



Suruhanjaya Sekuriti
Securities Commission
Malaysia

THE CAPITAL MARKET STARTER PACK FOR MSME AND MTC



COPYRIGHT

@2026 Securities Commission Malaysia

All rights reserved. No part of this publication may be reproduced, stored in or introduced into a retrieval system, or transmitted in any form or by any means (graphical, electronic, mechanical, photocopying, recording, taping or otherwise), without the prior written permission of the Securities Commission Malaysia.

DISCLAIMER

This material aims to provide a general understanding of the subject and is not an exhaustive write-up. It is not intended to be a substitute for legal advice nor does it diminish any duty (statutory or otherwise) that may be applicable to any person under existing laws.

THE CAPITAL MARKET STARTER PACK FOR MSME AND MTC

CONTENTS

INTRODUCTION TO THE CAPITAL MARKET 4

PRIVATE MARKET 9

- Venture Capital (VC)
- Private Equity (PE)

DIGITAL FINANCING 11

- Equity Crowdfunding (ECF)
- Peer-to-Peer Financing (P2P Financing)

PUBLIC MARKET 17

- LEAP Market
 - ACE Market
 - MAIN Market
-

INTRODUCTION

The Capital Market Starter Pack for MSME and MTC (Starter Pack) provides key information about the capital market in a concise and accessible manner; to help micro, small and medium enterprises (MSME) and mid-tier companies (MTC) better understand capital market fundraising options, regulatory requirements and key steps in fundraising.

The Starter Pack was developed in line with Initiative 6a under the Securities Commission Malaysia's **Catalysing MSME and MTC Access to the Capital Market: 5-Year Roadmap (2024-2028)** (MSME and MTC Roadmap).

The SC's MSME and MTC Roadmap is aimed at better positioning the capital market as an attractive and robust source of financing for MSME and MTC.

USE THIS STARTER PACK TO

01

help you navigate the capital market and its different solutions.



02

understand which capital market solution best fits your company's profile and needs.



03

get information on how to access the capital market solution of your choice.



INTRODUCTION TO THE CAPITAL MARKET

MALAYSIAN CAPITAL MARKET LANDSCAPE



The Securities Commission Malaysia (SC) is the entity responsible for the regulation and development of the capital market in Malaysia.



Stock Exchange

Listing platforms operated by Bursa Malaysia include

- LEAP Market
- ACE Market
- MAIN Market



Recognized Market Operators (RMO)

Fintech intermediaries registered with the SC.

- ECF platforms
- P2P financing platforms



Licensed Intermediaries

- Listing advisers
- Listing sponsors
- Fund managers



Registered Entities

- VC management corporations
- PE management corporations



Other Intermediaries

- Credit rating agencies
- Bond pricing agencies
- Trustees

WHO ARE THE INVESTORS

Sophisticated Investors

Sophisticated investors are corporations or individuals that meet specific criteria such as:

- Higher asset or income level
- Relevant qualifications and experience
- Recognised as an accredited investor such as pension fund and sovereign wealth funds

Sophisticated investors have access to a wider range of investment products, including those that are more high risk and complex.

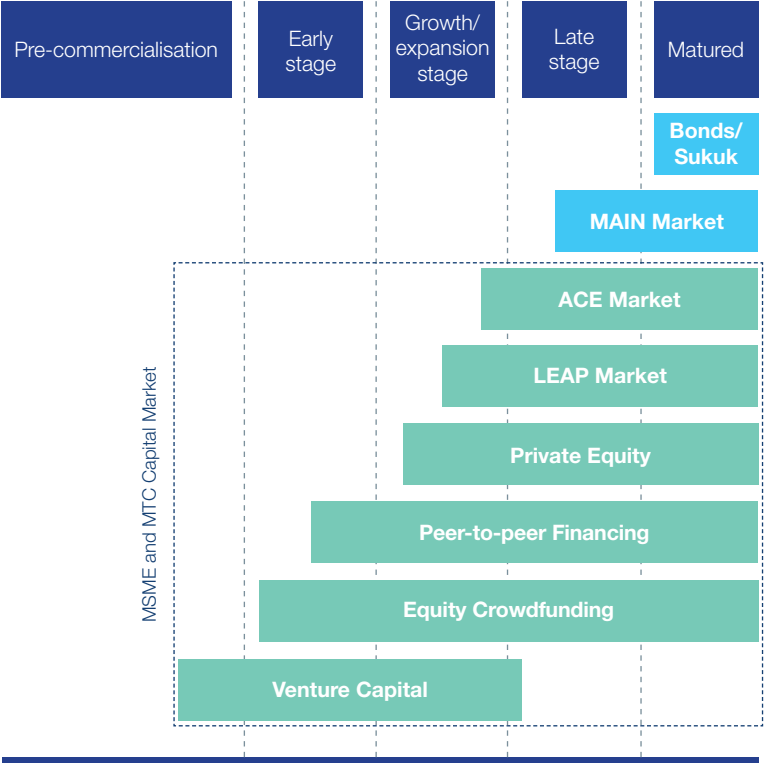
Retail Investors

Retail investors are individuals who buy or sell shares using their own personal savings for their own future goals.

Institutional Investors

Institutional investors are large organisations such as the Employees Provident Fund (EPF) or sovereign wealth funds that pool substantial amounts of public money to invest at a big scale. On the MAIN Market, institutional investors act as stable anchors for big companies, while on the ACE Market, they serve as strategic backers for smaller, high-potential businesses.

SEGMENTS OF THE CAPITAL MARKET



Source: SC's Catalysing MSME and MTC Access to the Capital Market: 5-Year Roadmap (2024-2028)

WHICH SOLUTION IS BEST FOR YOUR COMPANY

EXAMPLE 1



Jewellery Designs

- In the early to growth/expansion stage
- No profit track record
- Willing to give up a percentage of ownership (i.e., equity) for capital

Equity Crowdfunding

EXAMPLE 2



Trade Partners

- In the growth/expansion to matured stage
- Has profit track record and healthy financial position e.g., positive operating cash flows
- Good management and strong corporate governance policies and practices
- Looking to enhance company visibility

ACE Market

EXAMPLE 3

Technology Ventures

- Innovative and high-growth company
- Looking for investor to provide expertise and network



Venture Capital

Private Equity

EXAMPLE 4

Agro Farm

- Looking for debt financing
- Require flexible terms e.g., shorter tenure, quick disbursement time



Peer-to-Peer Financing

2

PRIVATE MARKET

VENTURE CAPITAL (VC) AND PRIVATE EQUITY (PE)

Private Market refers to investments in privately-owned companies i.e., companies that are not publicly traded on the stock exchange.

As at 31 December 2025, there are 107 and 48 VC and PE corporations registered with the SC, respectively.

VC	PE
 Provide funding to businesses in exchange for a percentage of ownership in the company i.e., equity.	
 Offer mentorship, connections, expertise and experience valuable to the company.	
 Invest in companies in pre-commercialisation stage up to the growth stage.	Invest in mature, established businesses looking to scale, restructure, or prepare for an acquisition or IPO.
 Expected return on investment is usually higher than public markets.	
 Small to large ticket size of investments, depending on funding stage.	
 May exert influence on decisions made within the MSME or MTC.	

Statistics: VC

Total investments	RM435.9 million
Number of investee companies	69

Examples of the VC target industries:

- Wholesale and retail trade
- Other service activities
- Professional, scientific and technical activities

Statistics: PE

Total investments	RM2.4 billion
Number of investee companies	48

Examples of the PE target industries:

- Technology services
- Manufacturing
- Financial and insurance/takaful activities

Note:
Figures are as at 2025.

EQUITY CROWDFUNDING (ECF) AND PEER-TO-PEER FINANCING (P2P FINANCING)

ECF and P2P enables businesses to raise equity and debt financing respectively through online platforms regulated by SC as Recognised Market Operators (RMOs).



Companies make offerings to investors through fundraising campaigns on their chosen platform, showcasing the company's **key characteristics, business plan, financial information,** and other information as specified in the SC's *Guidelines on Recognized Markets*.



Investors will have the opportunity to invest in the company, in exchange for either **a share of ownership** or **interest payments**, until the target amount of fundraising has been achieved within the campaign period.



Resources:

SC's *Guidelines on Recognized Markets* can be accessed here:



PEER-TO-PEER FINANCING



Debt financing: Similar to traditional loans which require collaterals, companies raising funds are obligated to pay interests and repay the principal amount to investors.



Fundraising size: No limit on fundraising amount.



Eligibility: Locally incorporated companies and limited liability partnerships with specific business plans and fundraising purpose. The full eligibility requirements can be found in SC's *Guidelines on Recognized Markets*.



Fundraising purpose: Working capital, business expansion, and others.

Statistics: P2P Financing

Total Fundraising amount (2017-2025)	RM11.3 billion
Number of campaigns (2017-2025)	154,283

P2P Financing: Where do I begin?

1

Choose a P2P financing platform and submit a loan application to the P2P financing platform of choice.

2

The P2P financing operator will conduct the necessary due diligence on the company.

3

Once the campaign is live on the platform, investors will evaluate the business and amount needed to invest in the campaign. The campaign duration is set depending on the commercial needs and the ability to meet the campaign target.

4

Upon successfully reaching funding target, the funds will be disbursed to the business account.

5

The company must adhere to the repayment schedule as outlined in loan agreement.
(Repayment of loan + Interest)



Funding model on P2P financing

The company must meet at least 80% of the target amount of its campaign for the monies to be eligible to be disbursed to the company.



Resources:

The list of registered P2P financing platforms can be accessed here:



EQUITY CROWDFUNDING



Equity financing: Businesses offer investors a percentage of ownership in the company (i.e., equity) in exchange for financing.



Fundraising limit of a maximum of RM20 million on any ECF platform in its lifetime.



Eligibility: Unlisted Malaysian companies and limited liability partnerships with a clear business plan and fundraising purpose.



Fundraising purpose: Working capital, business expansion, and others.

Statistics: ECF Financing

Total Fundraising amount (2017-2025)	RM917.5 million
Number of campaigns (2017-2025)	445

ECF: Where do I begin?

1

Choose an ECF platform and submit application to the platform.

2

ECF platform operator will conduct the necessary due diligence on the company. The company will need to prepare pitch materials and other disclosures. These are made available to investors on the platform.

3

Once the campaign is live, investors will evaluate the business and amount needed to invest in the campaign. The campaign duration is set depending on the commercial needs and the ability to meet the campaign target.
**Investors can withdraw within the 6-day cooling-off period*

4

If the target funding is achieved within the campaign period, the company can utilise the funds as planned and must update investors on spending and business progress post-fundraising. The fundraising campaign is hosted on the ECF platform for a period of time.



Funding model on ECF

ECF funding follows an 'all or nothing' model - raise the full target by the deadline or refund investors.



Resources:

The list of registered ECF platforms can be accessed here:



Discover more about our digital initiatives

1

Alliance of Fintech Community (aFINity)

An initiative to catalyse and nurture Fintech development in the Malaysian capital market.

2

SCxSC

The SC's outreach initiative that facilitates fintech developments and explores innovations in the capital market space with the public.

3

NIMP CoSIF

The New Industrial Master Plan 2030 (NIMP 2030) Strategic Co-Investment Fund (NIMP CoSIF) is a government co-investment scheme to achieve Malaysia's industrial objectives. The NIMP CoSIF will co-invest in any campaign by small and medium enterprises or MTCs on ECF or P2P Financing platforms within the 21 NIMP 2030 sectors.

4

MyCIF

The Malaysia Co-Investment Fund (MyCIF) is a strategic government initiative that co-invests with private investors on regulated ECF and P2P platforms into MSMEs. MyCIF is funded by the Ministry of Finance (MoF) and administered by the SC.



4 PUBLIC MARKET

FUNDING ESCALATOR FOR THE PUBLIC MARKET

The Funding Escalator provides a clear, structured pathway designed to transition businesses from early-stage private funding to a public listing.



The Growth Pathway

ECF (Micro & Small):

Kickstart growth by raising capital through ECF.

LEAP Market (Small & Medium):

Build track record as a public entity.

ACE Market (Growth-Stage):

Accelerate expansion on a sponsor-driven platform.

MAIN Market:

Achieve premier status as an established, large-scale enterprise.



Bursa Malaysia is licensed by the SC to operate the following securities markets:

- **LEAP Market:** For emerging companies, including micro, small and medium-sized companies.
- **ACE Market:** Market for small and mid-sized corporations, serving as a stepping-stone to the MAIN Market.
- **MAIN Market:** Premier market for larger, more established corporations.

A company can access the public market by listing on one of the three markets, allowing its shares to be publicly traded.

The list of advisers / sponsors can be accessed here:



LEAP MARKET

A qualified market with two admission pathways:

Under the alternative pathway, it allows eligible ECF issuer to submit the listing application directly and engage a Listing Agent i.e. ECF operator or VC/PE firm registered by SC.

Under the existing pathway, the issuer engages an Approved Adviser who submits the listing application on behalf of the issuer.

Fundraising size is around RM3.5 million on average, and ranges between RM103,200 to RM5.3 million.

Investors:

- Retail investors

Statistics: LEAP Market

Number of companies listed	48
Number of IPO	5

Note:
Figures are as at 2025.

What is an Approved Adviser?

It is an investment bank or approved advisory firm by Bursa Malaysia assisting companies to list, ensuring regulatory compliance.

What is a Listing Agent?

It act as liaison between the eligible ECF issuer or VC/PE firm registered with the SC and Bursa Malaysia, facilitating communication and administrative coordination throughout the admission process.

Listing Process for LEAP Market

Pre-Submission

8 - 12 weeks

1

1. Appointing Approved Adviser or Listing Agent
2. Structuring of IPO including preparation of submission documents
3. Due diligence - Financial, legal, operations, etc
4. Voluntary pre-submission consultation
5. Submission of Listing Document

Regulatory Submission & Approval

3 weeks

2

- Submitting listing application and Listing Document
- Addressing queries from Bursa Malaysia
- Registration of Listing Document

Listing

4 weeks

3

1. Placement of shares
2. Listing on Bursa Malaysia / Trading commences

ACE MARKET

A sponsor-driven market:

It requires sponsors to evaluate the suitability of potential companies to be listed, taking into consideration attributes such as business prospects and corporate conduct.

Fundraising size is around RM65 million on average, and ranges between RM13.7 million to 184 million.

Investors:

- Retail investors
- Institutional investors

Statistics: ACE Market

Number of companies listed	241
Number of IPO	44

Note:
Figures are as at 2025.

What is a Sponsor?

It is an investment bank or approved adviser recognised by Bursa Malaysia assisting companies to list, ensuring regulatory compliance. Post-listing, the Sponsor continues to advise the company on its duties as a listed entity.

MAIN MARKET

Potential issuers for the MAIN Market must demonstrate that they have achieved minimum profit track record or minimum size measured by market capitalisation.

Fundraising size is around RM309 million on average, and ranges between RM55.6 million and RM2 billion.

Investors:

- Retail investors
- Institutional investors

Statistics: MAIN Market

Number of companies listed	813
Number of IPO	11

Note:
Figures are as at 2025.

Listing Process for MAIN Market and ACE Market

1

Pre-Submission

12 - 16 weeks

1. Appointing principal advisers or sponsors
2. Structuring of IPO
3. Due diligence and internal control review
4. Preparing documents for submission

2

Regulatory Approval*

12 - 24 weeks

1. Mandatory pre-submission consultation with the SC or Bursa Malaysia and key stakeholders
2. Public exposure of prospectus
3. Addressing queries from the SC or Bursa Malaysia
4. Visit by the SC or Bursa Malaysia to the company's key business premises

** In February 2024, the SC and Bursa committed on approval within three months provided Sponsors/ Advisers address feedback within five market days.*

3

Post Approval

8 - 12 weeks

1. Appointing an investor relations company
2. Signing of underwriting agreement (if required)
3. Registration and lodgement of prospectus
4. Pre-marketing commences

4

Listing

4 weeks

1. Prospectus launch
2. Roadshows and bookbuilding exercise
3. Allocation of shares
4. Listing on Bursa Malaysia / Trading Commences

Get in touch with the IPO Marketing team of Bursa Malaysia to know more!

listing@bursamalaysia.com

If you have any questions on this Starter Pack, please email to

[**MMRoadmap@seccom.com.my**](mailto:MMRoadmap@seccom.com.my)

MSME and MTC interested to raise capital, re-engineer their business models, enhance their growth strategies can check out the Elevate 2.0 programme by Capital Markets Malaysia.

Queries can be sent to

[**general@capitalmarketsmalaysia.com**](mailto:general@capitalmarketsmalaysia.com)

Scan this QR code



for more information available on
MSME and MTC fundraising.

© SECURITIES COMMISSION MALAYSIA 2026

3 Persiaran Bukit Kiara
Bukit Kiara
50490 Kuala Lumpur Malaysia

Tel: +603 6204 8000

Email: MMRoadmap@seccom.com.my

Websites: www.sc.com.my | www.investsmartsc.my



@SecComMalaysia