



**Suruhanjaya Sekuriti**  
Securities Commission  
Malaysia

# Malaysia Co-investment Fund (MyCIF)

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Annual Report 2021

## MyCIF in Numbers (Q4 2019 to Q4 2021)

**16,128**

ECF & P2P  
campaigns co-  
invested in

**2,279**

MSMEs which  
have received  
co-investment

**357M**

Total co-  
invested from  
initial RM180M  
allocation

**1.36B**

Private sector  
investments  
alongside MyCIF

**~90%**

MyCIF's ECF and  
P2P issuers are  
**micro or small  
businesses**

### Executive Summary

- Since its inception in October 2019, MyCIF has received a total allocation of RM180 million - of which **RM80 million was allocated in 2021** - from the government to provide co-investments alongside private investors on the ECF and P2P platforms.
- With the continued support of MyCIF, ECF and P2P markets continued to growth in 2021 with **74% and 122% increase in total fundraising** for both markets respectively, as well as 33.3% and 48.6% increase in the overall number of successful campaigns and participating issuers in 2021.
- Thus far, **MyCIF has accumulated a net return of RM4.6 Mn** – increases in ECF capital return and P2P interest/return primarily contributed to this growth. All returns and repayments received from MyCIF were plowed back for further co-investment.
- Additionally, **Social Enterprises that has utilized the MyCIF-Social Enterprise scheme successfully fundraised approximately RM5.2 Mn** via 28 P2P campaigns, with zero default rate.
- MyCIF successfully launched the **pilot program to facilitate financing for informal sector** in partnership with Funding Societies, a P2P financing operator – the fund will co-invest in **campaigns within the informal sector on a 1:1 co-investment ratio**.
- MyCIF will continue to assist in ECF and P2P financing in 2022 generally, with a specific focus on MSMEs that are related to the **agriculture sector which has been identified to be of strategic importance to the Malaysian economic recovery**.

# Agenda

**1**    **ECF and P2P market update**

**2**    **MyCIF General and Social Enterprise update**

**3**    **MyCIF Committee Governance**

As of 31 December 2021, ECF and P2P campaigns have raised more than RM2.7 billion across 4,556 total MSMEs

### Continued growth in ECF and P2P markets

**2.71B**

(2020: 1.33B)

**total funds raised**

ECF: 420.9M P2P: 2.29B

**4,556**

(2020: 2,951)

**total MSMEs**

ECF: 252 P2P: 4,304

**30,599**

(2020: 16,021)

**successful campaigns**

ECF: 263 P2P: 30,336

### Increased participation from investors

**20,531**

(2020: 19,603)

**No. of investors in 2021**

ECF: 5,337 P2P: 15,534

**87%**

**of participating individual  
investors are retailers**

ECF: 61% P2P: 97%

**50%**

**investors are below 35  
years old**

ECF: 38.2% P2P: 54.4%

In 2021, ECF market has witnessed notable increase from 2020 as total funding raised increased by 74% (y-o-y) across 104 MSMEs



**Key Highlights**

**104**  
MSMEs  
successfully raised  
via ECF  
(2020: 78, 33.3%  
increase)

**221.63M**  
total amount raised  
(2020: RM 127.73M,  
74% increase)

**2.13M**  
average fundraising  
amount  
(2020: RM1.6M)

**38%**  
increase in total no.  
of investors  
(2020: 3.9k, 2021:  
5.3k)

**~8.2k**  
average investment  
amount of retail  
investors in 2021  
(2020: ~RM 6.9k)

# In 2021, P2P markets grew significantly from 2020 by 123% in total funding raised across 1,988 MSMEs



## Key Highlights

**1,988**  
MSMEs  
successfully raised  
via P2P  
(2020: 1338. 48.6%  
increase)

**1.14B**  
total amount raised  
(2020: RM 512.65M,  
123% increase)

**77.5%**  
of notes issued are  
short-term (tenure of  
<= 3 months);  
RM60k is avg amt  
raised for short-term  
notes

**50%**  
of issuers are  
MSMEs with less  
than 5 years in  
operation

**527M**  
total investment  
amount by  
individual investors  
(2020: RM263 M)

# Agenda

1 ECF and P2P market update

**2 MyCIF General and Social Enterprise update**

3 MyCIF Committee Governance

# MyCIF General scheme disbursement as at 31 December 2021

## MyCIF Co-investment Criteria



Co-invest on **1:4 ratio** basis (RM1 for every RM4 raised from private investors)



**Maximum co-investment amount** is **RM1 million** for each campaign



Co-investment is **open to all MSMEs**, with no sectoral bias

**Note:** From 3 April - 31 December 2020, MyCIF General scheme has provided a temporary relief for its co-investment criteria in which the co-investment ratio is 1:2 and increased the maximum co-investment amount per campaign from to RM500k to RM1 Mn. Since 1 January 2021, MyCIF has revert back to the original ratio, 1:4 however, the maximum co-investment amount per campaign is maintain at RM1 Mn.

## MyCIF General Scheme Disbursement (as at 31 Dec 2021)

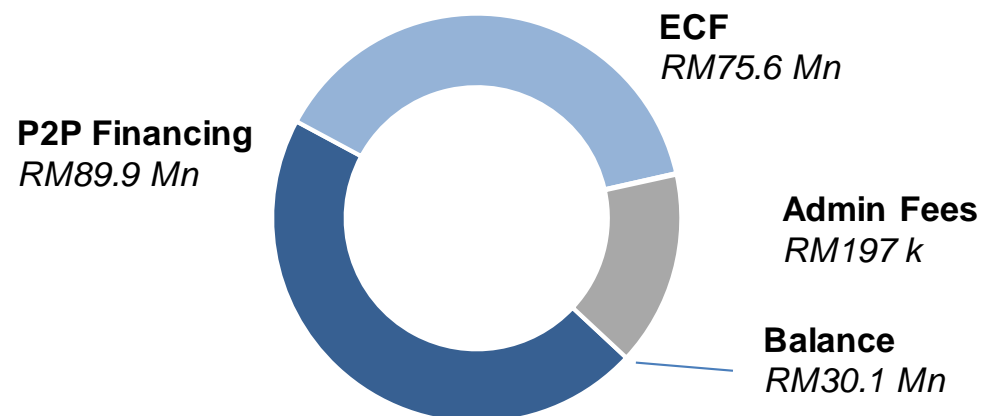
# 180M

Received from **MOF** for MyCIF-General Scheme

# 357.5M

**Co-invested** thus far across ECF and P2P Financing\*

*\*Amount is larger than the original RM180 million due to continuous re-investment of P2P notes, and fixed deposit interest + ECF dividend.*



**Note:** Data as at 31 December 2021; Refer to appendix for further breakdown



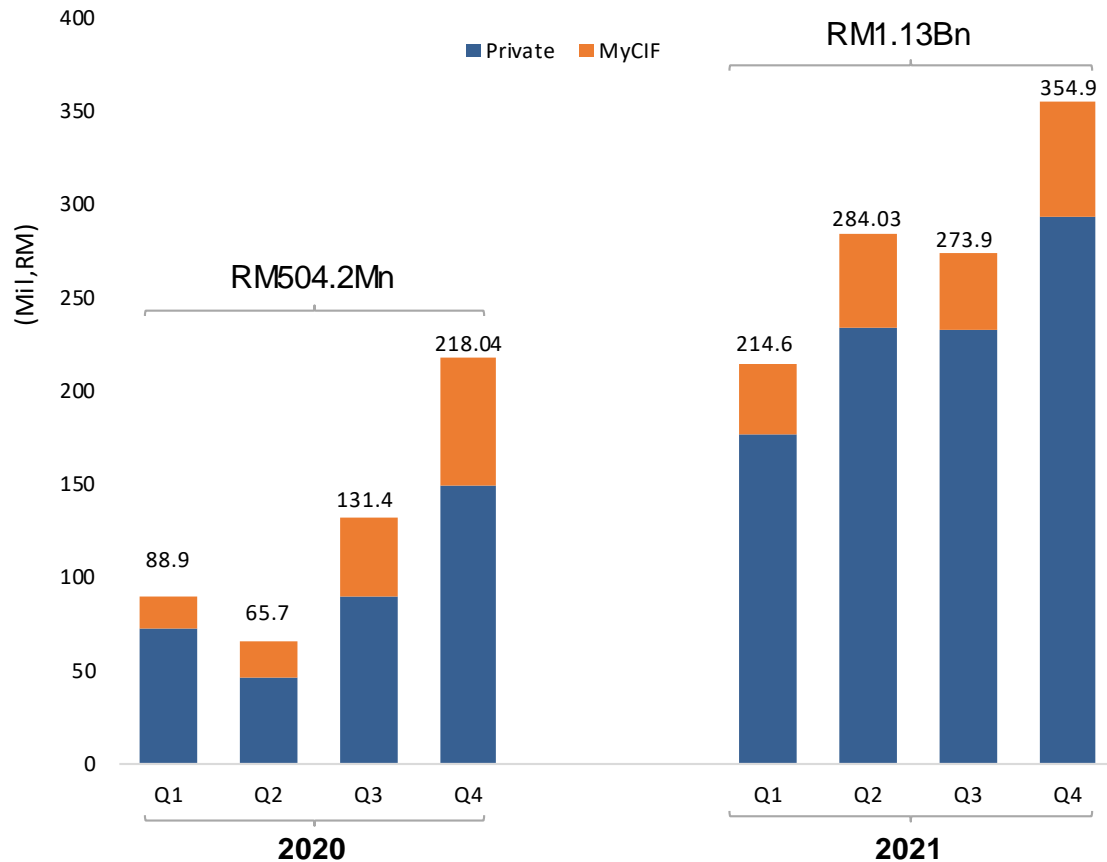
## Since MyCIF inception up to end-2021, MyCIF has accumulated a net return of RM4.6 million

### MyCIF rate of return (as at 31 December 2021)

<b>MyCIF Initial Capital</b>	<b>RM180,000,000.00</b>
<b>Gross return</b>	
1) ECF divestment	RM1,209,280.94
2) ECF dividend (Preference shares)	RM320,841.46
3) P2P interest / return	RM7,317,593.64
4) Interest from fixed deposit / idle funds	RM394,202.71
<b>Total gross return</b>	<b>RM9,241,918.75</b>
<b>Losses and Fees</b>	
1) Administrative expenses	(RM197,061.79)
2) Written off ECF investment (FFC 3)	(RM160,000.00)
3) Defaulted P2P outstanding repayment	(RM4,281,973.59)
<b>Total losses and fees</b>	<b>(RM4,639,035.38)</b>
<b>Total net return on capital</b>	<b>RM4,602,883.37</b>

## The total fundraised for MyCIF-related campaigns recorded a significant increase in 2021 in comparison with 2020, indicating market acceptance of ECF and P2P financing

### Total Fundraised for MyCIF ECF & P2P Campaigns



- ✓ The total fundraised in the year 2021 equated to **RM1.13 Billion** while **RM504.2mil** was fundraised in 2020. This represents an increase of **123%** in total funding
- ✓ Private investments was recorded at **RM934 million** in for the year 2021 compared to **RM356 million** in the year 2020, representing an increase of approximately **162%** year on year basis.
- ✓ MyCIF co-investment was recorded at **RM193 million** for the year 2021 compared to **RM148 million** in the year 2020. This represents an approximately **30%** increase in the total co-investment amount

# In 2021, MyCIF has co-invested over RM33 Mn alongside RM157 million from private investors, in 89 MSMEs via ECF platforms

## Overview of MyCIF's ECF investments

**182**

Total no. of ECF campaigns MyCIF invested in

**65%**

Issuers are tech companies

**338M**

Total amount raised by these businesses

**75.6M**

Total amount of disbursement from MyCIF

**8**

Median no. of employees

**55%**

Less than 3 years of establishment

**51%**

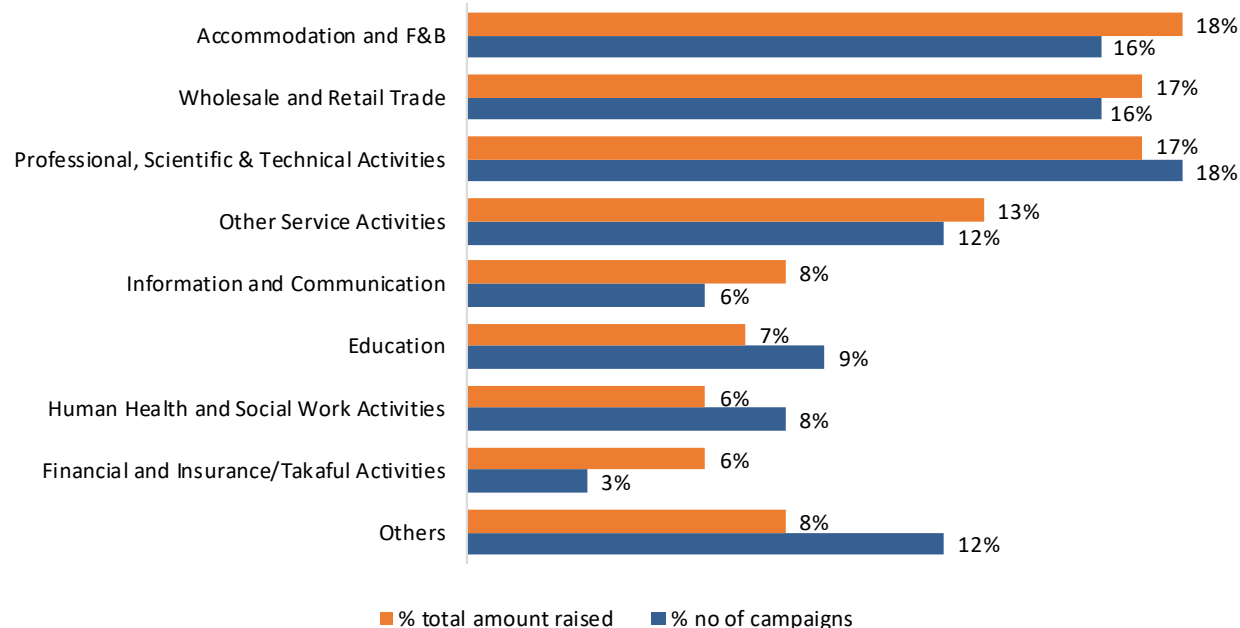
Issuers have women or youth founders

**77%**

Fundraising for business expansion

*Note: Data as at 31 December 2021*

## MyCIF ECF investments in 2021



\* Categories are based on SME Corp definition

**374k**

Average MyCIF co-investment amount (RM)

**73%**

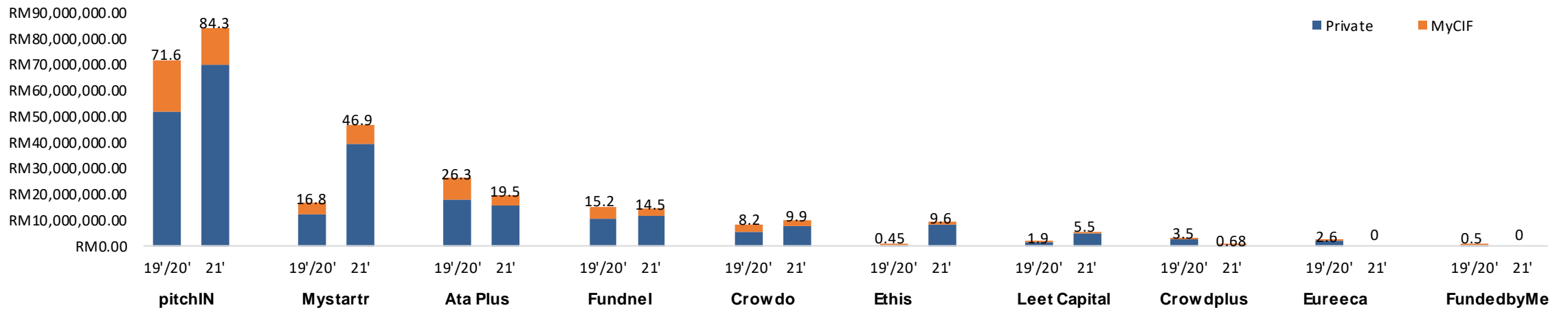
Of issuers have less than RM2 Mn revenue base

**89%**

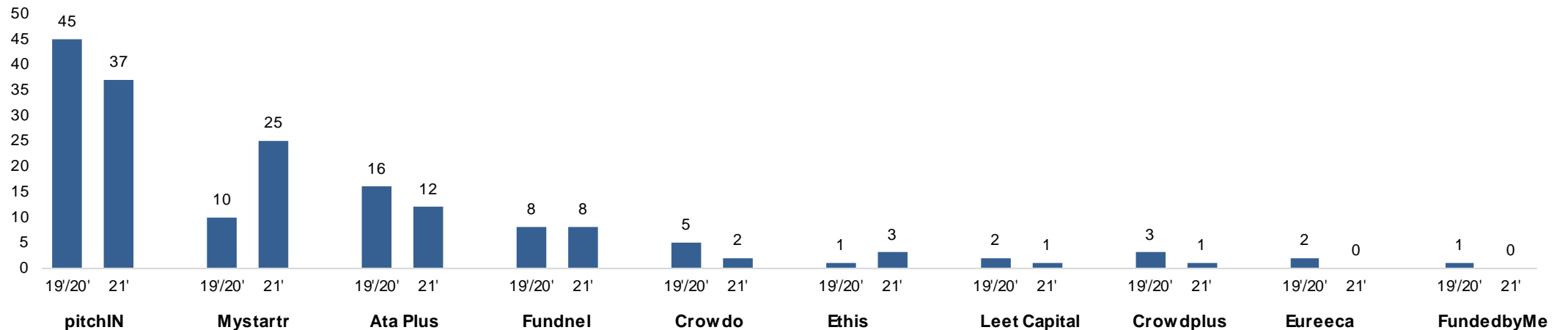
Based in Klang Valley (Johor 6%, Pulau Pinang 4%)

# The total fundraised by ECF platforms varies across the years, with a general increase in total fundraising in 2021 compared to the previous year

Total amount fundraised via ECF platforms (Q4 2019 – 2020 vs 2021)



Total number of campaigns via ECF platforms (Q4 2019 – 2020 vs 2021)



# In 2021, MyCIF has also co-invested more than RM159 Mn alongside RM776 Mn from private investors, benefitting 1,363 MSMEs via P2P platforms

## Overview of MyCIF's P2P investments

**15,946**

Total no. of P2P campaigns MyCIF invested in

**2,101**

MSMEs' MyCIF co-invested in (*unique issuers*)

**1.38Bn**

Total amount raised by MyCIF notes

**281.87M**

Total amount of co-investment from MyCIF

**99%**

Of fundraising is for working capital

**86.3K**

Average fundraising for working capital

**9.53%**

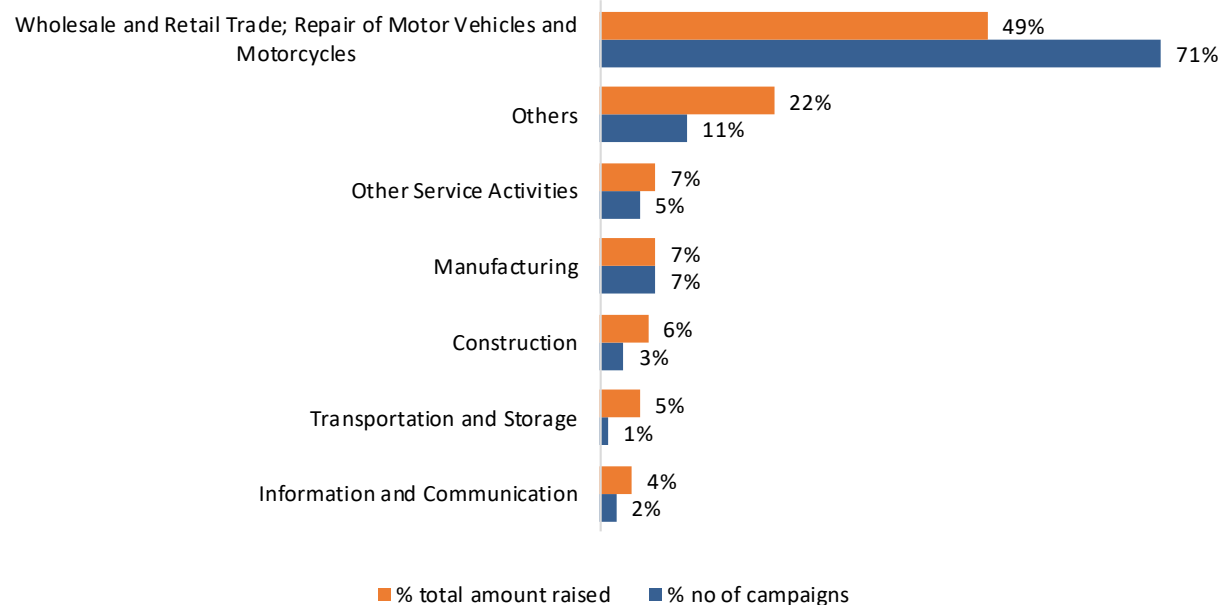
Expected return for MyCIF

**1.45%**

Default rate of MyCIF notes

*Note: Data as at 31 December 2021*

## MyCIF P2P investments in 2021



\* Categories are based on SME Corp definition

**15k**

Average MyCIF co-investment amount (RM)

**73%**

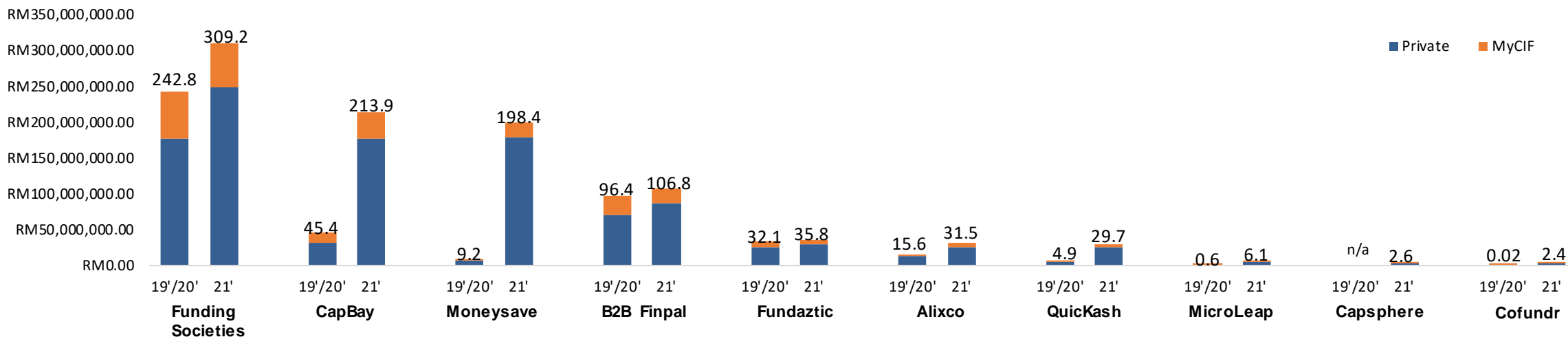
Of issuers have less than RM3 Mn revenue base

**60%**

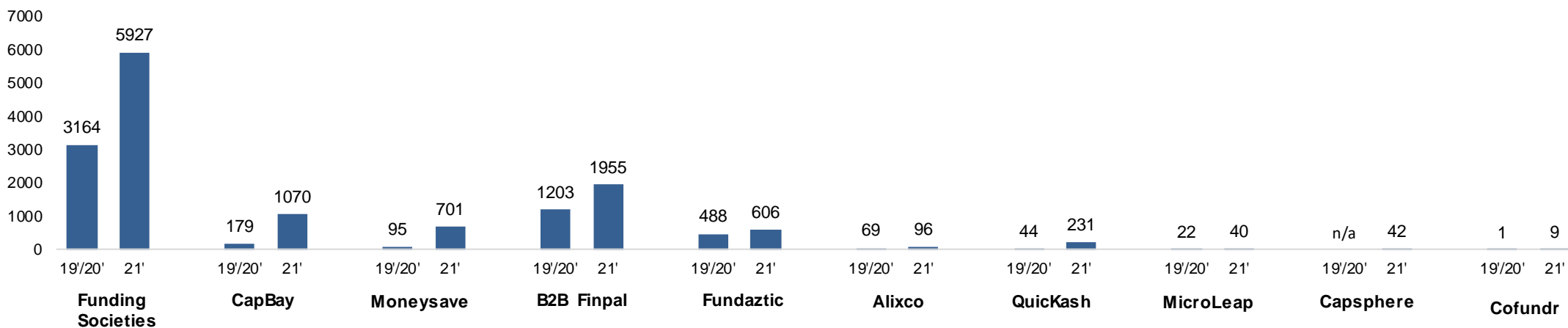
Based in Klang Valley (Johor 14%, Pulau Pinang 6%)

# Individual P2P Platforms also recorded a varied performance in the year 2021, but achieved a significant increase in fundraising amount compared to the previous year

Total amount fundraised via P2P platforms (Q4 2019 – 2020 vs 2021)



Total number of campaigns via P2P platforms (Q4 2019 – 2020 vs 2021)



# With 1:1 co-investment ratio, 6 social enterprises has raised ~RM5.2 million via MyCIF Social Enterprise scheme

## MyCIF Social Enterprise Statistics to date

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28

Number of Social Enterprise P2P campaigns MyCIF participated in

6

**Social Enterprises** benefitted from the MyCIF SE scheme

2.58Mn

Amount Co-Invested (RM) by MyCIF

184 k

Average fundraising amount by SE via P2P campaigns

0%

Default Rate



*Note: Data as at 31 December 2021*

# MyCIF had launched its informal sector program in the bid to provide co-investments to informal businesses through P2P Financing

## MyCIF Informal Sector Pilot Co-investment Criteria

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The informal sector campaigns to be hosted on a separate part of the MyCIF participant's platform



MyCIF will invest in each informal sector campaign on a **1:1 ratio**, in which MyCIF will invest RM1 for every RM1 successfully raised from private investors



The investors for this pilot includes MyCIF and not more than 10 institutional/corporate and sophisticated investors



Any single pilot is limited to an initial overall portfolio size up to RM2 mil



The maximum financing for a single P2P issuer under the informal sector is limited to RM50k

Partner for Informal Sector Pilot





# Agenda

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2 MyCIF General and Social Enterprise update

**3 MyCIF Committee Governance**

# MyCIF Committee has held 5 meetings between Q4 2019 – Q4 2021 to discuss on the performance and direction of MyCIF

## MyCIF Committee



**Chin Wei Min**  
Chairperson, MyCIF Committee  
Executive Director, SC



**Foo Lee Mei**  
Alternate Chair, MyCIF Committee  
Managing Director, SC



**Datuk Johan Mahmood Merican**  
Deputy Secretary General of  
Treasury (Policy)  
Ministry of Finance



**Rejina Abdul Rahim**  
External Adviser  
Nomura Asset Management Malaysia



**Thomas G. Tsao**  
Founding Partner  
Gobi Partners

## Meeting frequency and attendance

	Meeting #1	Meeting #2	Meeting #3	Meeting #4	Meeting #5
	14 Jun 2019	7 Feb 2020	21 Jul 2020	11 Dec 2020	11 Oct 2021
<b>Chin Wei Min</b>	✓	✓	✓	✓	✓
<b>Foo Lee Mei</b>	✓	-	-	-	✓
<b>Datuk Johan M. Merican</b>	-	✓	-	✓	-
<b>Rejina A. Rahim (RAR)</b>	✓	✓	✓	✓	✓
<b>Thomas G. Tsao (TGT)</b>	✓	✓	✓	✓	✓

*Note: Under the terms of reference, only RAR and TGT are entitled to receive sitting fee*

# Appendix

## As at Q4 2021, MyCIF has received RM180 Mn from the government and has disbursed over RM165mil to ECF and P2P operators

The breakdown on MyCIF funds utilisation is as the following:

No.	Item	Amount disbursed
1)	<b>ECF Disbursement</b>	<b>RM89,889,818.82</b>
2)	<b>P2P Disbursement</b>	<b>RM75,634,992.92</b>
3)	<b>Administrative expenses:</b>	<b>RM197,061.79</b>
	<i>i) Legal fee</i>	<i>RM89,263.76</i>
	<i>ii) Trustee fee (RM30k p.a)</i>	<i>RM90,000.00</i>
	<i>iii) Sitting fee</i>	<i>RM16,000.00</i>
	<i>iv) Bank fee</i>	<i>RM1,798.03.</i>
	<b>TOTAL</b>	<b>RM165,721,873.53</b>

## All repayments from P2P investments have been reinvested into subsequent notes

### Inflow of Funds

No.	Items	Amount (RM)
1.	Opening Cash Balance	RM15,423,507.96
2.	Deposit from MyCIF	RM31,119,192.82
3.	Principal repaid	RM139,518,556.55
4.	Interest received	RM4,708,359.57
5.	Interest from idle funds / rebate	RM48,083.98
6.	Penalty Interest	RM30,804.83
7.	Returned Fund	RM1,008,400.00
8.	Recovered Payment	RM19,509.56
9.	Early Interest Fee	RM1,864.14
10.	Late Interest Fee	RM63,229.84
11.	Cashback/Rebate	RM32,760.51
12.	Miscellaneous	RM234.63
	<b>TOTAL</b>	<b>RM191,974,504.39</b>

### Outflow of Funds

No.	Items	Amount (RM)
1.	MyCIF co-investment (Q1 2021 – Q4 2021)	RM160,587,530.17
2.	Ending Cash balance	RM17,636,512.68
3.	Debit Adjustment	RM577.44
4.	Service Fee	RM747,369.99
5.	Withdrawals	RM13,000,000.00
6.	Legal Fee	RM2,499.71
7.	Miscellaneous	RM0.30
	<b>TOTAL</b>	<b>RM191,974,504.39</b>

## Breakdown of ECF and P2P issuers sectors in 2021 (MyCIF participating in)

Sector	ECF issuers	P2P issuers
Accommodation & Food Service Activities	14	65
Activities of Households as Employers; Undifferentiated Goods- And Services Producing Activities of Households for Own Use	2	1
Administrative and Support Service Activities	1	2
Agriculture, Forestry and Fishing	1	5
Arts, Entertainment and Recreation	1	1
Construction	0	96
Education	8	14
Electricity, Gas & Air Conditioning Supply	0	3
Financial and Insurance/Takaful Activities	3	6
Human Health and Social Work Activities	7	2
Information and Communication	5	29
Manufacturing	2	89
Mining and Quarrying	0	3
Other Service Activities	11	226
Professional, Scientific & Technical Activities	16	21
Real-Estate Activities	1	3
Transportation & Storage	2	43
Water Supply; Sewerage, Waste Management & Remediation Activities	1	5
Wholesale and Retail Trade; Repair of Motor Vehicles and Motorcycles	14	726
<b>Total number of unique issuers</b>	<b>89</b>	<b>1363</b>

# MyCIF has admitted 10 ECF operators and 10 P2P operators into the the MyCIF scheme

## ECF and P2P Financing Operators admitted to MyCIF

### ECF Operators



CrowdPlus.asia



FUNDNEL



CROWDO



### P2P Financing Operators



MoneySave  
Safer & Better Community Financing



CapitalBay  
Supply Chain Finance

