

EQUITY CROWDFUNDING AND PEER-TO-PEER FINANCING

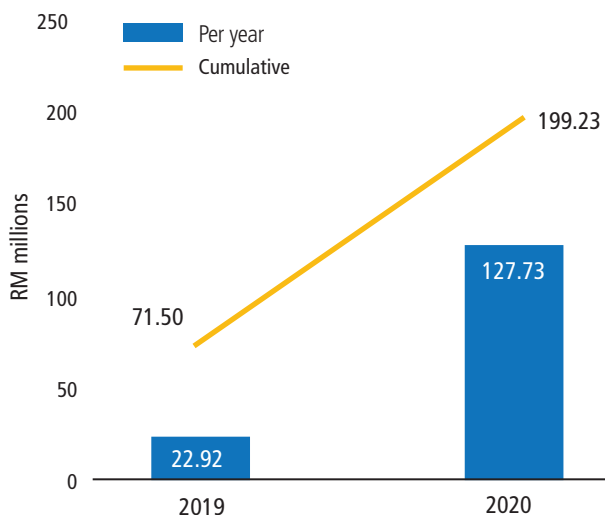
EQUITY CROWDFUNDING¹

Since 2016, the ECF has fundraised RM199.23 million (Chart 1) benefitting 150 issuers through 159 successful campaigns.

In 2020 alone, the total capital raised grew by 457% to RM127.73 million, from RM22.92 million in 2019 (Chart 1). A total of 78 issuers have successfully fundraised via 80 campaigns (Table 1), with 2 issuers fundraising twice within 2020. Majority of issuers are based in Kuala Lumpur or Selangor and 60% are technology-focused issuers.

CHART 1

Capital raised in RM millions



Campaign size in 2020 has shifted towards larger fundraising amounts, with 84% of campaigns raised beyond RM500,000 mark (Chart 2).

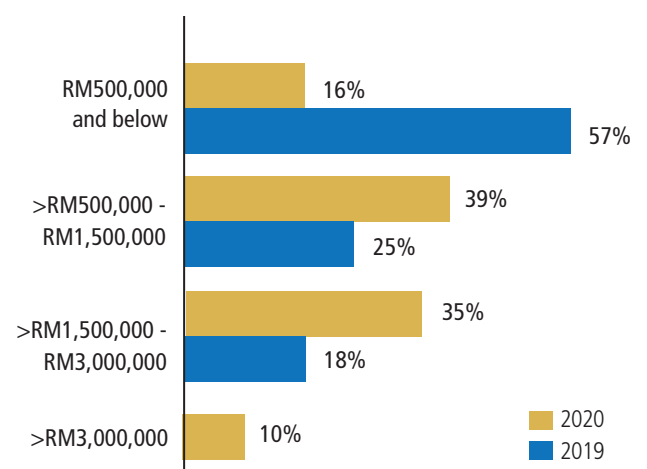
TABLE 1

Number of issuers and successful campaigns

	2020	2019
Number of issuers	78	28
Number of campaigns	80	28

CHART 2

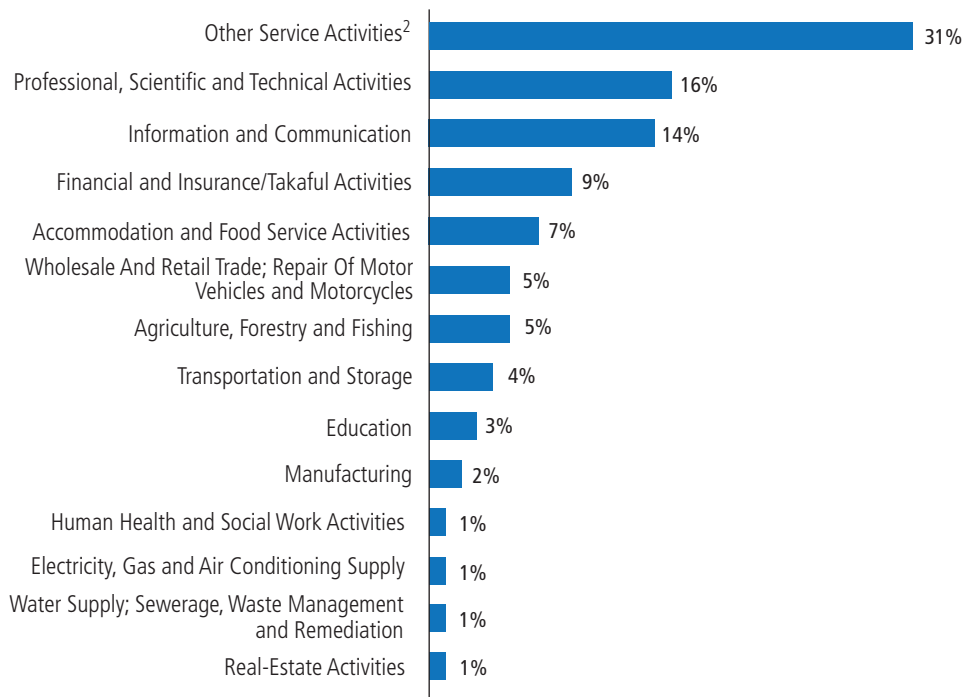
Distribution of fundraising amount



¹ Previously reported statistics have been adjusted according to the RMOs latest reported numbers.

CHART 3

Capital raised by sectors in 2020



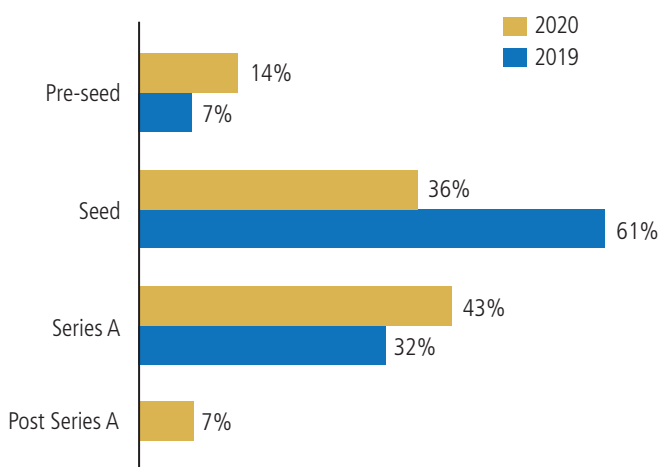
Top 3 sectors by amount of capital raised in 2020 were 'Other Service Activities' with RM38.88 million (31%), 'Professional, Scientific and Technical Activities' with RM19.96 million (16%) and 'Information and Communication' with RM18.27 million (14%) (Chart 3).

In 2020, the number of campaigns for Seed funding reduced to 36% from 61% in 2019 (Chart 4). Campaigns in Series A and onwards grew from 32% in 2019 to 50% in 2020. 7% of the campaigns in 2020 involved Post Series A funding (Chart 4). Majority of the capital raised from successful campaigns in 2020 was for business expansion.

Table 2 represents a comparative table for investor demographics in 2020 and 2019.

CHART 4

Funding stages



² 'Other Service Activities' sector includes activities of membership organisations, repair of computers, personal and household goods and other personal service activities.

TABLE 2

ECF investor demographics

		2020	2019
Nationality	Malaysian	95%	96%
	Foreign	5%	4%
Gender	Female	34%	32%
	Male	66%	68%
Age	Below 35	44%	48%
	35 to 45	33%	30%
	>45 to 55	15%	13%
	Above 55	8%	9%
Type	Retail	66%	55%
	Angel	24%	16%
	Sophisticated – HNWI	8%	27%
	Sophisticated – HNWE and Institutional	2%	2%

PEER-TO-PEER FINANCING³

Since 2017, P2P financing has raised a total of RM1.14 billion (Chart 5). It has provided financing to 2,801 issuers through 15,862 successful campaigns.

In 2020, the total capital raised grew by 20% to RM503.31 million, from RM418.64 million in 2019 (Chart 5). A total of 1,325 issuers have successfully fundraised via 7,760 campaigns in 2020, reflecting a 6% decrease in total number of issuers and a 39% increase in total number of successful campaigns from 2019 (Table 3). A total of 63% issuers are based in Kuala Lumpur or Selangor and 36% are technology-focused issuers.

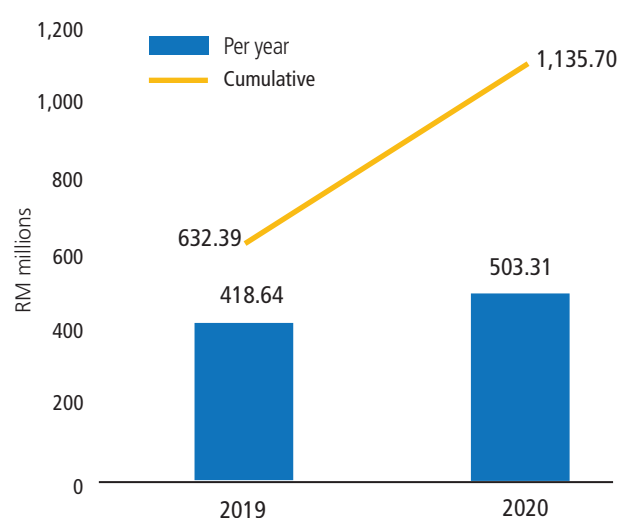
TABLE 3

Number of issuers and successful campaigns

	2020	2019
Number of issuers	1,325	1,415
Number of campaigns	7,760	5,583

CHART 5

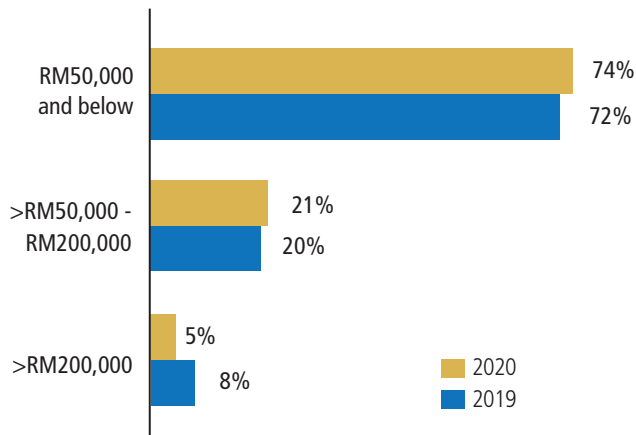
Capital raised in RM millions



³ Previously reported statistics have been adjusted according to the RMOs latest reported numbers.

CHART 6

Distribution of fundraising amount



In terms of distribution of fundraising amount, majority of campaigns (74%) has successfully fundraised RM50,000 and below in 2020 (Chart 6).

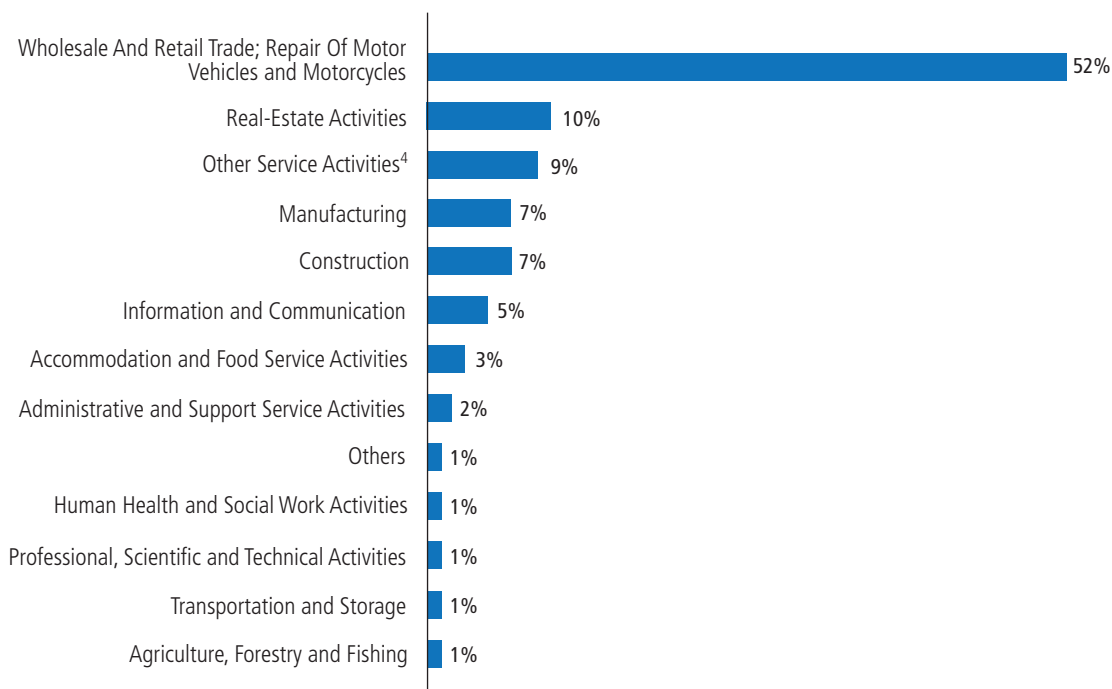
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles sector remains the largest sector served in 2020 (Chart 7).

In 2020, investment notes issued for micro, business and invoice financing has decreased as compared to 2019 (Chart 8). The bulk of investment notes (56%) were issued for other financing types (Chart 8).

A majority (77%) of the campaigns in 2020 involved shorter-term financing, with tenures of 3 months or less (Chart 9). Capital raised from successful campaigns

CHART 7

Capital raised by sectors in 2020



⁴ 'Other Service Activities' sector includes activities of membership organisations, repair of computers, personal and household goods and other personal service activities.

CHART 8

Types of financing

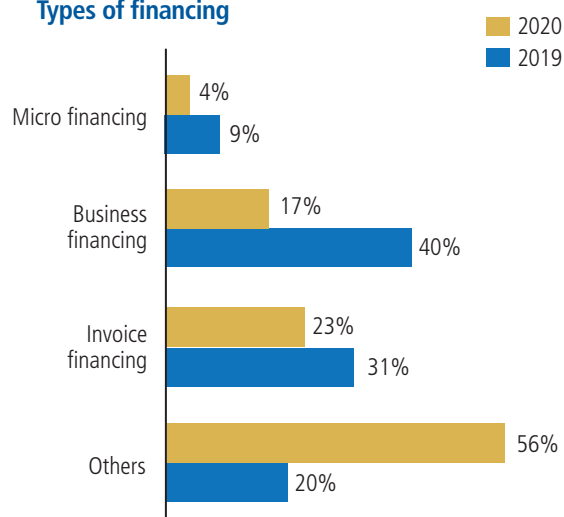
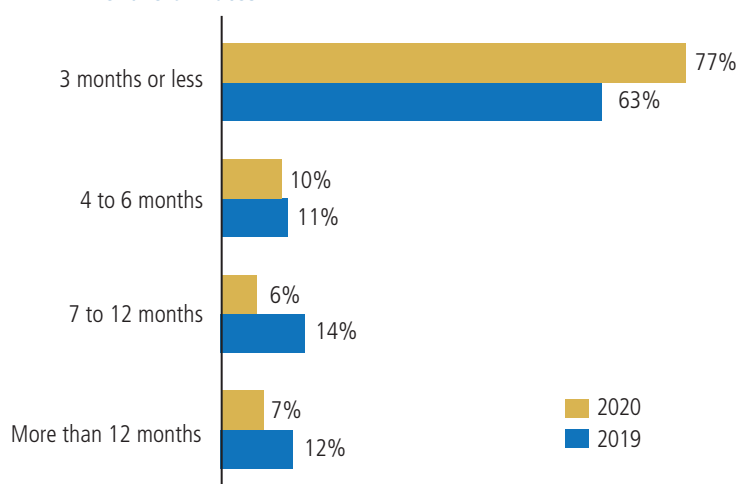


CHART 9

Tenure of notes



in 2020 was mainly for working capital. Simple interest rate on P2P financing notes issued in 2020 decreased to 12.7% p.a from 13.1% p.a in 2019 (Table 4).

Table 5 represents a comparative table of investor demographics in 2020 and 2019.

TABLE 4

Simple interest rates⁵ per annum

Notes issued in 2020	12.7%
Notes issued in 2019	13.1%

TABLE 5

P2P financing investor demographics

		2020	2019
Nationality	Malaysian	98%	98%
	Foreign	2%	2%
Gender	Female	28%	28%
	Male	72%	72%
Age	Below 35	60%	63%
	35 to 45	25%	24%
	>45 to 55	9%	9%
	Above 55	6%	4%
Type	Retail	87%	99%
	Angel	11%	0%
	Sophisticated – HNWI	2%	1%

⁵ Simple interest rate per annum is calculated as the average of all notes issued in a particular year, weighted against the size of each note.