

competitions, underscoring Malaysia's commitment to nurturing innovation, climate resilience, and investment literacy. The ASEAN Investment Challenge 2025 engaged 6,000 young participants from five ASEAN countries, empowering them to develop responsible and impactful investment strategies. Team Rever from the International Islamic University Malaysia emerged as champion, with ABM Quant (Polytechnic University of the Philippines), ICU Associates (Mahidol University International College, Thailand), Retirement by 30 (Ngee Ann Polytechnic, Singapore), and Liquid (Petra Christian University, Indonesia) securing the other top prizes. Meanwhile, the COFAR Challenge brought together over 200 students from 24 universities to design finance-backed coastal resilience solutions for Carey Island.

COMMUNICATION AND OUTREACH

Batik Lestari 2025: Empowering Sustainability and Expanding Market Access

Now in its second year, Batik Lestari continues as a strategic initiative to elevate Malaysian batik through a sustainability-driven approach, in alignment with Malaysia's ASEAN Chairmanship 2025. Building on the success of its inaugural festival in 2024, the programme advances the preservation of heritage, artisan empowerment and broader market integration. To date, the programme has engaged 69 artisans and 51 registered vendors, contributing to increased visibility and commercial viability.

The artisans and batik entrepreneurs were provided with a platform to promote and at the time to generate economic value having access to capital market and be part of ASEAN Capital Market Forum meetings that were organised throughout 2025 in Kuala Lumpur, Melaka, Penang and Kuching. Further institutional support was established with the launch of the Batik Lestari Sales Gallery at the SC premises in May 2025, providing a dedicated platform to connect artisans with corporate and public audiences.

The annual anchor event, the Batik Lestari Festival 2025 (5-7 November), was held coinciding with the final set of ACMF meetings hosted by Malaysia. The three-day festival featured artisan showcases, retail activations, business dialogues and a fashion presentation highlighting contemporary interpretations

of batik. A special gala show on 6 November celebrated batik's evolution across past, present, and future. On 7 November, Kraftangan Malaysia was formally appointed as the SC's strategic partner, reinforcing national-level collaboration and MSME development.

In parallel, the development of the Sustainable Batik Disclosure Guide (SBDG) was initiated to promote ESG principles across the batik value chain for adoption among batik Malaysia practitioners.

Advancing the Market through Industry Engagements

In line with SC's commitment to foster market development and accessibility, the SC continues to engage with industry stakeholders to gain comprehensive insights from market participants, intermediaries, exchanges and peer regulators. These engagements served as a collaborative avenue to align expectations and identify emerging opportunities for the betterment of the industry, as well as inform policymaking.

Discussions centred around exploring regional opportunities, encouraging trading participation of our youths and augmenting the stockbroking industry, among others.

Through these collaborative dialogues, the SC remains committed to facilitating constructive industry feedback and integrating relevant enhancements to support the development of Malaysia's capital market.

VC/PE CFO Conference

The SC also works closely with stakeholders to reduce operational friction for VC/PE industry players and ensure a smoother experience for VC/PE managers in setting up their Malaysian operations. On 25 August 2025, the SC participated as a panelist in the VC/PE CFO Conference 2025, co-organised by Gobi Partners, China Venture Capital Finance Organization and Sunwising Insurance Brokers (Hong Kong) Limited. The conference delved into key discussions on enhancing operational efficiency for VC/PE industry players and navigating the evolving financial landscape for VC/PE firms. Other topics covered included fund formation, fund administration, regulatory and compliance landscape for VC/PE in Malaysia, insurance solutions

for VC/PE, as well as issues on audit, tax and valuation. Through its participation in the conference as panelist, the SC effectively conveyed information on the current VC/PE landscape in relation to regulatory and compliance aspects, including types of regulated activities, fund structures and registration requirements. The sessions in the conference were instrumental in enhancing awareness among VC/PE managers on the need to adhere to all relevant regulatory requirements while operating in Malaysia.

Audit Oversight Board's Conversation with Audit Committees

In line with efforts to foster confidence in the quality and reliability of audited financial statements of public interest entities (PIEs) and schedule funds in Malaysia, the AOB conducts regular conversations with the ACs of PLCs annually. The financial reporting ecosystem is made up of many moving parts and the ACs are pivotal in ensuring its effectiveness.

The AOB's Conversation with ACs has been focused on communicating the inspection findings and regulatory updates and discussing emerging audit risks to better equip the ACs in their role of overseeing the auditors and audit process.

The ongoing conversations keeps the ACs informed of new developments and have a positive impact to all the parties involved – the ACs, the independent auditors, and the management – in discharging their respective duties. This in turn, improves the integrity of the financial reporting ecosystem.

Additional efforts to disseminate crucial information to the ACs are also made via the e-circularisation of the periodic publication titled the AOB Alert which provides more targeted information and compliments the key reminders in the AOB's AIRs. Besides the AOB's Conversation with ACs which was held on 25 November 2025, the AOB also collaborated with the ICDM on dialogue sessions for board members, especially the ACs, to enhance their governance capabilities.

Workshop on the Future Direction of the Private Retirement Scheme Industry

As part of the SC's ongoing efforts to engage with industry stakeholders, the SC hosted a roundtable on 8 October 2025 to discuss the future direction of

Malaysia's PRS industry. The session brought together PRS providers, distributors, including digital platform providers and the PPA for an open dialogue on how the PRS framework can evolve to better serve Malaysians' long-term retirement needs.

At the roundtable, the SC hosted the Guy Opperman, former UK Minister for Pensions and Josef Pilger, a globally recognised adviser on retirement systems. Both shared international perspectives on pension reforms, behavioural nudges and innovations that enhance value for savers.

An SC presentation outlining PRS' growth journey and future direction, including ideas to enhance value and flexibility through an account-based structure.

Expert presentations by Josef Pilger and Guy Opperman, drew on global case studies from the UK, Australia, and Singapore to illustrate how pension and retirement reforms can deepen capital markets, strengthen long-term savings and improve retirement adequacy. Both emphasised the importance of auto-enrolment, well-designed default options and behavioural nudges to drive participation alongside sound governance and sustainable investment performance.

Discussions centred on how the PRS framework could evolve to deliver better value, lower costs and greater flexibility for investors.



The workshop underscored the importance of continuous engagement between regulators and the industry in shaping the next phase of Malaysia's voluntary retirement framework. Insights gathered from both local and international experts will inform the SC's ongoing efforts to strengthen PRS and support the transition towards a more inclusive, flexible and investor-oriented retirement ecosystem.

Labuan Fund Structuring Workshop with the Labuan Financial Services Authority and Malaysia Venture Capital and Private Equity Association

On 2 September 2025, the SC organised a workshop on VC/PE Fund Structuring in Labuan to facilitate a deeper understanding of the fund structuring process involving Labuan entities managed by SC-registered VC/PE firms. The session provided a platform for VC/PE firms to engage with the SC and the Labuan FSA to address challenges shared by industry players, assess the current regulatory framework and highlight action items to enhance clarity and improve their overall experience of using Labuan structures for VC/PE fund

establishment. It was also highlighted in the workshop that the revised Practical Guide on Venture Capital and Private Equity in Malaysia issued on 5 May 2025 clarifies current capital market regulations, fund structuring practices, taxation and foreign exchange policy.

The workshop was attended by a total of 60 participants comprising representatives from Labuan FSA, Jelawang Capital and its VC fund managers from Emerging Fund Managers Programme, the Malaysia Venture Capital and Private Equity Association (MVCA), Kumpulan Wang Persaraan (KWAP) and VC/PE managers selected under KWAP's Dana Pemacu programme. During the workshop, various feedback, challenges and queries were shared by MVCA members on the Labuan fund setup process, taxation and incentives available, as well as clarity on the foreign exchange policy and approvals required by BNM. The workshop also had participants share their experience on the process of setting up Labuan fund structures and perspectives on measures that may strengthen Labuan and Malaysia as-a-whole value proposition.