Nasdaq Private Market vs Nasdaq Capital Market

Understanding the key differences between these two platforms, Nasdaq Private Market and Capital Market are essential for companies evaluating their fundraising, liquidity, governance, and long-term growth strategies.

06/2026

While both Nasdaq Private Market and Nasdaq Capital Market provide avenues for companies to access capital and liquidity opportunities, they serve fundamentally different purposes and stages of a company's growth journey.

Nasdaq Private Market is designed for private companies seeking to facilitate secondary transactions and shareholder liquidity without becoming publicly listed, whereas Nasdaq Capital Market is a public stock exchange tailored for smaller-cap companies that wish to access the public capital markets. Understanding the key differences between these two platforms are essential for companies evaluating their fundraising, liquidity, governance, and long-term growth strategies.

Item	Nasdaq Private Market	Nasdaq Capital Market
Nature	Private market / secondary liquidity venue	Public stock exchange
Company Status	Private companies	Public listed companies
SEC Registration as Public Company	Not required (generally)	Mandatory
Public Trading	No	Yes
IPO Required	No	Yes (or direct listing/SPAC)
Investor Access	Mostly accredited / institutional investors	Open to public investors
Liquidity	Limited / event-driven	Continuous daily trading
Valuation Transparency	Limited	High transparency

Item	Nasdaq Private Market	Nasdaq Capital Market
Share Price Visibility	Negotiated privately	Real-time public pricing
Disclosure Level	Limited private disclosures	Full SEC disclosure
Financial Reporting	Usually private-company standard	SEC reporting (10-K, 10-Q, 8-K)
Corporate Governance Rules	Flexible	Strict Nasdaq governance rules
Market Makers	Not applicable	Minimum 3 market makers
Public Float Requirement	No formal public float	Yes
Public Shareholders Requirement	No public spread requirement	Yes
Minimum Bid Price	No exchange bid-price rule	Usually US$4 initial listing
Delisting Risk	Minimal exchange risk	Subject to Nasdaq compliance rules
Trading Mechanism	Tender offers, auctions, block trades	Exchange order book
Typical Users	Unicorns, startups, pre-IPO firms	Small-cap public companies
Examples	OpenAI secondary, SpaceX secondary type deals	Small-cap biotech, tech, growth companies

Key SEC / Regulatory Difference

Item	Nasdaq Private Market	Nasdaq Capital Market
Securities Act Registration	Usually exempt	Required
Exchange Act Registration	Often exempt	Mandatory
Main SEC Filings	Form D (Private fundraising, venture rounds, private placement offerings), Form 144 (Affiliates/insiders resell restricted securities, usually applies to: founder sales, investor secondary sales), Scheduel TO "tender offer" docs (organized tender offer, company-sponsored liquidity event)	S-1/F-1, 10-K, 10-Q, 8-K
Trading Venue Regulation	ATS / broker-dealer rules	National securities exchange
Sarbanes-Oxley Compliance	Usually not required fully	Required
PCAOB Audit Requirement	Often not mandatory	Mandatory

Practical Business Difference

Nasdaq Private Market
Best for:
- Unicorns delaying IPO
- Employee liquidity programs
- Founder/investor secondary sales
- Controlled shareholder base
- Less disclosure burden

Typical companies:
- Late-stage startups
- Venture-backed tech firms
- Companies wanting liquidity without going public

Nasdaq Capital Market
Best for:
- Companies seeking public capital raising
- Companies needing liquidity + visibility
- M&A currency (public shares)
- Institutional investor access

Typical companies:
- Small-cap biotech
- Growth technology companies
- Foreign issuers entering U.S. capital markets

Cost & Compliance Comparison

Item	Nasdaq Private Market	Nasdaq Capital Market
Legal Cost	Moderate	High
Audit Requirement	Flexible	Extensive
Investor Relations	Limited	Continuous
Quarterly Reporting	Usually no	Yes
Annual Proxy Filing	No	Yes
SOX Internal Controls	Usually no	Yes
Listing Fees	Lower	Higher
Ongoing Compliance Cost	Lower	Significant

WHY ShineWing TY TEOH 为什么选择信永中和迪威？

20th	**715**	**102**	**12000**	**15th**	**7**
Global Largest Accounting Firm	**Global Revenue (USD' Million)**	**Offices across 21 Countries & Regions**	**People including 640 Partners**	**Malaysia Largest Accounting Firm**	**Offices across Malaysia**
IAB 2024	Year 2023	Year 2023	Year 2023	IAB 2024	Year 2024

- ✓ Registered Auditor of Public Company Accounting Oversight Board (PCAOB), USA
- ✓ Approved Auditor of Labuan Financial Services Authority (Labuan FSA), Malaysia
- ✓ Approved Training Employers
- ✓ Independent Member Firm of Praxity

Team Leaders & Members Credentials

WHAT WE OFFER 我们的专业服务

+ Audit & Assurance + BPO & Business Advisory + China Desk + Digital Advisory + Family Office & Private Client Services + Financial & Transaction Advisory + Japan Desk + Market Entry Advisory + Migration Advisory + Labuan Offshore Advisory + Risk & Governance Advisory + Singapore Desk + Tax Advisory + Transfer Pricing Advisory + US Desk + Valuation Advisory

+ 审计 + 商务外包与咨询 + 中国企业服务部 + 数据咨询 + 家族办公室及私人客户服务 + 企业融资与并购咨询 + 日本企业服务部 + 市场进入咨询 + 移民服务 + 纳闽离岸咨询 + 风险管理及内控咨询 + 新加坡企业服务部 + 税务咨询 + 转让定价咨询 + 美国企业服务部 + 估值咨询

W shinewingtyteoh.com

Kuala Lumpur 吉隆坡	T +603 780 55022	Johor Bahru 柔佛	T +607 595 2299	Penang 槟城	T +604 296 6730 / +604 371 3318
Labuan 纳闽岛	T +6087 599 328	Muar 麻坡	T +606 952 0205	Sitiawan 实兆远	T +605 688 5112
Ipoh 怡保	T +605 546 3388				