



**Suruhanjaya Sekuriti**  
Securities Commission  
Malaysia

# Catalysing MSME and MTC Access to the Capital Market: NIMP Strategic Co-Investment Fund

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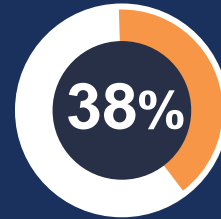


# MSMEs and MTCs form the backbone of the Malaysian economy

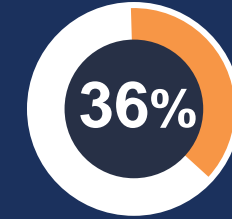


Contribution to national GDP

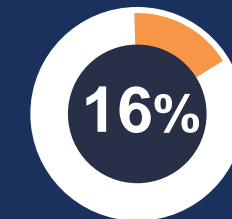
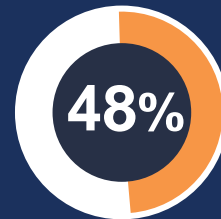
Micro, Small, and Medium Enterprises (MSME)



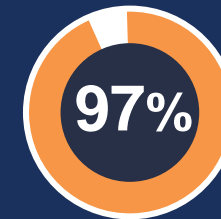
Mid-Tier Companies (MTC)



Share of national workforce



Share of firms in Malaysia  
(Number of firms)



(1.17 million)



(8,500)

MSME data as estimated by [DOSM](#) (2022)

MTC data as estimated by [MATRADE](#)



**Findings**

From [ICMR](#) (2024)

MSME may not be able to obtain bank financing due to:

- limited operating history;
- perceived higher risk;
- inadequate collateral; or
- stringent eligibility criteria imposed by banks

MTC is the “Missing Middle”.

- Too large to qualify for SME-targeted government assistance
- Lack the scale and capabilities of larger listed corporations
- Well-suited to raise financing from market-based sources

# Catalysing MSME and MTC Access to the Capital Market: 5-Year Roadmap (2024-2028)

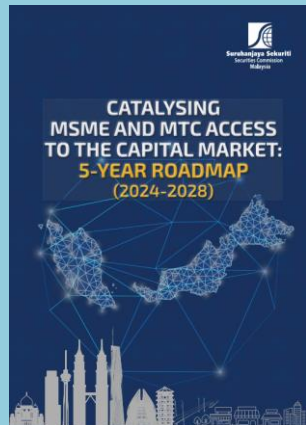


The **Roadmap** seeks to better position the capital market as an attractive and robust source of financing for MSME and MTC



A **'whole-of-nation approach'** underpins the Roadmap, promoting greater collaborative efforts and co-ordination among ministries, public agencies, as well as the private sector

## Roadmap



Launched  
**23 May 2024**

## Key Outcome

Greater MSME and MTC capital market fundraising, with...

**RM40 billion** funds raised in **2028**

*from RM6.3 billion raised in 2023*

## Addressable Market

~**28,000** MSME and MTC with high capital market potential and greater economic impact

- Mainly targeting high-growth startups, medium-sized firms, and MTC

## Aligned to key national agenda



# Catalysing MSME and MTC Access to the Capital Market: 5-Year Roadmap (2024 – 2028)

## 9 Strategies and 36 Initiatives through 3 Approaches

### 1. Enhance MSME and MTC pathways to fundraising

- a. Introduce fundraising incubation for MSME and MTC (Elevate)
- b. Create pathway from ECF to the public market
- c. Facilitate listing for MSME and MTC in national priority sectors
- d. Encourage the use of growth metrics for LEAP Market and transfers to ACE Market
- e. Facilitate listing by introduction
- f. Mobilise MSME listing grant
- g. Facilitate speedier IPO approvals

### 5. Forge public-private partnerships for MSME and MTC investments



- a. Provide guarantee for capital market instruments
- b. Establish MSME and MTC co-investment schemes in strategic sectors and activities
- c. Explore blended finance for MSME and MTC with international and local partners

### 2. Revitalise the LEAP Market as an SME feeder market

- a. Broaden eligible investor class for LEAP Market
- b. Widen the pool of listing advisers
- c. Expand methods of remuneration for advisers
- d. Establish SME-focused Fund

### 6. Improve digitalisation and connectivity of MSME and MTC information and data

- a. Introduce digitalised MSME and MTC capital market knowledge and information
- b. Spearhead MSME and MTC data and information sharing among public institutions

-  Regulatory & product innovation (11)
-  Market infrastructure (14)
-  Capacity building (11)

### 3. Innovate and customise products for MSME and MTC

- a. Enable MSME- and MTC-focused listed investment vehicles
- b. Facilitate issuance of bonds/sukuk by MSME and MTC
- c. Spur indirect financing for MSME and MTC
- d. Facilitate flexible fundraising instruments for MSME and MTC

### 7. Boost MSME and MTC readiness

- a. Introduce MSME and MTC fundraising readiness assessment
- b. Establish MSME and MTC simplified pitching guide to investors
- c. Broaden accelerator and matching network
- d. Support effective ESG disclosures by MSME
- e. Promote corporate governance best practices in MSME

- e. Encourage experimentation to enable tokenisation and innovative capital market solutions
- f. Develop waqf assets through ECF and P2P financing platforms
- g. Promote Shariah-compliant ECF and P2P financing platforms

### 8. Enhance capital market referrals

- a. Introduce diagnostic tool and referral platform for MSME and MTC capital market solutions
- b. Empower MSME and MTC touchpoints as capital market advocates
- c. Leverage awareness programmes by MSME and MTC agencies and associations
- d. Create funneling channels for MSME and MTC into capital market initiatives

### 4. Facilitate private market deals

- a. Introduce trade sale board
- b. Develop factoring information platform for MSME and MTC

### 9. Strengthen awareness and talent among investors and intermediaries

- a. Promote corporate venturing activities through capacity-building and awareness programmes
- b. Grow specialised capital market talent for the MSME and MTC segment

# The implementation of the Roadmap has shown good progress

Since the launch of the Roadmap, several key initiatives have been rolled out and new strategic partnerships were formed, including...

## The Elevate Programme



The Elevate Programme is an executive leadership programme by Capital Markets Malaysia to prepare MSMEs and MTCs for successful capital raising.

Launched in May 2024, **2 cohorts** comprising **28 companies** have now successfully completed the Elevate Programme

## Capital Market Starter Pack & Simplified Pitching Guide

*(Soon to be released)*

**Starter Pack** – 101 source of basic capital market information

**Simplified Pitching Guide** – provides a framework and tips for compelling pitches

## Simplified ESG Disclosure Guide (SEDG)



Published sector-specific ESG disclosure guides for MSMEs in 5 sectors – including manufacturing

## Strategic Partnerships

MoUs signed with various partners to achieve targeted outcomes under the Roadmap

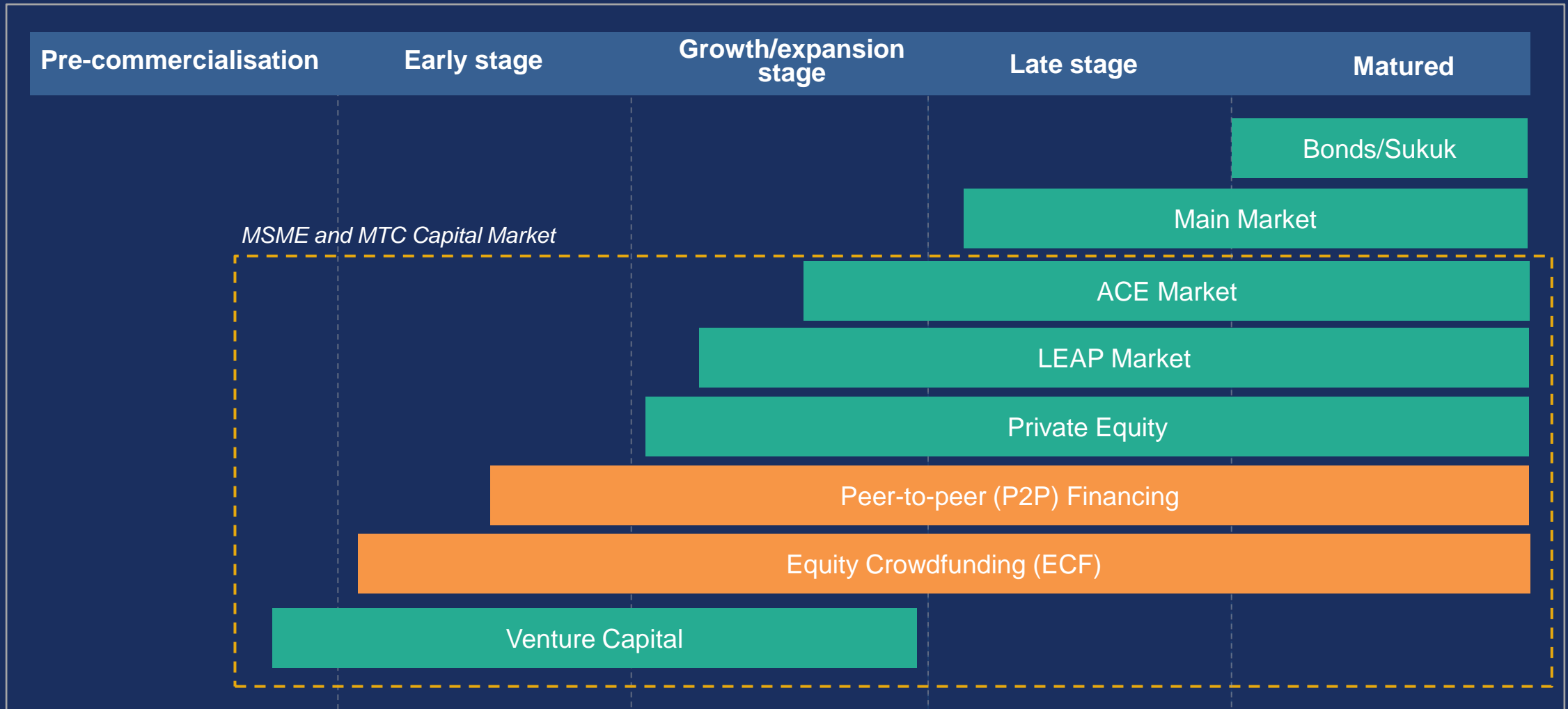


KHAZANAH  
NASIONAL



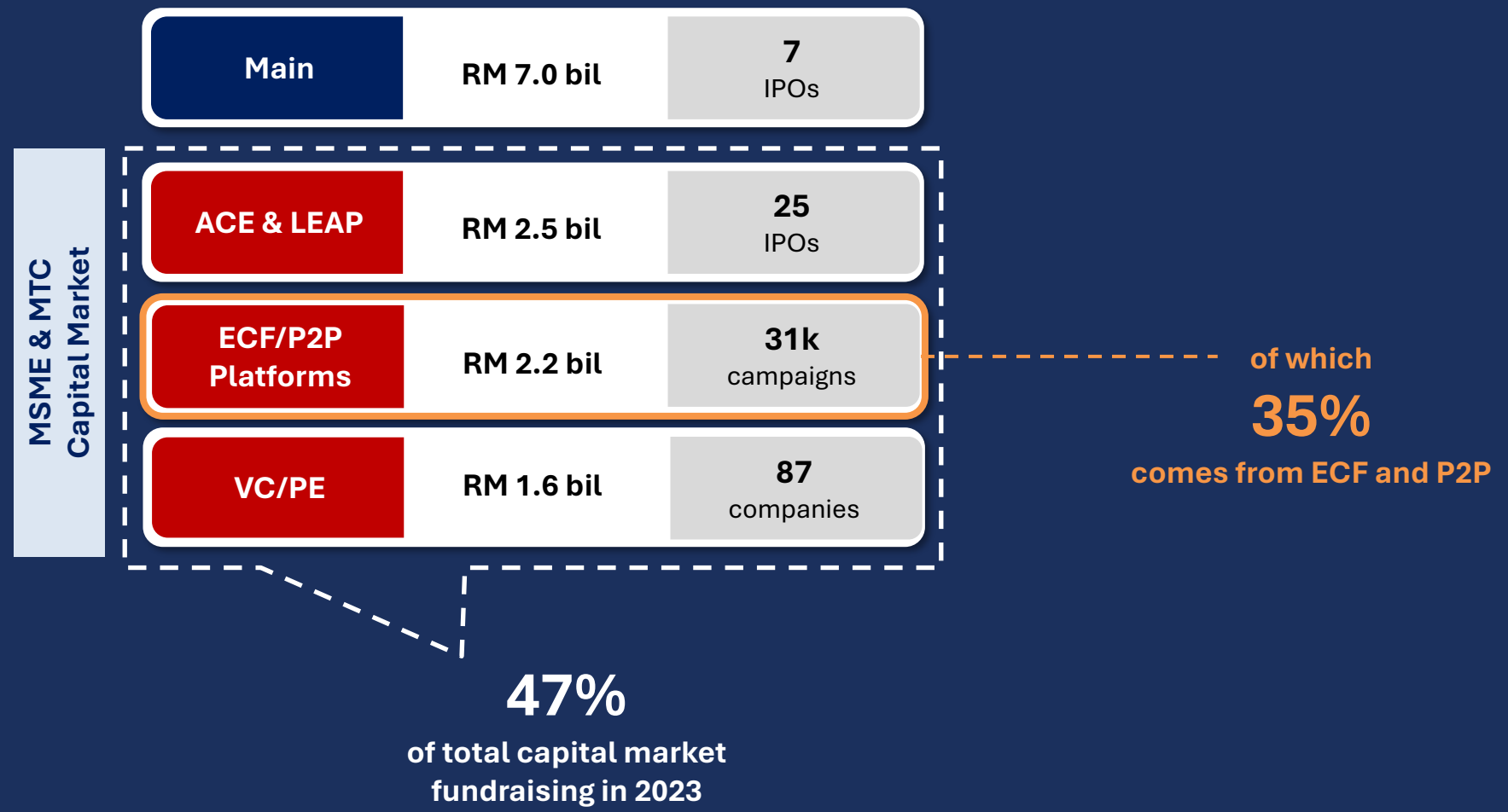
DIGITAL

# The capital market offers a suite of solutions for companies at every stage of the business lifecycle

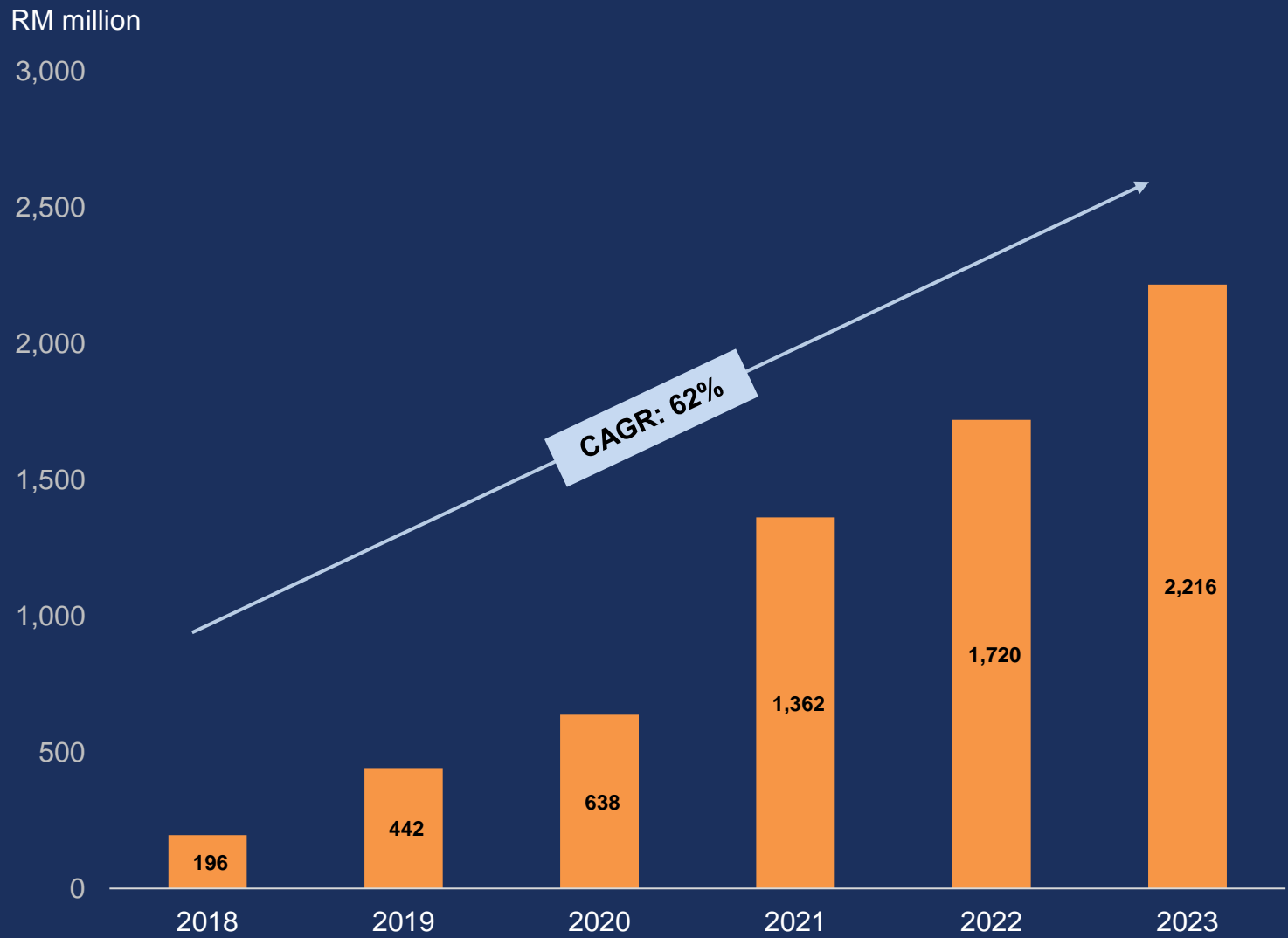


# The MSME & MTC Capital Market plays an increasingly important role

## 2023 Capital Market Fundraising



# The ECF and P2P space has experienced a strong growth trajectory



## Serving the Needs of Malaysian Businesses

Since inception, ECF and P2P platforms have helped **over 15,000 companies** secure funding, particularly those outside the risk appetite of banks



## Mobilising Public Funds

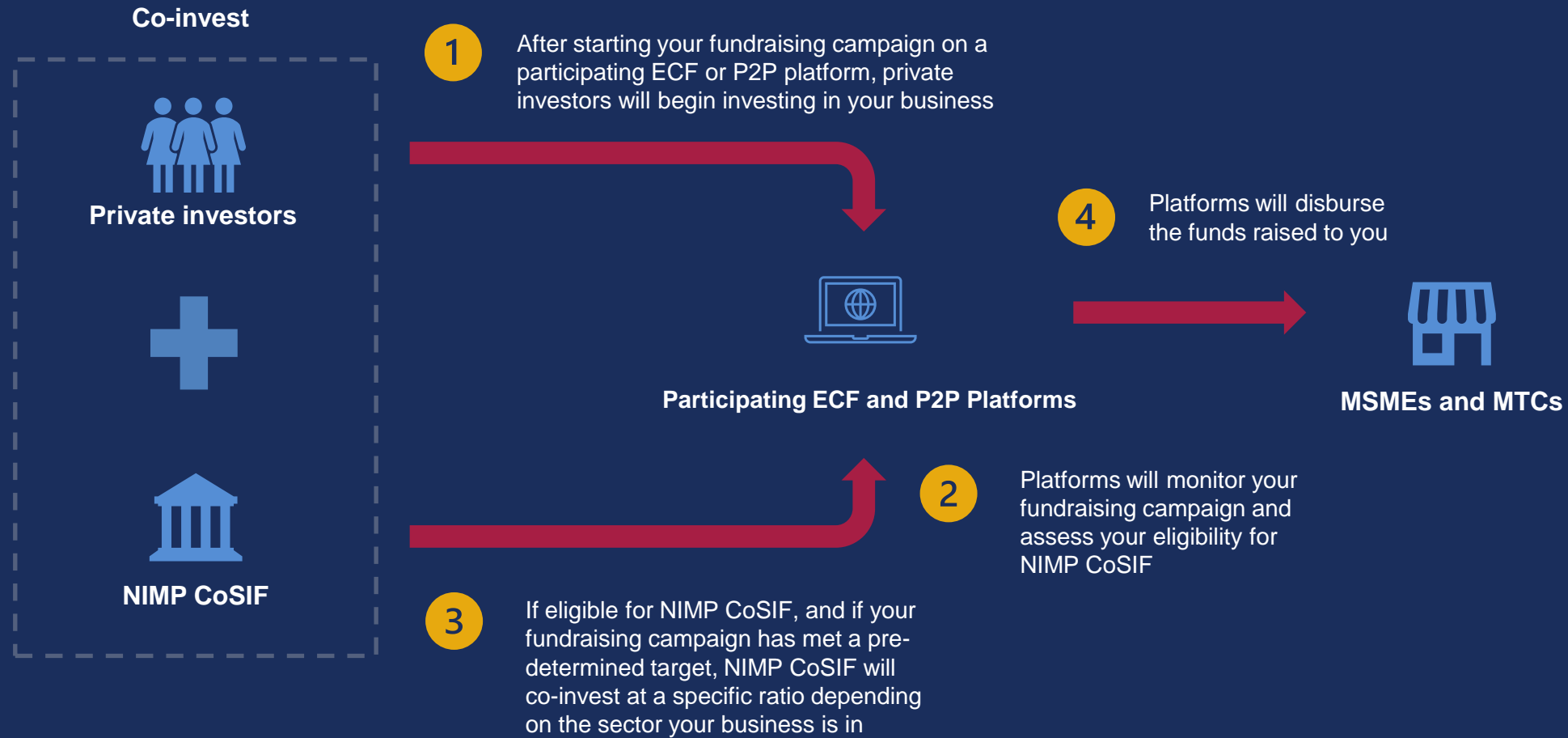
With a seed funding of RM260 million, the **Malaysia Co-Investment Fund (MyCIF)** has co-invested over RM1 billion in over 9,000 MSMEs through ECF and P2P



# How will the NIMP CoSIF work?



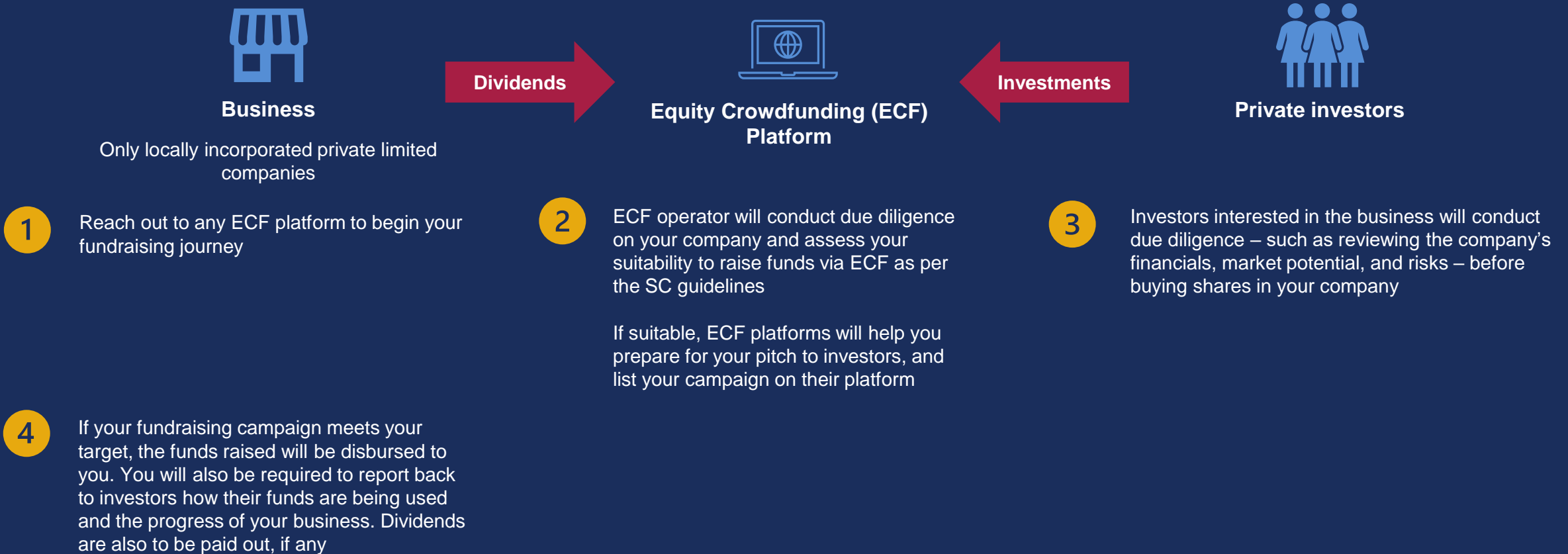
# How will the NIMP CoSIF work?



# Equity Crowdfunding (ECF)

Equity Crowdfunding, or ECF, is a way for businesses to raise funds from private investors by offering shares in their businesses. There are currently 12 SC-registered ECF operators in Malaysia.

## How does ECF work?



# Peer-to-Peer Financing (P2P)

Peer-to-Peer Financing, or P2P, is a way for businesses to borrow money directly from private investors. P2P platforms act as intermediaries, matching businesses with investors willing to lend money at a rate determined by the P2P platform. There are currently 14 SC-registered platforms in Malaysia.

## How does P2P work?



Business



Peer-to-peer (P2P) Platform



Private investors

- 1 Choose your preferred P2P platform and submit the P2P loan application along with the required documentation
- 2 P2P operators will conduct necessary due diligence, such as risk assessments and credit scoring on the company
- 3 Investors interested in the business will conduct due diligence – such as reviewing the business's financials, market potential, and risks – before investing
- 4 If your fundraising campaign meets your target, the funds raised will be disbursed to you
- 5 Adhere to the repayment schedule as outlined in the loan agreement
- 6 Investors will receive the payment (with interest)

Visit our website to learn more



## NIMP 2030 Strategic Co-Investment Fund (NIMP CoSIF)

A collaboration between the Ministry of Investment, Trade and Industry (MITI) and Securities Commission Malaysia (SC)

### About the NIMP CoSIF

The New Industrial Master Plan 2030 (NIMP 2030) Strategic Co-Investment Fund (NIMP CoSIF) is a government co-investment fund that aims to support the missions of the NIMP 2030, in achieving Malaysia's industrial objectives.

The NIMP CoSIF is also aligned with the aspirations of the Securities Commission Malaysia's 'Catalysing MSME and MTC Access to the Capital Market: 5-Year

### How to Apply for the NIMP CoSIF?

1

Apply for financing through any of the participating ECF or P2P platforms under the NIMP CoSIF.

[www.sc.com.my/msme-mtc-roadmap/cosif](http://www.sc.com.my/msme-mtc-roadmap/cosif)



MSME & MTC Roadmap website

Want to know more?

Reach out to us at:



[NIMPCoSIF@seccom.com.my](mailto:NIMPCoSIF@seccom.com.my)

**THANK YOU**