When God created the world, we are told that God examined it and declared that it was good (Genesis 1:31).

This means that even the angelic world did not have evil angels or demons in it at that time. But by the time of Genesis chapter three, we find that Satan, in the form of a serpent, was tempting Eve to sin. Therefore, sometime between the events of Genesis chapter one and Genesis chapter three, there must have been a rebellion in the angelic world, with many angels turning against God and becoming evil. This rebellion was led by Satan himself.