



MALAYSIA DEBT VENTURES BERHAD
200201010450 (578113-A)



TECHNOLOGY PROJECT & TECHNOLOGY STARTUP FINANCIER

ABOUT MALAYSIA DEBT VENTURES BERHAD



MDV has been the key funding catalyst for innovative & sustainable tech companies in the country

Malaysia Debt Ventures Berhad (MDV) was established by the Government of Malaysia in 2002 with the objective of providing flexible and innovative financing facilities to develop the Information and Communications Technology (ICT) sector that had been identified and prioritised by the Government as the catalyst for the nation's growth.

As the nation developed, MDV's financing mandate was concurrently extended to serve other high-impact and technology-driven sectors of the economy prioritised by the Government, including Green Technology, Biotechnology, Strategic and Emerging technology, and start-ups.

MDV also offers conventional and Shariah compliant financing solutions that cater to the requirements of young technology-based companies and start-ups with innovative products and/or services as well as sustainable business propositions, who are generally underserved by commercial financial institutions. This includes Venture Debt financing for startups, for which MDV is the pioneering and largest local provider of this type of debt financing, typically used as complementary financing to equity venture capital. Venture Debt provides startups with credit financing to extend their growth runway while minimising equity dilution.

As one of the few financiers in Malaysia solely focused on technology-driven companies, MDV will continue to play a vital role in supporting the Government's initiatives and aspiration to promote high-value technology and innovation as a path towards a high-income nation.

OUR VALUES AND FOCUS AREAS

MANDATE

Providing flexible financing for technology-based companies or projects based on companies' business needs including serving new businesses with primarily intangible assets but with high product and service potential. MDV's focus is on technology-based companies with novel business models that have limited access to traditional financial platforms.

MDV may utilise any financial instrument to provide the required financing to increase the probability of success for the company financed.

VISION

The Nation's Technology Financier.

MISSION

To support the Nation's technology agenda and increase Malaysian technology companies' probability of success through:

- Providing access to Financing
- Innovative and flexible financing solutions
- Specialised funding programmes
- Industry expertise and advisory services

To remain financially sustainable while fulfilling our developmental role.

CORE VALUES

MDV's core operating values encompass our business philosophy of **Transparency**, **Trustworthiness** and **Timeliness** to ensure good corporate governance and credibility while meeting the needs of clients.

This philosophy is complemented by MDV's mindset of **'Harmony'** as the foundation of MDV's relationships both internal and external, **'Think Customer'** to enhance MDV's commitment to business building and **'Deliverable Oriented'** in its working environment.

The final component of MDV's values comprises MDV's corporate identity of being a **high performance, highly disciplined, highly cohesive, highly innovative** and a **highly ethical** organisation.

PILLARS

GREEN TECHNOLOGY

Focus & emphasis on Renewable Energy (RE) and Energy Performance Contracting (EPC) aligned with MOSTI's aspiration

ICT (DIGITALISATION & CONNECTIVITY)

Continue supporting Malaysia's Telco and Software Integration Projects as well as digitalisation efforts

START-UPS

A technology or innovation enabled business at early stage with a scalable business model and a high growth strategy

FOCUS AREAS

INFORMATION AND COMMUNICATIONS TECHNOLOGY • START-UPS
• GREEN TECHNOLOGY • INDUSTRY 4.0 & AGRITECH • EMERGING TECHNOLOGY

WHY MDV?



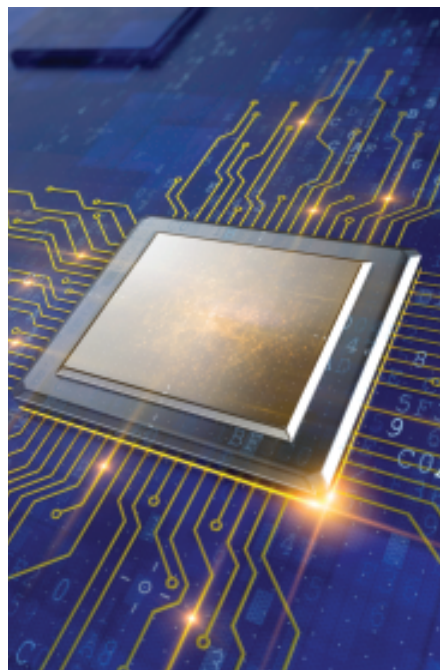
Our extensive technology portfolio is what sets MDV apart from other financial institutions. The expertise that we have developed and the experience that we have accumulated through funding hundreds of technology projects have enabled us to better understand our clients and to rapidly respond to market needs.

We also work closely with our customers to provide them with utmost value throughout the financing tenure, where we will offer our support during challenging periods.

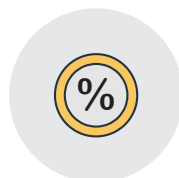
At MDV:

- We are committed towards understanding your start-up proposition, project or contract structure, allowing us to provide a financing solution that meets your requirements
- We have capable and dedicated professionals to engage with your team, from pre-application to project/contract delivery and operations
- Our customers will be able to access our vast network and relationships with key industry stakeholders and participants
- We have developed venture finance, project and contract financing framework for efficient and effective assessment and structuring

MDV's products are similar to banks and venture capital companies but with several key differences to accommodate our customers' varying needs in each stage of development.



**Customised Financing
Facilities**



**Competitive
Pricing/Rates**



**Flexible Terms and
Conditions**

MDV HELPS BUSINESS **ACROSS ALL STAGES**

As a leading technology financier, MDV offers innovative financing solutions to growing technology companies. MDV offers the right funding requirements for technology companies across all stages of business growth.

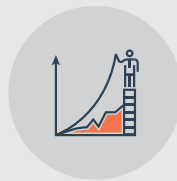
From new business ventures, growth stage and right up to expansion stage, MDV has in place the right funding for businesses via our holistic financing solutions. MDV offers both Islamic and conventional facilities.



Start-up Stage

Startups are companies or ventures that are focused on a product or service that the founders want to bring to market.

These companies typically don't have a fully developed business model and, more crucially, lack adequate capital to move onto the next phase of business. Most of these companies are initially funded by their founders.



Growth Stage

Technology companies that have moved beyond the start-up stage.

Companies with established products, market validation and market fit, with the ability to scale customers and revenues.



Expansion Stage

Technology companies with corporate framework and infrastructure in place. MDV searches for companies with firmly established presence within the industry.

We also seek for companies awarded with new contracts and projects to assist in their progress and business growth.

REQUIREMENTS

- Company incorporated in Malaysia
- Strong management and technical teams
- Commercialised product and/or services

- Large addressable market size.
- Significant potential, with sustainable and scalable business and revenue model.
- Granted Pre-Seed or Seed Funding.

- Large addressable market size.
- Revenue generation and market traction.
- Significant potential, with sustainable and scalable business and revenue model.
- Granted Series A funding or other lenders.

- Viable technology project and contract.
- Minimum of five (5) employees with qualified management, technical team and partners credentials.
- Minimum paid-up share capital of RM100,000, subject to total financing requirements.
- Share capital requirements may need to commensurate with financing amount requirements.

MDV PRODUCTS & OFFERINGS

	Project/Contract Financing	Liquidity Financing for Technology Start-ups (LIFTS)	Venture Financing
Description	Productive capacity & working capital financing.	Immediate, affordable & targeted cash flow support for VC-backed or Government Agency-backed technology start-ups.	<ul style="list-style-type: none"> Working Capital or asset/equipment financing for Tech Start-ups. Revolving or term loan/ financing with warrants provisions. No tangible security needed.
Financing Margin	<ul style="list-style-type: none"> Minimum quantum of RM1.00 million to RM30.00 million. Up to 85% of contract value/project costs (whichever lower). 	<ul style="list-style-type: none"> Up to RM2.50 million. Warrant cover up to 10% of financing limit at last funding round equity price. 	<ul style="list-style-type: none"> Up to RM20.00 million. Warrant cover up to 35% of facility limit.
Tenure	Up to five (5) years subject to annual review.	Up to five (5) years subject to annual review.	Three (3) - five (5) years and often includes a PROFIT-only period followed before capital payments start.
Financing Rate	MDV's existing Effective Cost of Fund (ECOF) plus spread risk based pricing.	Up to 3.5% per annum.	High yield 10%-12% per annum.
Focus Area	Information and Communications Technology • Start-ups • Green Technology • Industry 4.0 & Agritech		
Company Eligibility	<ul style="list-style-type: none"> Company incorporated in Malaysia, no foreign share-holding restrictions. Commercialised Products & Services. Minimum of five (5) employees with qualified technical teams and partner credentials. Minimum paid-up share capital of RM100,000; subject to total financing requirements. Share capital requirements may need to commensurate with financing amount requirements. 	<ul style="list-style-type: none"> Company incorporated in Malaysia, no foreign share-holding restrictions. Malaysian Technology Start-ups backed by VCs and/or government agencies. Majority owned by Malaysian or majority of the staff are Malaysians or majority of revenue generated in Malaysia. 	<ul style="list-style-type: none"> Company incorporated in Malaysia, no foreign share-holding restrictions. Malaysian Technology Start-ups backed by VCs and/or government agencies. Majority owned by Malaysian or majority of the staff are Malaysians or majority of revenue generated in Malaysia. Acquired Series A financing or beyond. Strong shareholders, management & technical strength & expertise. Significant next series funding potential with sustainable and scalable business and revenue model.

*The company eligibility is subject to due diligence process undertaken by MDV

	Energy Efficiency Financing	Technology Acceleration and Commercialisation Scheme (MDV TACT)	i-Factoring
Description	Credit financing for Energy Efficiency (EE) and Energy Savings-based projects undertaken by Energy Service Companies (ESCO) in the building sector.	<ul style="list-style-type: none"> Part of the Government's RMK-12 initiatives. Hybrid solution of equity and/or debt financing. Targeted at young and emerging start-ups with innovative and disruptive products with compelling business plans. 	<ul style="list-style-type: none"> Factoring solutions targeted to tech companies. Working capital or productive capacity financing. Acceptable counterparty to MDV
Financing Margin	<ul style="list-style-type: none"> Minimum of RM1.00 million or 85% of project costs. Maximum limit of RM15.00 million 	Up to RM5.00 million with a warrant cover up to 10% of financing limit at last funding round equity price.	<ul style="list-style-type: none"> Up to 80% of the receivables face value. Recourse period is up to 180 days from the invoice date.
Tenure	Up to ten (10) years subject to annual review.	Up to five (5) years subject to annual review.	Up to five (5) years subject to annual review.
Financing Rate	<ul style="list-style-type: none"> MDV's existing ECOF risk based pricing plus spread risk based pricing. Financing rate rebate of 1.0% per annum. 	Up to 8.0% per annum.	Up to 12% per annum.
Focus Area	Information and Communications Technology • Start-ups • Green Technology • Industry 4.0 & Agritech		
Company Eligibility	<ul style="list-style-type: none"> Majority owned by Malaysian to enjoy CGC/Government Guarantees. Commercialised Products & Services. Minimum of five (5) employees with qualified technical teams and partner credentials. Minimum paid-up share capital of RM100,000; subject to total financing requirements. Viable Energy Savings-based Projects & Contract. 	<ul style="list-style-type: none"> Company incorporated in Malaysia. Malaysian Technology Start-ups backed by VCs and/or government agencies. Majority owned by Malaysian or majority of the staff are Malaysians or majority of revenue generated in Malaysia. Acquired Series A financing or beyond. Strong shareholders, management & technical strength & expertise. Significant next series funding potential with sustainable and scalable business and revenue model. 	<ul style="list-style-type: none"> Company incorporated in Malaysia, no foreign shareholding restrictions. Commercialised Products & Services Minimum of five (5) employees with qualified technical teams and partner credentials. Minimum paid-up share capital of RM100,000; subject to total financing requirements.

*The company eligibility is subject to due diligence process undertaken by MDV

	Green Technology Financing Scheme (GTFS)	Acquisition Financing
Description	Finance green technology investments for the production, utilisation and purchase of assets relating to energy efficiency or energy performance contracting under GTFS2.0.	Facilitate technology SMEs to acquire strategic stakes in other companies to scale up their operations, develop their business scope and pursue management buy-outs.
Financing Margin	Up to 80% of contract value or total project cost, with financing size up to RM30.00 million.	Up to 80% of the acquisition price (including direct costs of the acquisition) or up to 80% of the valuation of the equity interests to be acquired (based on a valuation acceptable to MDV), whichever is lower; subject to a maximum financing limit of RM10.00 million.
Tenure	Up to fifteen (15) years subject to annual review.	Three (3) - five (5) years subject to annual review.
Financing Rate	<ul style="list-style-type: none"> MDV's existing ECOF risk based pricing plus spread risk based pricing. 2% profit per annum rebate for successful applicants. Enhance credit profile of the Applicant through 60% guarantee from CGC. 	MDV's existing ECOF risk based financing plus spread risk based pricing.
Focus Area	Information and Communications Technology • Start-ups • Green Technology • Industry 4.0 & Agritech	
Company Eligibility	<ul style="list-style-type: none"> Majority owned by Malaysian to enjoy CGC/ Government Guarantees. Commercialised Products & Services. Minimum of five (5) employees with qualified technical teams and partner credentials. Minimum paid-up share capital of RM100,000; subject to total financing requirements. Viable Energy Savings-based Projects & Contract. Approval of Feed-in-Tariff from SEDA. Renewable Energy Power Purchase Agreement (REPPA) with Tenaga Nasional Berhad (TNB). Green Tech Financing Scheme (GTFS) certificate from Malaysia GreenTech Corporation. 	<ul style="list-style-type: none"> Company incorporated in Malaysia, no foreign shareholding restrictions. Commercialised Products & Services. Minimum of five (5) employees with qualified technical teams and partner credentials. Minimum paid-up share capital of RM100,000; subject to total financing requirements.

	SME Technology Thrust Financing (THRUST)	Liquidity for Equipment and Asset Purchase Programme (MDV-LEAP)
Description	Non-revolving Working Capital Financing for technology SME companies through liquidity assistance for the post-pandemic period to support the growth and recovery of the SME companies	Non-revolving facility financing solution option for ICT assets/equipment, as an alternative to the hire-purchase / leasing option.
Financing Margin	Up to a maximum of RM1.00 million per Customer.	Up to 85% of the contract value OR up to 100% of Capital Expenditure (CAPEX) cost (including any relevant taxes), whichever is lower, up to RM30.00 million per financing
Tenure	Up to 60 months, with up to a 3-month grace period	Up to 60 months, with up to a 6-month grace period and up to a 6-month of utilisation period.
Financing Rate	MDV's existing ECOF risk-based pricing	Fixed and flat rate based on MDV's existing ECOF risk-based pricing
Focus Area	Information and Communications Technology • Start-ups • Green Technology • Industry 4.0 & Agritech	
Company Eligibility	<ul style="list-style-type: none"> • Public or private limited company incorporated in Malaysia • Minimum paid-up share capital of RM100,000 • Minimum five (5) employees • No restriction on foreign shareholding 	<ul style="list-style-type: none"> • Public or private limited company incorporated in Malaysia • Minimum paid-up share capital of RM100,000 • Minimum five (5) employees • No restriction on foreign shareholding • Viable technology project/ contract

FINANCING PROCESS FLOW

MDV's financing process is catered towards technology financing and undertaken by experienced finance professionals. MDV executes its proprietary due diligence process efficiently and effectively, to ensure each and every project achieve maximum potential returns.

MDV's in-depth knowledge of technology sectors and optimised assessment processes allow customised financing structures befitting the individual technology project and contract, to match the cashflows of the project or contract and allowing for optimal disbursement cycles and business structures.

STEP 01

Pre-assessment and Application Support

Preliminary assessment will enable our Origination & Assessment team to deliberate project or contract requirements and further advise on appropriate project and financing structure prior to application. During this stage, applicants will be informed on our financing application and processing requirements.

Pre-due Diligence and Due Diligence

Upon completion and submission of Application Form and required information and documents, MDV's Credit Assessment team will undertake an assessment and verification of the management and technical teams, details and structure of the contract or project, including the cashflow, costing and vendors involved. The financing structure will be determined and proposed. Key terms determined will be condition precedents, disbursement terms, payment/repayment structure and covenants. Our due diligence process may include interviews and site visits to contract awarder/sponsor and/or supplier. External technical and legal consultants may be engaged to facilitate the due diligence process.

STEP 02

STEP 03

Approval

The credit assessment and financing structure will be compiled and presented to an independent financing committee for approval. MDV will issue a Letter of Offer for approved financing applications. Applicants will then have 14 days to accept the terms and conditions, together with board resolution and payment of any applicable fees.

Documentation

Upon acceptance of Letter of Offer, applicants will be required to execute and furnish necessary legal documentation for their financing, including, and not limited to facilities agreement and security documentation.

A Pre-Disbursement Briefing will then be conducted to explain MDV's requirements with respect to drawdown/disbursement processes and the facility granted.

STEP 04

STEP 05

Drawdown and Disbursement

Upon fulfillment of all disbursement conditions which applicants will be required to comply, the appointed solicitors will issue a release letter confirming all conditions have been met. All drawdowns/disbursement need to be supported by relevant supporting documentations.

MDV SUCCESS STORIES

As at end of May 2021, Malaysia Debt Ventures Bhd (MDV) has financed over 1000 projects with disbursements amounting to approximately RM13 billion since its inception in 2002. MDV was then established to address the critical gap in the ICT funding ecosystem but has since been mandated to finance other areas of financing: biotechnology, green technology and high growth emerging technology sectors. MDV believes that the expansion of MDV's mandate by the government is a testament to its success.

Through sheer commitment in helping bridge the financing gap which exists within the entrepreneurial ecosystem, MDV is able to play a pivotal role in the development of Malaysia's technology sector. MDV aims to assist technology companies to become

Some of the success stories under MDV financing are as below:

Company	Project	Project description
Xair Networks Sdn Bhd	Camouflage Telco Towers	With MDV financing solutions, Xair was able to complete the construction of 89 telco tower sites, from only 7 completed sites, generating a steady and recurring revenue stream for the company.
Stealth Solutions Sdn Bhd	Aesthetic Telco Towers	Stealth Solutions provides telco tower solutions to telcos (Digi, Maxis, UMobile). MDV financed 200 of its telco tower projects.
Kerian Energy Sdn Bhd	Mini Hydro Plant	14MW mini hydro project in Selama, Perak Darul Redzuan.
TESDEC Green Energy Sdn Bhd	Solar Farm	3.5MW Large Scale Solar ("LSS") power plant in Dungun, Terengganu.
Synergy Generated Sdn Bhd	Solar Farm	5MW Solar Farm in Setiu, Trengganu
OCK Setia Engineering Sdn Berhad	Telco-related Projects	OCK carried out various telco-related projects for various Telco players such as Digi, Celcom, Maxis, Telekom Malaysia, UMobile, MCMC, Ericsson, ZTE, NEC, YTL, Fibertel, PDC and HuaWei. Its holding company, OCK Group Berhad is currently listed in Bursa Malaysia since 2012.
Konpro Industries Sdn Bhd	IPP Cogeneration	Konpro designed, built, constructed, commissioned, operated and maintains the heat recovery and electricity generation via Organic Rankine Cycle ("ORC") plant for Safran Landing Systems Sdn Bhd located at Bandar Sri Sendayan, Negeri Sembilan.
Zeqna Corporation Sdn Bhd	Mini-hydro Plant	6.0MW mini-hydro plant project in Sungai Slim, Perak.
Vista Summerose Sdn Bhd	Parking Meters for DBKL	1,500 units of parking meters for 30,000 parking bays in Klang Valley.
Masterplan Consulting Sdn Bhd	Application & Hardware for the Government of Malaysia.	Law enforcement application system.
Aerotree Defence & Services Sdn Bhd	Military Training Application System	Training center, Military Training application system for the Government of Malaysia.
Speedrent Technology Sdn Bhd	Speedhome – Online House Rental	Speedhome provides accessible and secure home rental platform for both home owners and tenants via online platform and partnership with Alliance General Insurance. Speedhome has since completed its second Equity Crowdfunding round via PitchIn by raising RM2.59 million.
Duchess Mercantiles Sdn Bhd	AppleCrumby & Fish online Platform for Mother & Child.	AppleCrumby & Fish is an online platform, selling baby and children products. They also have off-site locations in Malaysia and exports regionally to South Korea, Thailand, Philippines and the Middle East. Duchess' AppleCrumby & Fish e-commerce store is consistently ranked in the top 20 in Malaysia (via iPrice eCommerce study) and South Korea's premium baby diapers brand.
MoneyMatch Sdn. Bhd	Online Digital Money Remittance Platform	A digital money remittance platform provider for businesses and individuals to make overseas remittance which are cheaper, faster and with a transparent fee structure.
123RF Technology Sdn. Bhd	Online stock content platform	Imagine Group is a creative ecosystem with 3 main brands – 123RF, Pixlr & Designs.Ai. 123RF, a top #5 global provider of royalty-free stock photos, image vectors, video footage, and audio clips. Pixlr is a leading online photo editor and Designs.Ai helps automate content creation using Artificial Intelligence.



LET'S GET STARTED

If you would like to grow your business to the next level, come talk to MDV. You can look forward to efficient handling of your financing application and a team that will support your business growth. We are very interested to help your project into reality and make it a great success.

To learn more about our products and how it can tailor to your funding requirements, please feel free to connect with our Business and Venture Finance Teams:

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