjoys returns from these investments.
- *Lead Angels:* Lead Angels take on a hands-on role, working closely with founders and managing the portfolio as co-founders, while other Angels offer support in collaboration with the Lead Angel.

**Business Model:**

- Raphta Angels primarily invests in early-stage businesses through Revenue-Sharing and Profit-Sharing agreements, with returns based on the level of investment.
- The network provides startups access to strategic partners, seed funding, technical and business mentorship, and growth hacking techniques.
- Raphta Angels shares a portion (5%) of their revenue with Sahara Accelerator for hosting products that Raphta Fund has not invested in.

**Venture Sourcing and Portfolio Management Strategy:**

- Raphta Angels source ventures through an invitation-only membership model and active participation from Sahara Ventures shareholders.
- The network leverages the expertise of Lead Angels and other members to identify, evaluate, and select promising startups.
- Portfolio management is hands-on, with Lead Angels taking the lead in guiding and supporting the startups in which they invest.

**Eligibility Criteria for Joining the Network:**

- Membership in Raphta Angel Network is by invitation only, with a preference for founders turning investors.
- Members are encouraged to invest in the supported startups to benefit from the network.

**Tools for Network Governance and Venture Onboarding:**

- The network employs various tools and platforms for communication, collaboration, and due diligence.
- Tools for venture onboarding include pitch evaluation frameworks, financial modelling tools, and startup assessment criteria.
- Governance may involve regular meetings, updates, and reporting mechanisms to ensure transparency and accountability.

**Other Key Issues:**

- Raphta Angels aims to foster a culture of mentorship, collaboration, and active engagement among members and startups.

## *Unconventional Angels Investing in Unconventional Businesses*

- The network seeks to promote innovation and wealth creation by providing startups with the resources and guidance they need to succeed.
- Raphta Angel Network's success is tied to the success of the startups it supports, creating a win-win situation for all stakeholders involved.

### **Legal Structure:**

Raphta Angel Network is an informal group of angel investors. However, it will be formalised when the network structure grows substantially and requires a more structured legal entity.

### **Leadership and Governance:**

A leadership committee oversees the network's operations, decision-making, and strategy. The leadership team includes positions such as Chief-Investor, Portfolio and Community Manager, and Secretary, responsible for governance, finance, and administrative functions.

### **Membership Criteria:**

- Raphta Angel Network membership is open to all investors genuinely interested in early-stage investing who share the network's mission and vision.
- Potential members must commit to the network's objectives and actively participate in investments and activities.

### **Investment Focus:**

- Raphta Angel Network primarily invests in high-growth startups and tech-enabled small and medium-sized enterprises (SMEs) across various industry sectors.

### **Funding Model:**

- Members of the Raphta Angel Network contribute an annual membership fee to cover operational expenses.
- Investment funds are pooled from individual members, and deals are structured using various models, including equity, revenue-sharing, and profit-sharing agreements.

### **Deal Flow:**

- Deal sourcing and evaluation is championed by Sahara Accelerator, leveraging its network, resources, and expertise.

## *Unconventional Angels Investing in Unconventional Businesses*

- Sahara Accelerator actively scout for promising startups and presents them to the Raphtha Angel Network for consideration.

### **Due Diligence Process:**

- A rigorous due diligence process is adapted to assess potential investments, encompassing financial, market, legal, and technical assessments.
- Due diligence teams, comprising network members with relevant expertise, conduct thorough evaluations.

### **Investment Structure:**

- Investment terms vary based on the startups' specific needs and growth stage, with equity, revenue-sharing, or profit-sharing agreements tailored to each case.
- The network and the startup founders negotiate and agree upon the terms.

### **Mentorship Structure:**

- Raphtha Angel Network provide mentorship and support to portfolio companies through a mentorship program.
- Experienced members and external mentors matched with startups based on industry and growth stage.

### **Community Building:**

- Regular meetings, networking events, and knowledge-sharing sessions are organised to foster a strong sense of community among members and portfolio companies.
- Collaboration and peer-to-peer learning is encouraged.

### **Accountability System:**

An accountability framework ensures transparency and reporting on the network's financial health, investments, and activities.

### **Communication Strategy:**

Transparent and open communication channels are maintained through regular updates, newsletters, and online platforms to inform members about network developments and investment opportunities.

**Strategic Partners:**

Raphta Angel Network is seeking strategic partnerships with organisations, industry associations, and other angel networks to expand its reach and access to deal flow.

**Impact Reporting:**

The network tracks and reports the impact of its investments, including job creation, revenue growth, and social or environmental benefits, to demonstrate its contribution to the entrepreneurial ecosystem.

**Exit Strategy From The Network:**

Raphta Angel Network is establishing an exit strategy for members who wish to leave the network, ensuring a smooth transition and the preservation of their investments. If the network decides to formalise, it considers options like converting into a formal legal entity or merging with other networks for sustainability and growth.