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Seeds of Change: How Angel Ventures Mexico is Transforming Mexico's Startup Landscape

In the bustling heart of Mexico City, Hernán Fernández, co-founder of Angel Ventures Mexico (AVM), reflected on the journey that had shaped him as an entrepreneur in Latin America. "Being an entrepreneur here," he mused, "isn't just a full-time job; it's a full-life job." This sentiment encapsulated the all-encompassing nature of building a startup in an emerging market, where the lines between business and personal life often faint, and where each new venture represented not just a company, but a piece of the region's evolving economic landscape.

Fernández's journey with AVM began in 2008, born from a vision to transform Mexico's emerging entrepreneurial ecosystem. The firm's mission was clear: to bridge the critical gap between high-potential startups and the capital they desperately needed. As Fernández looked back on AVM's evolution from a simple angel network to one of Latin America's premier venture capital firms, he faced new strategic questions that would shape the company's future.

Fernández, attributes much of his entrepreneurial vision and focus on technology in emerging markets to his time at the Massachusetts Institute of Technology (MIT). While pursuing his MBA at MIT's Sloan School of Management, Fernández was deeply immersed in an environment that fostered innovation, entrepreneurship, and the application of technology to solve complex challenges. His exposure to MIT's forward-thinking approach opened his eyes to the potential of using technological advancements to drive growth and development in emerging markets, particularly in Latin America. At MIT, Fernández witnessed firsthand the power of technology in transforming industries and creating new business models. The entrepreneurial spirit that pervaded

the campus inspired him, as he saw numerous startups thriving in an ecosystem that supported innovation and risk-taking. This experience profoundly influenced his perspective on the untapped opportunities within his home region of Latin America, which at the time, was still grappling with economic challenges but had immense potential for growth, particularly in the tech sector.

Though Fernández had initially pursued a more conventional career path after completing his MBA, he soon found himself daydreaming about the vibrant entrepreneurial environment he had experienced at MIT. He realized that the corporate world, though comfortable and stable, would pull him away from the excitement and dynamism of innovation that had captured his imagination

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during his time at Sloan. The entrepreneurial mindset he developed at MIT—combined with his understanding of the power of technology—motivated him to make a significant change.

Just a year into his corporate job, Fernández decided to take a leap and follow his passion for building the startup ecosystem in Latin America. His goal was to replicate the innovative culture he had experienced at MIT, bringing the tools of technology, venture capital, and entrepreneurship to his home region. This decision led to the founding of Angel Ventures Mexico, a venture capital firm that would focus on investing in early-stage tech-driven startups designed to meet the unique needs of Latin America's emerging market. Through AVM, Fernández and his team have played a pivotal role in fostering innovation in Latin America, supporting startups that leverage technology to solve local challenges and drive economic growth. His experience at MIT not only shaped his entrepreneurial journey but also instilled in him a commitment to using technology as a catalyst for change in the emerging markets of Latin America.

The Genesis

In 2008, Mexico's startup scene was drastically different from the vibrant ecosystems Fernández had witnessed during his time at MIT. While Mexico had pools of talent and innovative ideas, access to capital was severely limited. In contrast to the U.S., where 80% of angel investors were connected to the tech industry through roles at companies like Facebook or Google, Mexico lacked a network of tech-driven investors.

Recognizing this gap, Fernández, along with his co-founders, Andrés Medina-Mora and Alberto Osio, saw an opportunity. They envisioned creating a professionally managed angel network that could connect high-net-worth individuals—many of whom had little experience with tech investments—to promising early-stage companies. Inspired by successful U.S. angel investor groups such as Band of Angels and Common Angels, they tailored their model to the unique challenges of the Latin American market, where the traditional tech-focused angel investor profile was not yet prevalent.

This vision led to the founding of Angel Ventures Mexico (AVM), a pioneering venture capital firm. Specializing in early-stage and early-growth companies, AVM quickly positioned itself as a key player in Latin America's startup ecosystem. With a primary focus on Series Seed and Series A funding, AVM aims to accelerate innovative business models tailored specifically to the Latin American market.

To bridge the gap in Mexico's capital ecosystem, AVM established a professionally managed angel investor network. The firm's model included a central team responsible for deal sourcing, due diligence, and presenting investment opportunities to high-net-worth individuals, many of whom were not from technological backgrounds. Between 2008 and 2010, AVM held breakfast meetings with potential investors, including CEOs, CTOs, and McKinsey partners, drawing significant media attention and growing interest from both entrepreneurs and investors. This strategy was instrumental in the firm's early success.

Since its inception, AVM has managed two major investment funds, with one currently in the divestment period. The firm employs rigorous investment methodologies, attracting top-tier entrepreneurs and leveraging its intangible assets—such as expertise, networks, and strategic insights—to maximize returns. AVM adheres to global best practices in venture capital, ensuring compliance with industry standards and fostering sustainable growth for its portfolio companies.

In 2013, AVM launched its first \$20 million venture capital fund, which invested across sectors such as fintech, food tech, education, consumer goods, and e-commerce. Backed by institutional

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investors, including the Inter-American Development Bank, Mexico Ventures, and 53 family offices, this fund helped solidify AVM as a leader in early-stage investment in Latin America.

Building on this success, AVM expanded geographically in 2019 with its second fund, targeting the Pacific Alliance countries—Mexico, Chile, Colombia, and Peru. This expansion capitalized on the region's combined \$2 trillion economy, providing a platform for startups like Apprendi and Collecti to scale across Latin America. AVM's efforts have helped create a vibrant community of entrepreneurs and investors, further positioning the firm as a key player in fostering economic growth in the region.

With a portfolio of 185 investments, AVM has demonstrated its strength in industries such as financial software, business productivity, and SaaS. Standout companies in its portfolio, including KredFeed, Peakr, and Foccz, reflect AVM's commitment to supporting startups that offer innovative, scalable solutions. AVM's most recent investment, made in July 2024, was directed toward KredFeed, a financial software company exemplifying the type of high-growth, disruptive businesses the firm seeks to back.

The Team

The team at AVM is composed of a diverse group of professionals with expertise in various aspects of venture capital, business development, and innovation. Hernán Fernández, a Managing Partner and one of the co-founders, leads the team alongside Camilo Kejner, another Managing Partner, guiding AVM's overall strategy and growth.

Key regional leadership includes:

- Javier Sánchez-Aldana, Director of the Guadalajara office
- Ana Mora-Bowen, Director of the Colombia office

Both oversee local operations and help expand AVM's footprint across Latin America.

Other key roles include:

- Amaya Balino, Head of Legal, ensuring compliance with international regulations
- Eduardo Ramos, Head of Innovations, focusing on identifying new technological trends and investment opportunities
- Charles Travers, Head of Investments, responsible for managing the firm's portfolio investments and overseeing capital allocation

Supporting the firm's expansion and development are:

- Fabián Aguilar, Principal
- Analysts: Martin Soler, Paulina Melo, and Javier Pérez
- Business Development: Michelle Martínez and Karola Martínez
- Marketing/Communications: Valeria Gracia
- Alonso Cisneros, Fulbright intern
- Office Managers: Araceli de la Madrid and Ernesto Rodríguez

Together, this team drives AVM's mission of fostering innovation and entrepreneurship across Latin America.

Problem Identified

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The founders of AVM identified a critical gap in Mexico's entrepreneurial ecosystem: the stark contrast between the investor landscapes in Mexico and the United States. While the U.S. had a robust network of angel investors, often former tech employees or successful entrepreneurs familiar with the startup ecosystem, Mexico lacked this crucial component.

In the U.S., approximately 80% of angel investors were connected to the tech industry, bringing not only capital but also valuable experience and networks to startups. In contrast, Mexico's investment community lacked both a critical mass of such investors and the technological background that made them so effective in supporting early-stage companies.

This disparity created significant challenges for Mexican entrepreneurs:

1. Limited funding options: Entrepreneurs often had to rely on personal connections or self-finance their ventures, which constrained innovation and economic growth.
2. Lack of organized investment networks: The absence of structured angel groups made it difficult for startups to connect with potential investors.
3. Investor hesitancy: Many high-net-worth individuals in Mexico were unfamiliar with the startup ecosystem and hesitant to invest in early-stage companies, perceiving them as high-risk.
4. Expertise gap: Even when capital was available, there was a shortage of investors who could provide the strategic guidance and industry connections that tech-savvy angel investors often bring to startups.

To address these challenges, AVM developed a unique approach:

- Creating a professionally managed angel investor network
- Attracting high-net-worth individuals, corporate executives, and partners from consulting firms, rather than relying solely on tech-savvy investors
- Handling deal sourcing, due diligence, and presentation of opportunities to investors

This strategy provided a structure for investors interested in supporting innovation but lacking expertise in identifying viable startups. By bridging the gap between entrepreneurs and potential investors, AVM aimed to catalyze the growth of Mexico's venture capital ecosystem and provide a new pathway for entrepreneurs to secure the funding and support needed to launch and scale their businesses.

The founders faced a critical decision: how to adapt the U.S. angel investment model to Mexico's unique landscape. They needed to create a structure that would not only attract investors but also provide the due diligence and deal flow necessary to build confidence in an unfamiliar asset class.

Building the Network

AVM embarked on its journey with a series of strategic initiatives aimed at building a robust network and ecosystem. The firm's early years were marked by the establishment and management of the Club de Inversionistas de México, a platform that facilitated collaboration and co-investment among angel investors. Concurrently, AVM forged strategic alliances with key players in the ecosystem, including accelerators, incubators, investment banks, private equity funds, research centers, universities, and public sector entities.

To solidify its industry position, AVM joined influential organizations such as the Angel Capital Association (ACA) in the United States and the Mexican Private Equity Association (AMEXCAP). The firm also developed a professional services network, partnering with carefully selected accountants, lawyers, and business consultants who offered their services to portfolio companies at preferential rates.

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As AVM built its network, it faced the challenge of cultivating trust among investors accustomed to more traditional asset classes while ensuring a steady flow of high-quality deals. To address this, the Club de Inversionistas de México implemented a rigorous process for detecting and selecting projects based on their potential, competitive advantages, innovation elements, and market opportunities. By establishing itself as a relevant player in angel capital in Mexico, AVM attracted high-quality projects through prospecting, references, and its growing reputation. The firm also worked closely with entrepreneurs to implement corporate governance policies, enhancing transparency and best practices to increase investor confidence.

AVM's evolution from a simple angel network to a structured venture capital firm was marked by significant milestones. Between 2008 and 2012, the firm executed 13 deals through Special Purpose Vehicles (SPVs), which allowed for selective investments but had limited follow-through capacity due to the absence of a management fee or dedicated team.

Investment Ecosystems

A startup ecosystem refers to the network of individuals, organizations, and resources that support the creation and growth of startups. This includes entrepreneurs, investors, mentors, incubators, accelerators, universities, and governmental bodies. These components work together to create an environment conducive to innovation, enabling startups to develop, scale, and thrive. A strong ecosystem provides funding, mentorship, market access, and opportunities for collaboration, making it easier for startups to succeed in a competitive landscape.

A startup ecosystem comprises several interconnected components that foster innovation, growth, and the success of startups. Key elements include:

- **Entrepreneurs:** The core of any startup ecosystem, entrepreneurs identify market opportunities, develop innovative solutions, and drive new businesses (Isenberg, 2011).
- **Investors:** Venture capitalists, angel investors, and crowdfunding platforms provide the financial support startups need for scaling and sustaining operations (Mason & Brown, 2014).
- **Incubators and Accelerators:** These organizations offer early-stage startups mentorship, resources, and networking opportunities, helping them refine their business models and grow (Cohen, 2013).
- **Universities and Research Institutions:** They contribute to knowledge creation and innovation through research, and provide talent and intellectual property (Wright et al., 2017).
- **Government Support:** Governments play a critical role by creating policies that promote entrepreneurship, providing grants, and reducing bureaucratic hurdles (Audretsch & Belitski, 2017).
- **Service Providers:** Legal, marketing, and technological services help startups with infrastructure and regulatory compliance (Neck et al., 2004).
- **Networks:** Collaboration and partnerships between different stakeholders, including customers and suppliers, create a supportive community for startups (Stam, 2015).

These components work together to create a dynamic environment that drives innovation and economic growth.

In emerging markets, startup ecosystems play a crucial role in driving economic growth and fostering innovation. These ecosystems help address unique local challenges through

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technological solutions and entrepreneurial ventures. By fostering a vibrant ecosystem, emerging markets can harness local talent, attract foreign investment, and create jobs, ultimately boosting economic development. Startups in these regions often focus on solving pressing social and economic problems, such as financial inclusion, healthcare access, and education, using innovative business models tailored to the local context. In Mexico and Latin America, the startup ecosystem has been growing rapidly in recent years. While the region has historically faced economic and political challenges, it is now seeing a surge in entrepreneurial activity, particularly in technology-driven sectors like fintech, e-commerce, and edtech. Countries such as Brazil, Mexico, and Colombia have become hotspots for startup activity, attracting international investment and nurturing a new generation of entrepreneurs. Factors contributing to this growth include increasing internet penetration, a young and tech-savvy population, and government initiatives that promote entrepreneurship and innovation. However, challenges such as regulatory barriers, limited access to capital, and infrastructure gaps still persist in the region.

Investment Funds

Recognizing these limitations, AVM launched its first \$20 million venture capital Fund 1 (AVM-I Fund) in 2013. This pivotal shift allowed AVM to:

1. Make direct investments into startups based on its own investment thesis
2. Pool investor capital for more informed, strategic investments
3. Provide entrepreneurs with a more reliable and efficient funding source

Managed by AVM I GP, Limited Partnership, incorporated in Delaware, USA, this fund leveraged the expertise of its team, Mentor-Advisor Partners, Independent Board, and Advisory Board. It required co-investment with angel investors or private/public entities and had an investment range of USD \$200,000 to USD \$2,000,000 per project. The Fund could invest up to 50% of the required capital in projects offered to Club members, with the other 50% coming from angel investors, and a maximum of 10% of the Fund's capital could be invested in a single company.

Fund 1 marked a significant improvement, reaching a 1.25x distributed to paid-in capital (DPI) within 10 years - a notable achievement in the venture capital industry. This success laid the groundwork for future funds and solidified AVM's reputation.

In 2019, AVM raised a \$70 million fund (Fund II), Unlike Fund 1, which was largely backed by Mexican investors, Fund II attracted a diverse investor base spanning 10 nationalities, including notable participation from Platform Capital, an African-based investment firm. This expansion further solidified AVM's position in the venture capital landscape. This larger fund enabled AVM to:

1. Back successful companies through multiple funding rounds
2. Address the lack of capital for startups in Series A and B stages
3. Better support portfolio companies and foster growth in the Latin American startup ecosystem

Fund II maintained a generalist approach, focusing on promising sectors like FinTech, FoodTech, e-commerce, and logistics. While it had only returned about 2.5% of its capital by year five (with an expected increase to around 20% following an imminent exit), AVM remains optimistic about its long-term potential.

Strategically, AVM positioned itself in the "micro equity" space, focusing on initial investments between \$100,000 and \$1,000,000. This strategy was designed to fill a critical gap in the market.

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While traditional private equity and venture capital firms typically focused on larger investments with clear exit strategies, and individual angel investors often lacked the capacity to invest more than \$200,000 in seed or early-stage companies, AVM bridged this gap. By syndicating investments through the investor club and co-investing through the Fund, AVM could support deals requiring \$1,000,000 to \$2,000,000, providing crucial support to emerging companies in the region and establishing itself as a key player in Latin America's venture capital ecosystem.

AVM addressed the limited access to capital for Mexican startups by evolving from a simple angel network to professionally managed venture capital (VC) funds. This transition marked a significant shift in AVM's investment strategy and impact on the Latin American startup ecosystem.

The focus on Special Purpose Vehicles (SPVs) from 2008 to 2012, allowed high-net-worth individuals to selectively invest in deals presented during breakfast meetings. While SPVs catered to investors' familiarity with sectors like restaurant chains, they often overlooked innovative areas such as e-commerce. Of the 13 SPVs executed, only two achieved successful exits (2.5x and 3.5x returns), while the remaining 11 were largely write-offs. Overall, SPVs returned about 0.2x to investors, reflecting the challenges of this early approach.

Looking forward, AVM is raising Fund III with a target of \$100 million (though market conditions may result in \$60-80 million). This fund is expected to continue attracting a diversified investor base, including Development Finance Institutions (DFIs) and corporates. AVM also sees potential for international expansion, particularly in cross-market collaborations between Latin America, Africa, and Southeast Asia.

AVM's journey from SPVs to structured VC funds illustrates the importance of strategic evolution in the venture capital industry. By adapting its approach and implementing more robust fund management, AVM has achieved more promising returns and established itself as a key player in Latin America's venture capital ecosystem.

Investors

Since 2008, AVM has expanded significantly through strategic funding rounds supported by a diverse group of investors at every level. These investors have been pivotal in driving the venture capital firm's growth across Latin America, providing not just financial backing but also industry expertise and market access. The evolution of AVM's fundraising efforts can be understood by analyzing the types of investors involved in each phase of the company's journey, from seed funding to later investment funds.

Seed Funding in 2008

In 2008, when AVM was just beginning, the firm relied on angel investors to kickstart operations. Angel investors are typically high-net-worth individuals who provide financial capital to early-stage companies in exchange for equity or convertible debt (Mason & Harrison, 2015). These investors often have a keen interest in startups and emerging markets and bring with them valuable industry knowledge and networking opportunities. AVM's initial seed funding was critical in laying the foundation for its growth, enabling the firm to establish itself as a key player in the Latin American venture capital market. The angel investors that participated during this period were characterized by their risk tolerance and long-term focus on fostering innovation in underdeveloped markets. They helped shape AVM's early investment strategy, focusing on startups with high potential in Latin America's rapidly growing technology and innovation sectors (Avnimelech & Teubal, 2006).

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Fund I Investors

By 2013, AVM had launched its Fund I, attracting a mix of local and international investors, including institutional investors and family offices. Institutional investors like pension funds and insurance companies were drawn to the fund due to AVM's strategic positioning within the Latin American startup ecosystem, particularly in Mexico. AVM's first fund targeted startups in financial technology (FinTech), healthcare, and software development, sectors identified as key growth areas in the region (PitchBook, 2024). Investors in Fund I were notable for their focus on risk diversification. These investors saw AVM as a gateway to the rapidly expanding Latin American market, which was becoming a hub for startups due to increasing internet penetration, mobile adoption, and a growing middle class. Additionally, these institutional investors were keen to back AVM because of its strong network and local expertise, which were crucial in mitigating some of the risks associated with emerging markets (Lerner, 2010).

Fund II Investors

The launch of Fund II marked a significant expansion for AVM, drawing investors from Latin America and beyond. Notable among the Fund II investors was Platform Capital, a Nigeria-based growth markets focused, sector agnostic, principal investment and advisory firm. Platform Capital's participation underscored AVM's global appeal and its ability to attract investors from outside Latin America. Other investors included family offices and institutional investors from Mexico, the United States, and Europe, all keen to tap into Latin America's growing venture capital scene. These investors were particularly interested in the increasing digital transformation of the region, which had been accelerated by rising demand for tech-based solutions across industries such as education, healthcare, and financial services (Hernández et al., 2020).

The characteristics of these Fund II investors, including a focus on innovation, scalability, and regional diversification, aligned with AVM's mission to foster a dynamic startup ecosystem in Latin America. Investors like Platform Capital brought not only capital but also strategic insights and networks from other emerging markets, such as Africa. This cross-continental collaboration enabled AVM to leverage best practices from different regions and adapt them to the Latin American context. Furthermore, the participation of international investors underscored AVM's growing credibility and its capacity to bridge local startups with global markets (Sahlman, 1990).

Portfolio

Since its inception, AVM has built a diversified portfolio spanning multiple sectors and regions. The firm's investment strategy focuses on high-growth, early-stage startups. The projects that AVM seeks and attracts have a high degree of innovation, in many cases based on science and technology. The aim is to achieve investments in the seed capital sectors and in the early stages of the venture capital market, with the objective of identifying promising startups in their initial phase and generating higher returns for investors.

E-commerce and Marketplace Ventures

One of the key areas AVM has invested in is the e-commerce and marketplace space, leveraging the rapid growth of online shopping in the region. For instance, Gaudena, an online footwear retailer, received early support, aligning with AVM's strategy of backing scalable consumer-facing businesses. Similarly, MercadoFácil, an e-commerce platform that simplifies purchases for small

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businesses, highlights AVM's focus on solutions that cater to underserved market segments. Both of these companies represent the potential of e-commerce platforms to grow exponentially, thanks to increasing internet penetration and consumer demand in Latin America.

Fintech Investments

AVM has also taken a strong interest in fintech, particularly given the high percentage of unbanked populations in Latin America and the opportunity for innovative financial solutions. Notable investments in this space include Konfío, a company providing loans to small and medium enterprises (SMEs) in Mexico, offering them better financial inclusion. Another standout fintech investment is Conekta, a payments platform that facilitates transactions between businesses and consumers, underscoring AVM's commitment to supporting technological innovation that solves everyday financial challenges.

Health and Biotech

In the health and biotech sectors, AVM has supported companies addressing significant gaps in healthcare access and innovation. Salud Fácil, a company that offers financing solutions for health services, particularly for the lower-income population, embodies the venture firm's dual focus on financial inclusion and improving access to essential services. This investment aligns with AVM's strategy of investing in ventures that provide solutions to social challenges in Mexico and the wider Latin American region.

Energy and Sustainability

Another growing area of interest for AVM is sustainability, where the firm has placed bets on companies working on renewable energy and eco-friendly innovations. Sistema.bio, for example, is an enterprise focused on clean energy solutions for farmers, providing biodigester technology to convert waste into energy. This investment highlights AVM's interest in companies that can generate both financial returns and environmental impact, a key consideration for the venture capital firm's portfolio strategy.

Technology and SaaS

AVM has also made substantial investments in Software as a Service (SaaS) companies, recognizing the potential for scalable, subscription-based software solutions. Clip, a mobile payments platform in Mexico, exemplifies AVM's focus on technology-driven solutions that address inefficiencies in traditional business processes. Ubidots, another investment, is a SaaS platform that provides Internet of Things (IoT) tools to developers, reflecting AVM's interest in supporting innovations that are at the forefront of technological change.

Impact and Social Ventures

Beyond high-growth tech startups, AVM is committed to impact-driven ventures that focus on improving social conditions. Mi Beca, a platform designed to democratize access to scholarships for students across Latin America, shows AVM's dedication to addressing educational inequality. By supporting platforms like Mi Beca, AVM aims to foster social mobility and long-term economic development in the region.

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International and Cross-Border Ventures

AVM has also expanded its portfolio beyond Mexico, investing in ventures from other parts of Latin America and globally. One example is Kiwilimón, a popular recipe and cooking website, which expanded AVM's portfolio into the digital content space and demonstrated cross-border appeal. Furthermore, AVM has backed companies such as Platform Capital from Nigeria, reflecting its ambition to engage with emerging markets beyond Latin America. These international investments help AVM not only diversify geographically but also tap into growth opportunities in other high-potential regions.

Success Stories

AVM's first venture capital fund produced two notable success stories: Clip and Kueski, fintech companies that have transformed the financial landscape in Mexico and Latin America.

Clip:

Clip is Mexico's largest point-of-sale (POS) acquisition company, often compared to Square in the U.S. At launch, Clip faced skepticism due to traditional banks' dominance in providing POS terminals. However, the existing model was outdated and inaccessible to smaller businesses, with significant fees and long wait times. Clip disrupted this market by offering a flexible, affordable, and user-friendly POS solution, allowing smaller vendors to process card payments easily. Founder Adolfo, an MIT graduate with Carlyle experience, developed a product that filled a critical market gap. Today, Clip is a dominant player in the region's fintech space.

Kueski:

Kueski is the largest "Buy Now, Pay Later" and online lender in Mexico and Latin America. It challenged traditional financial institutions by offering innovative lending solutions for consumers without access to traditional credit. Kueski's model allows individuals and small businesses to borrow and repay loans flexibly, without strict bank limitations. The company's impact lies in serving an underserved market segment, offering credit solutions to those previously excluded from formal financial systems.

Both companies launched when fintech was still emerging in the region. They demonstrated the potential to disrupt traditional banking institutions, providing financial tools to underserved populations. These success stories showcase AVM's ability to identify and support visionary entrepreneurs shaping Latin America's financial future.

Portfolio Diversification and Growth Strategy

AVM's diverse portfolio reflects its commitment to backing a wide range of industries and business models. By investing in both high-tech startups and socially-driven enterprises, AVM creates a balanced portfolio that mitigates risk while aiming for strong returns. The firm's focus on sectors like fintech, e-commerce, and SaaS positions it well to benefit from digital transformation trends, while its impact investments support sustainable, long-term growth in Latin America and other emerging markets.

AVM's portfolio showcases a strategic approach blending innovation with impact. By backing various startups at different growth stages, the firm contributes to the development of Latin

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America's entrepreneurial ecosystem while expanding its global influence. This diverse portfolio enables AVM to remain a key player in venture capital, especially in rapidly evolving sectors promising both social impact and financial growth.

Expansion Plans

AVM's expansion strategy aims to capitalize on emerging trends and shifting market dynamics in Latin America over the next five to ten years. The firm sees significant opportunities in FinTech and demographic changes, positioning itself to expand its portfolio by focusing on growth industries such as financial technology, insurance, and the "silver economy."

FinTech as a Growth Engine: Latin America's startup ecosystem is rapidly expanding, with over 26 unicorns, more than half in FinTech. AVM will continue to focus on financial technology, given its transformative potential in the region. With low penetration of financial services, particularly insurance, there's ample opportunity for innovation and expansion. FinTech is crucial for financial inclusion, bringing previously underserved populations into the financial system. Pension funds, financial education, and other industry-specific financial technologies present significant growth opportunities, especially in emerging markets like Latin America and Africa.

US Expansion and Hispanic Market Focus: Recognizing the potential of the US Hispanic market, with 35 million Hispanics living in the US, AVM is expanding its reach. The firm has launched an office in Austin, TX, and onboarded new Partners Elisa Sepulveda and Marcelo de la Garza. This expansion coincides with the signing of the first LP commitments to AVM's third fund, targeting \$120 million. The fund will also focus on investing in Latin American and US-Hispanic/Latino-owned startups, particularly in fintech, foodtech, retailtech, proptech, and mobility sectors.

This expansion strategy leverages AVM's expertise in Latin American markets to tap into the growing US Hispanic market, while also exploring opportunities to apply successful strategies from Latin America to other emerging markets with similar characteristics.

Silver Economy: An Emerging Market Trend

A critical component of AVM's expansion is the shift towards addressing the needs of the aging population, commonly referred to as the "silver economy." Currently, about 23% of Latin America's population is aged 50 or older, but this demographic is expected to grow substantially. By 2050, more than half of Latin America's population will be over 50. AVM sees this demographic shift as both a challenge and an opportunity. On one hand, it requires a reevaluation of traditional consumer markets, which have historically focused on younger demographics. On the other hand, the growing elderly population presents significant opportunities for businesses catering to older consumers.

One of AVM's investors, Nestle, is already examining how this demographic shift will affect business, particularly in areas such as healthy food options for both children and older adults. The demand for healthier lifestyles, longevity, and wellness products will increase. As a result, AVM will prioritize investments in companies that are innovating in healthcare, nutrition, and technology designed to enhance the quality of life for older populations.

Strategic Global Considerations

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While AVM's immediate focus is on Latin America, similar demographic and market shifts are occurring worldwide, though at different rates and these have remained attractive. For example, Africa is likely to experience less impact from the silver economy due to its higher birth rates. Nigeria, in particular, could become one of the most populous countries in the world, presenting unique opportunities for AVM to diversify its investments geographically. The current decline in China's birth rate and population offers a stark contrast to the rapid growth in Africa, underscoring the need for a differentiated strategy across regions.

As AVM looks to expand, its approach will likely involve leveraging insights from its Latin American operations to make informed investment decisions in other emerging markets. The company sees potential in replicating successful models from one region to another, provided that the unique socio-economic conditions are taken into account.

Education and Market Insights

The importance of engaging with academic and executive communities to share insights and gather additional data points, particularly regarding Latin American market trends and the fund sizes allocated to different sectors. AVM plans to collaborate with educational institutions, potentially presenting case studies and participating in executive-level discussions on investment trends. This not only benefits AVM by providing access to new data but also positions the company as a thought leader in the investment landscape.

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**Appendix 1
Team Structure**



Hernán Fernández

Managing Partner and co-founder



Camilo Kejner

Managing Partner & co-founder

Key Regional Leadership



Javier Sánchez-Aldana,

Director of the Guadalajara office



Ana Mora-Bowen

Director of the Colombia office,

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Amaya Balino
Head of Legal,



Eduardo Ramos
Head of Innovations,



Charles Travers
Head of Investments,



Fabián Aguilar,
Principal,



Martín Soler,
Analyst



Paulina Melo,
Analyst



Javier Pérez,
Analyst



Michelle Martínez
Business development



Karola Martínez
Business development



Valeria Gracia
Marketing/Communication

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Alonso Cisneros,
Fulbright intern



Araceli de la Madrid



Ernesto Rodríguez






Office Managers

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Appendix 2

Portfolio Fund

1






 <p>Clip</p> <p>Status: Active</p> <p>Description: Clip is a mobile sale point that accepts payments with credit and debit cards on a smartphone or tablet through a reader and an app designed to give ...</p> <p>Web: https://www.clip.mx</p> <p>Country: México</p>	 <p>Kueski</p> <p>Status: Active</p> <p>Description: Kueski grants personal microcredits of up to \$110 USD instantly through its website and mobile apps. Available 24 hours a day, 7 days a week with a ...</p> <p>Web: https://kueski.com</p> <p>Country: México</p>	 <p>Inventive Power</p> <p>Status: Active</p> <p>Description: Inventive Power develops, manufactures, and markets solar equipment for water heating and steam generation used for industrial ...</p> <p>Web: https://inventivepower.com.mx</p> <p>Country: México</p>	 <p>Rocket</p> <p>Status: Active</p> <p>Description: Rocket offers users an ecosystem of financial management tools focused on obtaining the right financial products (savings and credit) and the...</p> <p>Web: https://rocket.la</p> <p>Country: México</p>	 <p>Salud Fácil</p> <p>Status: Active</p> <p>Description: Salud Fácil allows doctors and medical facilities who seek to update their equipment to get easy financing options and find the best prices for ...</p> <p>Web: http://www.saludfacil.org</p> <p>Country: México</p>
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Fund

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 <p>PYM</p> <p>Status: Active</p> <p>Description: PYM is the go-to nutrition-based solution for a person's mental health requirements through the use of its nutritional psychiatry platform, a ...</p> <p>Web: https://youcanpym.com/</p> <p>Country: USA</p>	 <p>Vest</p> <p>Status: Active</p> <p>Description: Vest provides users with an easy-to-use tool where they invest their savings through stocks or ETFs within the US stock exchanges without ...</p> <p>Web: https://www.mivest.io/</p> <p>Country: México</p>	 <p>Capitalizarme</p> <p>Status: Active</p> <p>Description: Capitalizarme.com is an end-to-end marketplace for real estate assets (apartments, land, parking lots, among others) focusing entirely on ...</p> <p>Web: https://www.capitalizarme.com/</p> <p>Country: Chile</p>	 <p>Frizata</p> <p>Status: Active</p> <p>Description: Frizata is a 100% native digital brand. It markets all its products exclusively through Frizata.com. Orders are placed online and food is received in the ...</p> <p>Web: https://www.frizata.com/</p> <p>Country: Argentina</p>	 <p>Katapult Commerce</p> <p>Status: Active</p> <p>Description: Katapult Commerce is a solution made up of a robust ecosystem of integrated applications that simplify and optimize the end-to-end process, from online ...</p> <p>Web: https://www.katapultcommerce.com</p> <p>Country: Colombia</p>
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 <p>Shuttle Central</p> <p>Status: Active</p> <p>Description: Shuttle Central connects local mobility services with major travel and transportation providers in one place. Shuttle Central provides the necessar...</p> <p>Web: https://shuttlecentral.com/es/</p> <p>Country: México</p>	 <p>Relativity6</p> <p>Status: Active</p> <p>Description: Relativity6 is a data science company focused on industry identification, allowing organizations to confidently underwrite, provide new business ...</p> <p>Web: https://www.relativity6.com/</p> <p>Country: USA</p>	 <p>Morgana</p> <p>Status: Active</p> <p>Description: Morgana aggregates the entire digital offer of Mortgages for people with little education in financial matters as well as for those offering said ...</p> <p>Web: https://morgana.mx/</p> <p>Country: México</p>	 <p>Ozon</p> <p>Status: Active</p> <p>Description: Ozon's offers flexible financing solutions for gig workers in Latin America who want to buy used motorcycles. The company buys ...</p> <p>Web: https://www.ozon.mobi/</p> <p>Country: Colombia</p>	 <p>Trendio</p> <p>Status: Active</p> <p>Description: Trendio is a video shopping entertainment service focused on beauty. The company leverages human curation, live and pre-recorde...</p> <p>Web: https://www.trendiolive.com/</p> <p>Country: USA</p>
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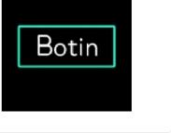

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 <p>Random Games</p> <p>Status: Active</p> <p>Description: Random Games is a game development company that uses NFTs to generate added value to the avatars used by gamers in the metaverse....</p> <p>Web: https://random.games/</p> <p>Country: USA</p>	 <p>Beatbread</p> <p>Status: Active</p> <p>Description: BeatBread's mission is to empower artists so that they can own their art and control their careers. BeatBread gives more...</p> <p>Web: https://beatbread.com/</p> <p>Country: USA</p>	 <p>Zenki</p> <p>Status: Active</p> <p>Description: Zenki (previously Metaban) offers payment solutions to small and medium-sized companies, creating a decentralized plug and play tool for ...</p> <p>Web: https://zenki.fi</p> <p>Country: México</p>	 <p>Nude.</p> <p>Status: Active</p> <p>Description: Nude capitalizes on small oat producers from latin america to create oat-based dairy alternatives. The company focuses on natural flavorin...</p> <p>Web: http://www.hey nude.com.br</p> <p>Country: Brasil</p>	 <p>Midoconline</p> <p>Status: Active</p> <p>Description: Midoconline is a platform that allows users to access unlimited online consultations and discounts in laboratories, among other benefits ...</p> <p>Web: https://midoconline.com</p> <p>Country: México</p>
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 <p>Digitt</p> <p>Status: Active</p> <p>Description: Digitt gives good payers in Mexico a way out of predatory credit card debt. Through leveraging credit history and transactional data, Digitt specifically...</p> <p>Web: http://www.digitt.com</p> <p>Country: México</p> <p>Industry Key Words: Fintech</p>	 <p>Let'sBit</p> <p>Status: Active</p> <p>Description: Let'sBit is a digital banking alternative to local and cross-border payments, crypto and equity investments, savings, and trading, with the main ...</p> <p>Web: https://letsbit.io</p> <p>Country: Argentina</p> <p>Industry Key Words: Fintech Crowdfunding</p>	 <p>Ancana</p> <p>Status: Active</p> <p>Description: Ancana is a marketplace for buying fully managed vacation homes through fractional ownership. The company finds the best vacation ...</p> <p>Web: https://www.ancana.co/</p> <p>Country: México</p> <p>Industry Key Words: Proptech Travel</p>	 <p>Botin</p> <p>Status: Active</p> <p>Description: Botin offers a simple and free service in which users can buy US stocks and bonds, accessible to all Latin America. People can invest from US \$ 1 in ...</p> <p>Web: https://botin.app/</p> <p>Country: USA</p> <p>Industry Key Words: Fintech</p>	 <p>PLANT SQUAD.</p> <p>Status: Active</p> <p>Description: Plant Squad is a Plant-based Mexican food producer whose core value proposition relies on transforming the agri-food industry into a modern, ...</p> <p>Web: https://plantsquad.com.mx</p> <p>Country: México</p> <p>Industry Key Words: FoodTech</p>
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 <p>CitySense</p> <p>Status: Active</p> <p>Description: CitySense is an open platform for the development of Smart City solutions, comprised of an installed network of "CitySense Urban Monitors" and ...</p> <p>Web: https://www.citysense.co</p> <p>Country: Chile</p>	 <p>Ofi.</p> <p>Status: Active</p> <p>Description: OFI is the leading one-stop-shop B2B platform for IT products and services in Latin America. It provides technology, software, process ...</p> <p>Web: https://ofi.com.co/en/</p> <p>Country: Colombia</p>	 <p>KAO HOTELES</p> <p>Status: Active</p> <p>Description: KAO Hoteles is a Mexican company with a solid experience in tourism, technology services, revenue management and booking distributi...</p> <p>Web: https://kaohoteles.com</p> <p>Country: México</p>	 <p>Suggestic</p> <p>Status: Active</p> <p>Description: Suggestic is an artificial intelligence-based API that offers easy to access personalized nutrition programs for developers. The company combines ...</p> <p>Web: http://www.suggestic.com</p> <p>Country: USA</p>	 <p>RetryPay</p> <p>Status: Active</p> <p>Description: Retry Pay is an online payments carousel. An easy to use All in One solution to increase E-commerce sales with less chargebacks or fraudulent ...</p> <p>Web: https://retrypay.com</p> <p>Country: México</p>
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 <p>Pani</p> <p>Status: Active</p> <p>Description: Pani Source is a water personalization system that filters, remineralizes, and customizes tap water with multi-use infusion pods and world-class water ...</p> <p>Web: https://www.getpani.com</p> <p>Country: USA</p>	 <p>Peek</p> <p>Status: Active</p> <p>Description: Peek is a massive online and interactive Esports and Entertainment channel, which broadcasts a programming grid of international ...</p> <p>Web: http://www.peek-studios.com</p> <p>Country: Argentina</p>	 <p>Aprende Institute</p> <p>Status: Active</p> <p>Description: Aprende Institute is an online platform focused on offering affordable, flexible, and high-quality vocational training to a potential market of over...</p> <p>Web: https://aprende.com</p> <p>Country: USA</p>	 <p>Craver</p> <p>Status: Active</p> <p>Description: B2LINK is the fastest growing company in Korea's global beauty, cosmetics and fashion market. ...</p> <p>Web: https://www.cravercorp.com/</p> <p>Country: Korea</p>	 <p>Energyryn</p> <p>Status: Active</p> <p>Description: Energyryn is a consumer goods / clean energy company whose main product is Solesyto: a hybrid solar and electric water heater....</p> <p>Web: https://www.energyrn.com</p> <p>Country: México</p>
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 <p>Gooroo</p> <p>Status: Active</p> <p>Description: Gooroo is a platform that offers online learning solutions, as well as workshops and online extracurricular activities to keep students engaged ...</p> <p>Web: https://www.gooroo.com</p> <p>Country: USA</p>	 <p>OlaClick</p> <p>Status: Active</p> <p>Description: Olaclick helps below/average income restaurants in Latin America bring their menu online in 30 seconds and receive delivery and take away order...</p> <p>Web: http://www.olaclick.com</p> <p>Country: Perú</p>	 <p>Viapool</p> <p>Status: Active</p> <p>Description: Viapool is a BB2B ground transportation marketplace that provides mobility solutions to companies like Unilever, SAP, Bayer, ...</p> <p>Web: ...</p> <p>Country: Argentina</p>	 <p>Localized</p> <p>Status: Active</p> <p>Description: Localized is a company focused on connecting emerging talent with opportunities on a global scale, with their main target being college ...</p> <p>Web: https://localized.world</p> <p>Country: USA</p>	 <p>Vinco</p> <p>Status: Active</p> <p>Description: Vinco's mission is to connect employers looking to develop and retain their workforce, workers looking to grow via educational opportunitie...</p> <p>Web: http://www.vincoed.com</p> <p>Country: México</p>
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 <p>Mi Águila</p> <p>Status Active</p> <p>Description Mi Águila is a transport, logistics, and eCommerce technology company focused on helping traditional businesses in Latin America thrive in ...</p> <p>Web https://www.miaguila.com</p> <p>Country Colombia</p>	 <p>Mozper</p> <p>Status Active</p> <p>Description Mozper is the first digital banking platform designed for Latin American parents. The company offers a digital debit card and other mobile banking...</p> <p>Web https://www.mozper.com</p> <p>Country México</p>	 <p>ByHours</p> <p>Status Active</p> <p>Description ByHours is the first online platform where users can book a hotel room and decide the check-in time and the length of the micro-stay, defining a ...</p> <p>Web http://www.byhours.com</p> <p>Country España</p>	 <p>TheXPlace</p> <p>Status Active</p> <p>Description The world's leading technical and creative services marketplace for video games and beyond that brings together the Global Video Gaming ...</p> <p>Web https://www.thexplace.ai</p> <p>Country USA</p>	 <p>Valoreo</p> <p>Status Active</p> <p>Description Valoreo is focused on building a new consumer goods giant in LATAM by acquiring, streamlining and scaling highly profitable e-commerce ...</p> <p>Web https://www.razor-group.com/</p> <p>Country México</p>
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 <p>Miiituo</p> <p>Status Active</p> <p>Description Miiituo is a pay-per-mile car insurance provider, converting insurance expenses from fixed to a variable scheme and allowing users to save in...</p> <p>Web https://www.miiituo.com</p> <p>Country México</p>	 <p>Finkargo</p> <p>Status Active</p> <p>Description Finkargo is building the first digital trade financing platform for Latin American Small and Medium Enterprises (SME) through a p ...</p> <p>Web https://finkargo.com</p> <p>Country Colombia</p>	 <p>done properly</p> <p>Status Active</p> <p>Description Done Properly is creating a new generation of bio processed ingredients made by fermentation to improve the system from the inside ...</p> <p>Web https://www.doneproperly.co</p> <p>Country Chile</p>	 <p>colektia</p> <p>Status Active</p> <p>Description Colektia is the first digital debt collection company powered by AI in LATAM. By predicting the best strategy to contact debtors and ...</p> <p>Web https://colektia.com</p> <p>Country Chile</p>	 <p>Homie</p> <p>Status Active</p> <p>Description Through its disruptive model and the use of technology, Homie has transformed the housing rental industry, allowing the company offer...</p> <p>Web http://www.homie.mx</p> <p>Country México</p>
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Salus	Somos	Zenda.la	Algramo	Descifra
Salus	Somos	Zenda.la	Algramo	Descifra
Status Active	Status Active	Status Active	Status Active	Status Active
Description Salus creates and grows health care and education projects in Mexico. Possesses three key business units: ...	Description Somos is a company that offers personalized supplements and vitamins sent to the customer's doorstep. The company seeks to be ...	Description Zenda.la is an insurance company focused on the millennial and generation Z segments by offering simple, transparent health and auto ...	Description Algramo provides a technology-based platform that enables customers to purchase CPG products without the need of disposable packaging. These...	Description Descifra delivers a platforms that help customers use the power of data analytics to predict a variety of outcomes such as revenue, number o...
Web https://salus.holdings	Web http://www.siempresomos.com	Web http://zenda.la	Web http://www.algramo.com	Web https://www.descifra.global
Country México	Country México	Country México	Country Chile	Country México

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Appendix 3 Seed Capital

Seed capital refers to the initial funding used to help start a business, typically at the early stages of its development. This type of financing is critical for entrepreneurs seeking to transform an idea or concept into a functioning business model. Seed capital is generally sourced from personal savings, family and friends, angel investors, or early-stage venture capital (VC) funds. It is often used to cover essential startup expenses, such as product development, market research, prototyping, and initial marketing efforts.

One of the unique features of seed capital is that it carries a high level of risk. Since startups at this stage are typically unproven and may lack revenue, investors are betting on the potential for success rather than the current performance. For this reason, seed capital investors often receive a significant equity stake in the company in exchange for their investment, allowing them to benefit from the future growth of the business. In many cases, seed capital investors also offer mentorship and industry connections to help startups navigate the complex landscape of early-stage business development.

Seed capital plays a particularly vital role in startups by helping to bridge the gap between concept and market readiness. It allows founders to validate their ideas, build prototypes or minimum viable products (MVPs), and test their assumptions in the market. This stage is crucial as it lays the groundwork for future funding rounds, such as Series A and Series B, where startups seek larger amounts of capital to scale their operations. Investors in these subsequent rounds often look for evidence of market traction and product-market fit, which are typically achieved through the strategic use of seed capital.

In emerging markets, seed capital is becoming increasingly important as more entrepreneurs look to leverage local opportunities and technological advancements. In regions like Latin America and Africa, where access to traditional funding sources may be limited, seed capital provides the essential resources needed to foster innovation and entrepreneurship. Seed capital investors in these regions, such as angel investors and early-stage VC funds, are often driven by the potential for social impact as well as financial returns, investing in startups that can address local challenges through innovative solutions (World Economic Forum, 2021).

The role of seed capital in fostering the growth of startup ecosystems is evident in regions like Mexico and Latin America, where early-stage investments have helped spur the development of a vibrant entrepreneurial community. Companies like Angel Ventures Mexico (AVM) have played a crucial role in providing seed funding to startups, enabling them to grow and contribute to the broader economy (PitchBook, 2024).

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Appendix 4



An investment ecosystem refers to the network of actors, resources, institutions, and processes that contribute to the successful financing and development of businesses. It consists of various components that work together to support the growth of startups, small businesses, and other enterprises. The investment ecosystem plays a crucial role in providing capital, resources, and guidance for businesses to scale and succeed, particularly in emerging markets where the availability of such resources might be limited.

Components of the Investment Ecosystem

Investors: Investors are the backbone of any investment ecosystem. They provide the capital needed for businesses to start and grow. There are different types of investors, including angel investors, venture capital (VC) firms, institutional investors, and crowdfunding platforms. Angel investors often provide seed capital, while VC firms typically invest in startups with high growth potential in exchange for equity (World Bank, 2020).

Entrepreneurs: Entrepreneurs and startups are the recipients of the investment. They bring innovative ideas and business models that require financial backing to scale. Entrepreneurs play a key role in driving economic growth, creating jobs, and generating new technologies or solutions to market problems (Isenberg, 2011).

Accelerators and Incubators: These organizations help nurture startups by providing mentorship, workspace, access to networks, and sometimes even seed capital. Accelerators focus on scaling startups rapidly over a short period, whereas incubators focus on early-stage development over a longer timeframe. Both are essential for fostering innovation and helping entrepreneurs transition from ideas to market-ready products (OECD, 2020).

Government and Regulatory Bodies: Governments set the legal framework for investment activities and can offer incentives such as tax breaks, grants, or subsidies to attract investment. In many emerging markets, the government also plays a role in ensuring the investment ecosystem is transparent and well-regulated to foster investor confidence (World Bank, 2020).

Educational and Research Institutions: Universities and research institutions contribute to the ecosystem by developing new technologies and talent. They often collaborate with businesses to commercialize innovations and provide skilled labor, making them critical components of a thriving investment ecosystem.

Support Services (Legal, Financial, and Advisory): Legal and financial advisors, consultants, and other service providers offer specialized support to investors and startups. These services help navigate regulatory hurdles, structure deals, and ensure proper governance and compliance (Isenberg, 2011).

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**Appendix 5
AVM Fund 1**

AVM-I COINVERSION FUND
Investment fund profile

General Partner Fund	Angel Ventures Mexico USD
Size Investment	\$20,000,000 United
Region	Mexican States
Investment and divestment period	Four years each, both subject to one-year extensions
Minimum investment Maximum investment	USD \$100,000 USD
Preferential return	\$2,000,000
Management Fee Carried interest	8% 2.5% 30% Between
<i>Target investments Minimum investment ticket in</i>	15 and 25 companies
<i>the AVM-I Fund</i>	USD \$100,000

INVESTMENT STRATEGY

AV’s Co-investment Fund started as an initiative to help close the persistent capital gap between investors and talented entrepreneurs. The approach focused on innovative companies with solid management teams that solved real problems in the market and had the potential to easily scale and replicate.

FUND INVESTMENT THESIS

The investment strategy of AV Fund I LP, consisted of leveraging expertise, industry knowledge, and our network of angel investors, based on pre-established guidelines in order to outline the effect of the strategy throughout the three stages of investment: initial investment, growth, and sale or exit. Target companies ranged from startups to ongoing businesses with a strong innovation component, in a variety of sectors: ICTs / Media, Health / Biotechnology, Retail / Consumer Goods, Agrobusiness / Base of the Pyramid Services, Fintech.

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Appendix 6 AVM Fund II

The Pacific Alliance is an initiative of regional integration founded by the countries of Chile, Colombia, Mexico and Peru, officially established on April 28th, 2011. Its main objective is to build a participatory and consensual way of deep integration to move progressively towards the free movement of goods, services, resources and people between its members. The vision of the Alliance is to foster growth, development and competitiveness of its members on a global perspective, contributing to an economic rise with social inclusion.

INVESTMENT STRATEGY

The current investment methodology created by AV will allow the fund to diagnose such traits and invest in innovative and high-growth potential businesses to scale them up in the members of the Pacific Alliance. This will be achieved through three different approaches: In consequence, the fund sees the Pacific Alliance as a single “geographical location” which helps create a portfolio of startups competing in the entire region, increasing the possibilities of successful exit strategies with a bigger footprint, and consequently, yielding greater profits for investors.

INVESTMENT THESIS

Deal-flow: AV has established a far-reaching network of relationships in Latin America and outside the region, and has developed long-term partnerships with top organizations (such as Endeavor, Bavaria National Angel Network, Start-up Mexico, Start-up Chile, NXTP Labs, 500 Startups, MassChallenge Mexico, New Ventures, Chile Global Angels, and Wayra Global, amongst others), and family offices. The fund’s deal-flow comes through active in-house originating efforts (attendance to industry events, online application, etc.), and well-renowned professionals and advisors. To the extent

As part of the AV Pacific Alliance Fund II, AVC launched a physical office in Bogotá, Colombia in 2018. This initiative aims to increase AV’s presence in the entrepreneurial ecosystem in Colombia and strengthen operational capacity in order to identify, evaluate and invest in more early stage companies in the Pacific Alliance region. The AVC office has received support from past allies such as the Fundación Bolívar Davivienda, and INNpalsa.

Additionally, AVC will receive support from newly established allies including BANCOLDEX (the Colombian Government’s Development Bank) and Cali’s Chamber of Commerce. In addition to being promoted and supported by the mentioned allies, AVC’s day-to-day business activities are carried out by a specialized staff dedicated to identifying and analyzing investment prospects for the AV Pacific Alliance Fund II and the AV Network. The Director and analysts have been responsible for identifying, educating and recruiting new potential investors for AV’s Fund and/or angel network

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Appendix 7

AVM Fund III (US Fund)

The fund was created to invest in and partner with the most talented US Latinx founders to build wildly profitable and enduring companies.

These were business operators, entrepreneurs, community builders, and investors with experience in both the United States and Latin America. Understanding the challenges and opportunities these markets face.

The shift from Globalization to Regionalization emphasizes the importance of creating strong ties between the US and Latam. We bridge across borders to allow a free flow of ideas and talent to become a competitive region worldwide.

Investment Thesis

We invest in US early stage (Pre-Seed to Series A) companies either founded by Latinos or solving a pain related to cross-border themes. Strong interest in companies that are solving big needs related to the shift from Globalization to Regionalization (Nearshoring) by proving technology solutions to verticals like

Logistics & Supply chain

Fintech

Proptech

Foodtech

HR Tech

Industry 4.0

We Invest initial checks between \$250K to \$1M and in some cases follow-ons to later rounds. We prefer companies that have an initial customer and are earning revenue, but there are always exceptions. We prefer post-revenue companies

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