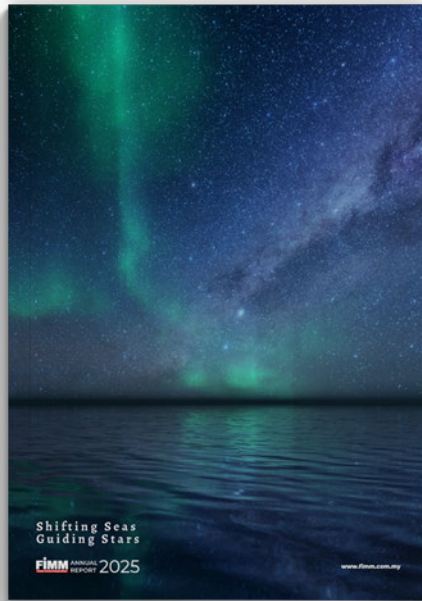




Shifting Seas
Guiding Stars

FIMM ANNUAL REPORT 2025
Tabung Cita Bersemita Berperjuangan

www.fimm.com.my



Theme

Shifting Seas, Guiding Stars

Rationale

**We navigate changing tides in the capital market,
guided by the constant stars of our principles and mission.**

Visual Design

Image of the stars above the ocean.

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Overview

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Chairman's Statement

Mohd Ridzal Mohd Sheriff

It is my pleasure to present the FIMM Annual Report 2025.

Many developments, both globally and locally, have occurred in the past year, continuing to reflect the tides of change that keep all of us recalibrating our navigation — not just for the sake of moving forward, but to avoid being swept away by waves of uncertainty should we choose to remain where we are.

The reintroduction and expansion of tariff measures by the United States reignited concerns over global trade fragmentation and supply chain realignment. Markets experienced periods of volatility as investors assessed the impact on growth, inflation, and cross-border investment flows. Meanwhile, ongoing geopolitical tensions, conflicts, and trade disputes continued to influence investor sentiment, commodity prices, and capital flows as well.

Against the backdrop of geopolitical and trade-related uncertainties, artificial intelligence (AI) remained a major global investment theme, driving capital expenditure in semiconductors, data centres, and related infrastructure. The technology sector continued to attract significant investor interest, becoming an

important contributor to economic growth and market performance.

While investment in technology continues to increase, so too does the demand for various resources. This raises important considerations on how such developments may affect sustainability, climate resilience, and transition finance, as regulators and market participants continue to develop frameworks supporting long-term sustainable growth.

Closer to home, Malaysia assumed the ASEAN Chairmanship in 2025 under the theme “Inclusivity and Sustainability”, elevating the country’s profile in regional economic and capital market discussions, and advancing initiatives relating to sustainable finance, capital market connectivity, digitisation, and financial inclusion. These initiatives reinforced Malaysia’s position as an important regional financial and investment hub.

Despite external uncertainties, Malaysia’s economy remained resilient, supported by domestic demand, investment activity, and favourable labour market conditions. Investment in technology-related and advanced manufacturing sectors continued to contribute to growth.

State of the Industry

The combined net asset value (NAV) of the Unit Trust Scheme (UTS) and Private Retirement Scheme (PRS) industry reached RM588.97 billion in 2025, comprising RM580.17 billion in UTS and RM8.80 billion in PRS. This represented a 6.4% increase from RM553.24 billion in 2024 and marked a new all-time high for the industry, surpassing the previous record set in 2024. The achievement reflects continued investor confidence in professionally managed investment solutions and underscores the important role played by UTS and PRS Consultants in supporting investors' financial and retirement planning needs. The strength of the industry continues to be underpinned by a dedicated community of professionals who serve as a vital link between investment products and investors.

"Many developments, both globally and locally, have occurred in the past year, continuing to reflect the tides of change that keep all of us recalibrating our navigation."

As of 2025, there were 56,227 individual Consultants, comprising 53,919 UTS registrations and 29,411 PRS registrations, with some Consultants holding dual registrations. This was a 6.8% decrease from the 60,331 individuals in 2024, reflecting a phase of the industry consolidation rather than a contraction in the market demand. Interest in entering the profession remained evident throughout the year, although the pace of new registrations moderated due to transitional factors associated with the implementation of the enhanced examination framework.

During the year, there were five Distributor entities, comprising two Institutional Unit Trust Advisers (IUTA), one entity registered as both an Institutional Unit Trust Adviser (IUTA) and Institutional PRS Adviser (IPRA), and two entities registered as both Corporate Unit Trust Advisers (CUTA) and Corporate PRS Advisers (CPRA). These reflect the current composition of Distributor registrations within the industry and underscore its continued positive trajectory.

Enhancement in Progress

The conclusion of 2025 marked the completion of the second year and mid-point of Project 3NHANCE, with efforts progressively focused on strengthening and integrating enhancements following the initial expansion of services to the industry and public. As part of this initiative, the FIMM Core System (FCS) was rolled out to support a unified platform for registration, profile management, statistical reporting, and examination-related functions.

As with any major system enhancement and transition, implementation required close coordination and sustained support across all stakeholders. Throughout the year, FIMM continued to strengthen its support framework nationwide to facilitate user adoption and ensure continuity of services.

At the same time, the FIMM Combined Examination (FCE) was introduced, replacing the previous Computerised Unit Trust Examination (CUTE) and Computerised PRS Examination (CPRE) as a unified examination framework for Consultants, aimed at streamlining the assessment process and enhancing consistency across both schemes.

In tandem with these developments, the e-learning service was also enhanced through migration to a new learning platform providing a more scalable and user-friendly learning environment. This change also enabled the expansion of course offerings, giving Consultants broader access to structured learning content and further supporting continuous professional development across the industry.

FIMM extends its appreciation to the industry for its continued patience, support, and cooperation throughout this period of transition and enhancement.

Engaging the Industry, Connecting Globally

A well-functioning industry requires more than regulatory oversight alone. It also depends on continuous engagement, knowledge-sharing, and collaboration among industry participants. In support of these objectives, efforts continued throughout the year to keep stakeholders informed, strengthen professional standards, and facilitate meaningful dialogue on matters affecting the industry, both within Malaysia and beyond.

The Regulatory Industry Briefing (RIB) was introduced in 2019 to keep the industry informed of key regulatory developments, including observations from registration and supervisory activities, trends in customer complaints, and other regulatory matters. With continued support from the industry, it has evolved into an annual event attended by CEOs, authorised representatives, heads of compliance, and compliance officers from Members and Distributors.

Building on this initiative, FIMM introduced a townhall series for Consultants in 2024, which was well received and generated strong demand for additional sessions. In 2025, the series continued under the

"The strength of the industry continues to be underpinned by a dedicated community of professionals who serve as a vital link between investment products and investors."

new branding of Consultant Compliance Conversation (C3). Conducted as interactive webinars, the sessions aimed to strengthen Consultants' understanding of regulatory requirements and industry best practices through regulatory updates and practical case studies.

Complementing these efforts, the Thought Leadership Series continued under the theme Unit Trust on the MOVE to provide Consultants with insights into market developments and emerging trends from industry leaders, equipping them with relevant knowledge to better serve and advise their clients.

While the Federation's primary responsibilities are centred on the Malaysian capital market, it also contributes to the global fund management industry through its membership in the International Investment Funds Association (IIFA). FIMM's contributions continue to be recognised through its representation on the IIFA Board on behalf of the Asia-Oceania region.

A significant milestone in 2025 was the successful hosting of the 38th IIFA Conference in Kuala Lumpur. It was a privilege for the Federation to welcome delegates from around the world and to represent Malaysia on the global stage. As only the second occasion that the conference has been hosted in Malaysia, following its inaugural hosting in 2003, the event provided an opportunity to build upon that legacy while showcasing the development of Malaysia's capital market and fund management industry. This achievement would not have been possible without the support of the Securities Commission Malaysia (SC), industry stakeholders, and the wider IIFA community, to whom we extend our sincere appreciation.

Enduring Gratitude

On behalf of the Board of Directors, we would like to extend a warm welcome to En. Fadzihan Abbas Mohamed Ramlee, Chief Executive Officer and Executive Director of Amanah Saham Nasional Berhad (ASNB), who was appointed to the Board in 2025. We also welcome Ms Yap Siok Hoon, Chief

Continued on the following page

Executive Officer of Eastspring Investments Berhad, who joined the Board in September 2025. As Elected Directors, we look forward to their valuable contributions, drawing on their extensive experience and leadership within the industry.

We also extend our sincere appreciation to Ms Heow Yen Fen for her leadership of the Industry Services Division. Her industry knowledge, steadfast commitment, and resilience have been instrumental in guiding the Federation through a period of organisational transition and development. We wish her every success in her future endeavours.

The Federation's progress continues to be made possible through the strong support and collaboration of regulators, government agencies, and key stakeholders across the financial industry. This includes the Ministry of Finance, SC, Bank Negara Malaysia, and other strategic partners involved in advancing financial literacy, professional development, and capital market growth, as well as our Members and Distributors, affiliates, and the investing public.

Not Least of All

Unit Trust Schemes continue to remain one of the trusted and preferred investment choices for Malaysians, serving as an important foundation for long-term financial planning and wealth accumulation. In parallel, the Private Retirement Scheme (PRS) has also continued to see growing participation, reflecting increasing awareness of the importance of structured retirement savings. Together, these schemes play a meaningful role in supporting households and even enabling intergenerational financial security,

"By remaining anchored in our values and focused on our long-term objectives, we are confident in our ability to meet both the opportunities and challenges that lie ahead."

underscoring their continued relevance as accessible and professionally managed investment options for a broad base of investors.

While the currents of change continue to shape the environment in which we operate, they do not alter the principles and mission that guide us. As we operate within an increasingly complex and interconnected world, we remain committed to moving forward with purpose, adapting where necessary while staying true to our role in supporting a trusted, sustainable and forward-looking investment management industry. By remaining anchored in our values and focused on our long-term objectives, we are confident in our ability to meet both the opportunities and challenges that lie ahead.



Mohd Ridzal Mohd Sheriff
Chairman



CEO's Message

Kaleon Leong

For me, every day and every year at FIMM begins with a reminder of FIMM's *raison d'être*: to protect investors and develop the Unit Trust and Private Retirement Schemes industry. FIMM's continued justification for existence is encapsulated in its dual role as a self-regulatory organisation (SRO) and industry representative.

2025 was a year that truly tested that *raison d'être*.

Amidst the positivity shared in this year's Annual Report, there were also numerous challenges behind the scenes in ensuring that a "perfect storm" did not materialise, and that FIMM continued to serve the 27 million unitholder accounts entrusted to the industry while supporting a vibrant ecosystem for its Members, Distributors, and Consultants.

Reflecting on this, the key developments in 2025 can be summarised as follows.

Financial Sustainability

Financially, 2025 marked FIMM's return to the black after two years of planned spending as part of its future-proofing exercise. This turnaround was achieved earlier than

initially projected, despite earlier budget assumptions indicating continued deficit conditions through 2028. The improved financial position was supported by higher revenue from new income sources and the revision of examination fees, as well as recalibration of expenditure.

In anticipation of changes to FIMM's funding model, preparatory efforts are in progress to ensure financial resilience moving forward. This remains an area of critical importance as it underpins the continued ability to deliver on FIMM's *raison d'être*.

Future Proofing

Over the past two decades, FIMM's examination and registration functions had relied on a combination of standalone systems with significant manual intervention. Recognising the limitations of this operating model, the migration to the FIMM Core System (FCS) was implemented in April 2025. The focus during the year was on user onboarding, strengthening support infrastructure including helpdesk services, training and briefings, and achieving system stabilisation. The scale of this implementation required close collaboration

across all stakeholders, and FIMM extends its appreciation for the sustained patience, understanding, and support shown throughout the process. Further refinement and enhancements will continue into 2026 as part of ongoing system optimisation efforts.

Global Recognition

A key milestone in 2025 was the hosting of the 38th International Investment Funds Association (IIFA) Conference, which provided a platform to showcase the vibrancy and diversity of Malaysia's investment management ecosystem. The event facilitated meaningful exchange of ideas on the essential elements required to nurture a strong and resilient investment environment, including areas such as Shariah investing and investor education.

Investor Protection

Investor protection remained central throughout the year, reflected in continued disciplinary actions, supervisory engagement, and participation in educational initiatives. With the increasing sophistication of investment-related scams, ongoing efforts were reinforced to strengthen detection, response, and awareness, while further enhancing collaboration with referral sources to safeguard investors and uphold market integrity.

Consultant Benefits Programme

The year also saw the launch of the Consultant Benefits Programme, introduced to support Consultants by providing access to products and services that assist both their professional and personal needs. Key areas of interest included information technology products, automobile-related services, healthcare, and lifestyle benefits. The Programme complements existing professional support frameworks by enabling access to preferential rates and value-added services through participating partners.

"FIMM's continued justification for existence is encapsulated in its dual role as a self-regulatory organisation and industry representative."

Appreciation

FIMM's 2025 journey was made possible through the continued support, engagement, and advice of the following parties:

We extend our sincere appreciation to the Chairman and Board of Directors for their guidance and oversight throughout the year.

We also acknowledge the Securities Commission Malaysia, Bank Negara Malaysia, Ministry of Finance, Employees Provident Fund, Inland Revenue Board of Malaysia, and Royal Malaysian Customs Department for their continued collaboration and support.

Special thanks are also extended to the management team and staff for their dedication, commitment, and contributions towards the year's achievements.

Here's to the course ahead, guided with steady direction.



Kaleon Leong
Chief Executive Officer

Our Mission

Building the highest level of trust, integrity, standards and ethics for investor protection, growth and knowledge in the investment management industry.

Culture & Core Values

A

Agile

We value the ability to create and respond to change - a way of navigating and ultimately succeeding in an uncertain and turbulent environment.

T

Trust

We foster a high level of integrity in everything we do to build trust among our team and stakeholders.

T

Transparency

We communicate openly, exchanging ideas and thoughts to build a transparent and healthy work environment.

R

Respect

We believe in mutual respect to foster a healthy work environment.

A

Accountable

We commit to excellence through a high level of accountability among our team members.

C

Collaboration

We value inclusivity and believe in leveraging our team members' strengths to achieve success.

T

Teamwork

We foster strong team bonding to achieve greater results.

About Us

The Federation of Investment Managers Malaysia (FIMM) was established on 7 August 1993. Back then, FIMM was known as the Federation of Malaysian Unit Trust Managers (FMUTM), with a mandate to represent the Unit Trust Scheme (UTS) industry and promote its growth.

By a gazette order dated 20 January 2011, FIMM was recognised by the Securities Commission Malaysia (SC) as a Self-Regulatory Organisation (SRO). As such, FIMM is empowered to regulate its Members' activities in the marketing and distribution of UTS and later, Private Retirement Schemes (PRS).

With the recognition as an SRO, FIMM undertakes the following roles:



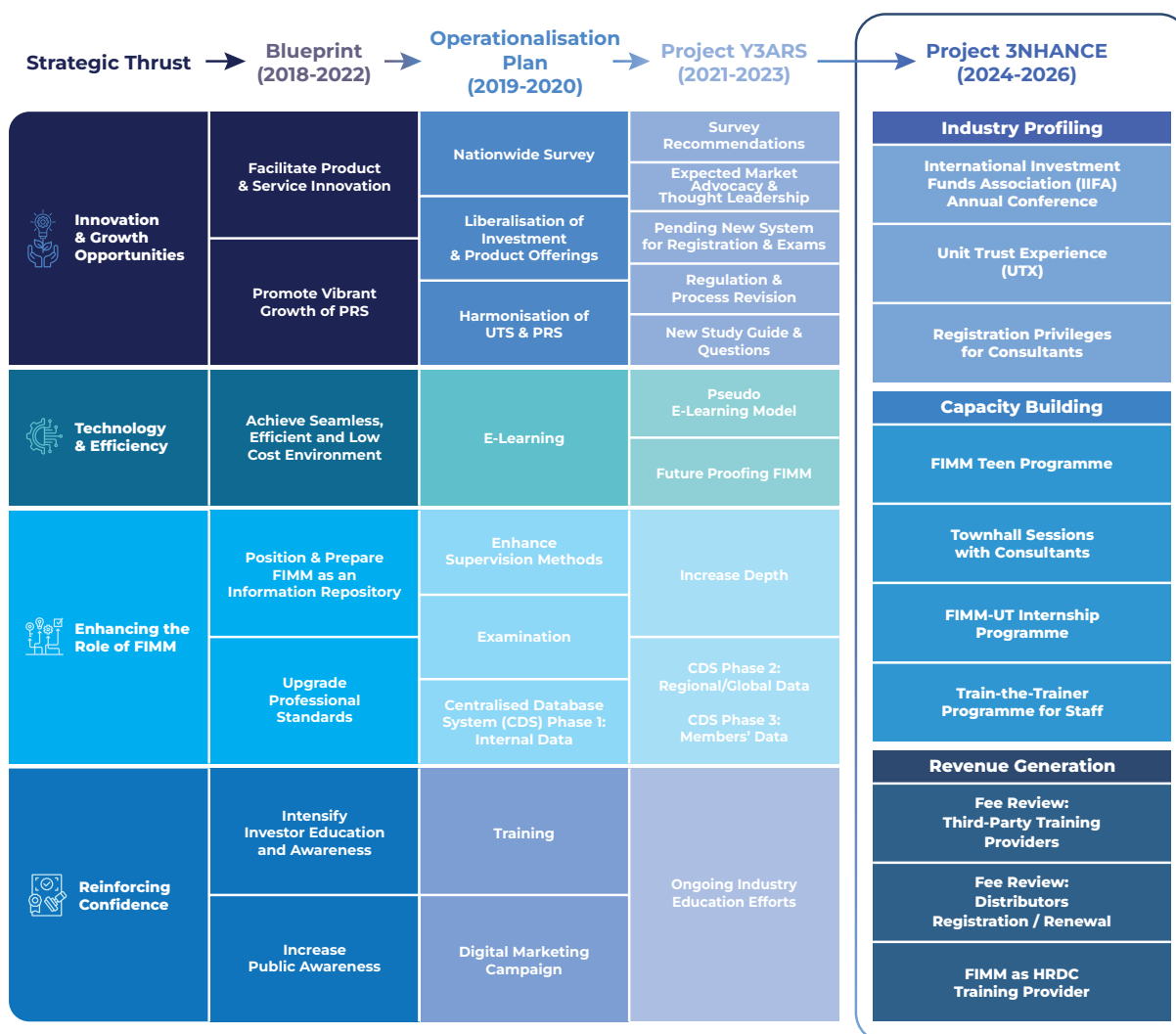
From Y3ARS to 3NHANCE

FIMM's strategic direction was introduced in 2018 through a five-year Blueprint, which laid the foundation for key initiatives under four strategic thrusts.



To implement its strategic priorities, the 2-Year Operationalisation Plan (2019–2020) was introduced to guide the execution of the Blueprint. This was followed by Project Y3ARS (2021–2023), which further advanced transformation through structured initiatives. Many outcomes from these efforts have since been integrated into ongoing operations.

In 2024, Project 3NHANCE was launched as the next three-year initiative (2024–2026), focusing on industry profiling, capacity building, and revenue generation.



Progress vis-à-vis the Key Initiatives








Overview of the progress and completion status of the remaining initiatives under Project Y3ARs, as of 31 December 2025.

Project Y3ARS (2021-2023)		Status as of 31 December 2025
Innovation and Growth Opportunities		
Regulatory / Policies Revision or Formulation	FIMM Constitution Review	<p>The Constitution Review project remains ongoing, with work continuing towards the completion of the review.</p> <p>Status: Ongoing</p>
	New IMS: Standardise Industry Practice and Controls on Unauthorised Transactions	<p>This new IMS aims to streamline industry practices and strengthen control over unauthorised transactions. This is pending approval by the SC.</p> <p>Status: Ongoing</p>
New System: Registration and Examination	Single Registration Platform	<p>The FIMM Core System (FCS) successfully went live in April 2025, marking the completion of a major digital transformation initiative to modernise and streamline key registration, examination, and operational processes. The new platform serves as a centralised system for Consultants, applicants, Distributors, and FIMM, supporting more efficient service delivery and enhanced user experience.</p> <p>Following implementation, efforts focused on user onboarding, system stabilisation, and continuous enhancements to support adoption and operational effectiveness.</p> <p>Status: Completed</p>
Technology and Efficiency		
Future Proofing FIMM	Consultants App	<p>Originally intended to follow the completion of the System Revamp, this initiative has been discontinued under the approved Business Plan for 2026 to support the strategic prioritisation of resources towards other key business initiatives.</p> <p>Status: Discontinued</p>








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Enhancing the Role of FIMM		
<p>Centralised Database System (CDS)</p>	<p>Phase 3: Develop reports using industry data submitted by Members to the SC through the SC Common Reporting System.</p>	<p>Reports were released in March 2025.</p> <p>Status: Completed</p>
	<p>Phase 4: Collaborate with the SC on collecting IUTA data.</p>	<p>Representatives from the SC and FIMM met on 13 November 2025 to discuss the requirements for Phase 4.</p> <p>Following the discussion, both parties agreed to further evaluate the business use cases and utility of data relating to IUTA, IPRA, CUTA, and CPRA. The relevant departments will continue their discussions in 2026 following further assessment of the requirements and potential implementation considerations.</p> <p>Status: Ongoing</p>
Reinforcing Confidence		
<p>Ongoing Industry Education Efforts</p>	<p>FIMM Industry Dialogue / Engagement</p>	<p>Guide For Assessing Investors' Sustainability Preferences for SRI Funds</p> <p>A project undertaken in collaboration with the SC since November 2023, providing guidance on promoting and marketing SRI Funds for Consultants, was successfully launched on 9 October 2025 during FIMMAC 2025.</p> <p>Status: Completed</p>

Progress on Project 3NHANCE in 2025, along with remaining actions requiring continued monitoring, is outlined.

Project 3NHANCE (2024-2026)		Status as of 31 December 2025
Industry Profiling		
<p>International Investment Funds Association (IIFA) Annual Conference</p>	 	<p>The 38th IIFA Conference was held from 9 to 10 September 2025 and was attended by 96 participants, comprising IIFA members and representatives from Malaysia's fund management industry.</p> <p>Overall, FIMM received positive feedback from international delegates for the successful execution of the event, during which many topical industry issues were deliberated.</p> <p>Status: Completed</p>
<p>Registered Consultant Privileges</p>	 	<p>A total of 11 Agreements and Collaboration Letters have been formalised and executed, while the remaining seven are in various stages of finalisation and are expected to be concluded by the end of Q1 2026.</p> <p>Efforts are ongoing to identify and engage new partners to expand the membership collaboration network and strengthen engagement and promotional initiatives.</p> <p>Status: Ongoing</p>
Capacity Building		
<p>FIMM Teen Programme</p>	 	<p>The FIMM Teen Programme was successfully conducted across four schools in the Klang Valley, promoting early financial literacy among secondary school students.</p> <p>Status: Completed</p>
<p>Townhall Sessions with Consultants</p>		<p>A total of four sessions were conducted attracting a combined participation of 1,427 attendees. These comprised both open sessions for Distributors and tailored closed sessions, reflecting strong industry engagement and interest.</p> <p>Status: Completed</p>

Continued on the following page

<p>FIMM-UT Internship Programme</p>	  	<p>A total of 17 individuals successfully completed the programme, gaining valuable experience and contributing to the organisation's objectives.</p> <p>Status: Completed</p>
<p>Train-the-Trainer for Staff</p>		<p>Four staff members have successfully obtained accreditation from the Human Resource Development Corporation (HRDC) under the Train-the-Trainer (TTT) Programme, with one additional staff member awaiting accreditation confirmation. This achievement marks a significant milestone in strengthening the organisation's internal training capabilities and demonstrates its strong commitment to continuous professional development.</p> <p>Status: Completed</p>
<p>Revenue Generation</p>		
<p>FIMM as an HRDC Training Provider: Content and Training</p>	  	<p>A total of four training programmes were successfully conducted during the year, covering key areas relevant to fund management, compliance, marketing, and investor servicing. The programmes attracted steady participation across all sessions, reflecting strong engagement from industry participants.</p> <p>Status: Completed</p>

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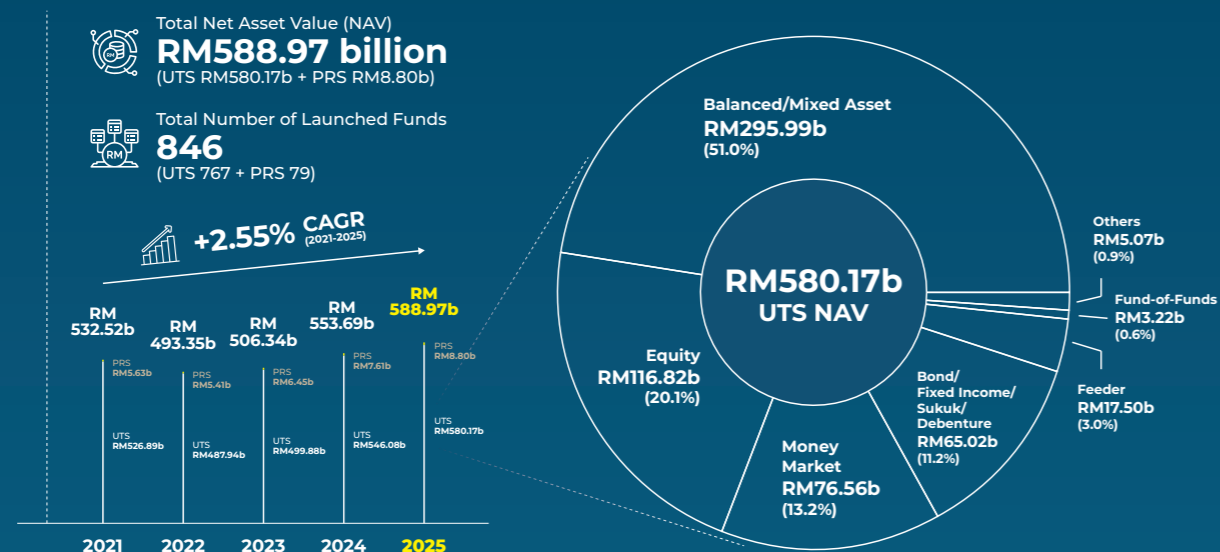
Strategic Evolution

FIMM's journey reflects a deliberate and progressive strengthening of its role within the capital market. Over time, its responsibilities have broadened, its initiatives deepened, and its impact amplified — all in support of a more resilient, transparent, and well-governed industry that serves the interests of both investors and industry players.

	Departments	Before 2018	2-Year Operationalisation Plan 2019-2020	Project Y3ARS 2021-2023	Project 3NHANCE 2024-2026	
Regulatory Services	Legal & Regulatory Affairs	<ul style="list-style-type: none"> Revision of Code of Ethics (COE) Revision of FIMM Consolidated Rules (FCR) Review of Enforcement Handbook 	<ul style="list-style-type: none"> Sanctions Matrix Expansion of Complaint Reach 	<ul style="list-style-type: none"> Enhancement of Complaints Handling Establish Information-Sharing Arrangements with Bank Negara Malaysia 		UTX Unit Trust Experience
	Supervision	<ul style="list-style-type: none"> Off-Site Reviews Quarterly Complaints Submissions Mystery Shopping 	<ul style="list-style-type: none"> Social Media Surveillance On-Site Examination on Unit Trust Management Companies Supervisory Engagements 	<ul style="list-style-type: none"> Focus Group Interviews Automation of Annual Compliance Review Checklist 	<ul style="list-style-type: none"> Townhall with Consultants 	
	Registration	<ul style="list-style-type: none"> Member Registration Consultant Registration 	<ul style="list-style-type: none"> Single Registration for UTS and PRS Registration Manual Auto Renewal 	<ul style="list-style-type: none"> Background Screening of New Consultants Digital FIMM Registration 	<ul style="list-style-type: none"> Fee Review: Distributors 	
Industry Services	Research & Analytics	<ul style="list-style-type: none"> Country Reports (Cerulli, IIFA, AOIFA) Annual Funds Evaluation EPF-Members Investment Scheme (EPF-MIS) Annual Membership Subscription Fee (AMSF) 	<ul style="list-style-type: none"> Nationwide Survey for UTS and PRS CDS Phase 1 	<ul style="list-style-type: none"> Revision of the Lipper Malaysia Fund Classification (LMC) CDS Phases 2 and 3 Research on UTS Fees and Charges 	<ul style="list-style-type: none"> Financial Literacy Survey on UTS, PRS and Retirement Planning Consultant Survey Survey on UTS and PRS Potential Segments 	Hosting of IIFA Conference 2025
	Industry Development	<ul style="list-style-type: none"> Industry Education Fund Volatility Factor (FVF) Reports Fund Volatility Classification (FVC) Reports 	<ul style="list-style-type: none"> New Fund Launches Tax Related Matters Country Reports 	<ul style="list-style-type: none"> Combined Study Guide Investment Management Surveys Liberalisation of Investment Restrictions & Product Offerings 	<ul style="list-style-type: none"> New Investment Standards Vulnerable Investors Participation in Joint Committee on Climate Change (JC3) and Fund Management Industry Digitisation Group (FMDG) Initiatives Industry Dialogues 	
	Professional Development & Services	<ul style="list-style-type: none"> FIMM Examinations Investor Education PRS Familiarisation Programme (PRSFPP) 	<ul style="list-style-type: none"> Regulatory Training Content Development Utilisation of E-Learning Technology to Educate Consultants Review and Enhance the Syllabus and Exam Questions Module 	<ul style="list-style-type: none"> Virtual Examination Translation Services 	<ul style="list-style-type: none"> FIMM Teen Programme Fee Review: Third Party Training Providers 	
	Corporate Communications	<ul style="list-style-type: none"> FIMM Annual Convention Public Engagements FIMM Today Magazine 	<ul style="list-style-type: none"> FIMM E-Zine Publications Daily News Updates Social Media Content Digital Marketing 	<ul style="list-style-type: none"> FIMM Coffee Talk FIMM TV Investor Education Content on Social Media Media Partnerships 		
Corporate Services	Finance	<ul style="list-style-type: none"> Enhancing Revenue Reviews of Procurement Policies & Procedures Review of Delegated Authority Limits 	<ul style="list-style-type: none"> Budget Utilisations Monitoring Corporate Credit Card 	<ul style="list-style-type: none"> Accounting System Enhancement Procurement Workflow 		Content Development & Training
	IT System Support & Infrastructure	<ul style="list-style-type: none"> Maintenance of FIMM Website 	<ul style="list-style-type: none"> Enhancement of Staff Working Tools: Improved Access to Digital Productivity Solutions Strengthening Office Digital Security Infrastructure 	<ul style="list-style-type: none"> Cloud-Based File Hosting Cloud-Based Office Phone System 		
	IT Project Management, System & Method	<ul style="list-style-type: none"> Maintenance of FIMM Website 	<ul style="list-style-type: none"> Revamp of IT Systems Establishment of a Centralised Database System Implementation of Digital Document Archiving 	<ul style="list-style-type: none"> Chatbot and AI Enhancements for the Website 		
	Human Resource & Administration	<ul style="list-style-type: none"> Revision of Employee Handbook 	<ul style="list-style-type: none"> Enhancement of the HR Framework Introduction of New and Revised Standard Operating Procedures (SOPs) 	<ul style="list-style-type: none"> HRD Corp Registered Training Provider 	<ul style="list-style-type: none"> Internship Programme Certified Financial Planner (CFP) Fast Track Programme for Staff Train-the-Trainer Staff Wellbeing Support via Mental Health Association Subscription 	Registered Consultant Benefits Programme
	Secretarial	<ul style="list-style-type: none"> Annual General Meeting Board Administration 		<ul style="list-style-type: none"> Review of the FIMM Constitution Board Charter 		
	Internal Audit & Risk Management	<ul style="list-style-type: none"> Audit Procedures Annual Audit & Risk Plan 	<ul style="list-style-type: none"> Revamp of Audit Activities Conduct a Risk Analysis Workshop Introduction of Thematic Audits Conduct Desktop Audits 	<ul style="list-style-type: none"> Automation of Audit & Risk Activities Development of Corruption Risk Framework Identification and Mitigation of Emerging Risks 		

Industry Snapshot 2025

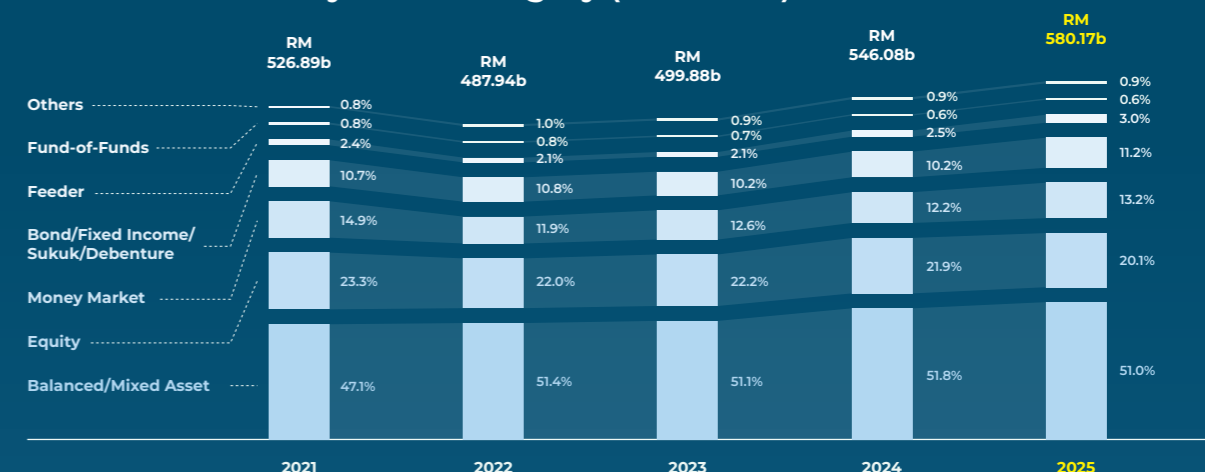
Unit Trust Schemes (UTS) and Private Retirement Schemes (PRS)



Notes:
• Due to rounding, figures presented may not add up precisely to the totals indicated.
• Total NAV and Total Number of Launched Funds include UTS and PRS.

Source: Securities Commission Malaysia

UTS Investments by Fund Category (2021-2025)



Funds	2021 (RM billion)	2022 (RM billion)	2023 (RM billion)	2024 (RM billion)	2025 (RM billion)	YoY Growth 2024-2025
Balanced/Mixed Asset	248.28	250.88	255.59	282.65	295.99	▲ +4.7%
Equity	122.52	107.36	111.18	119.73	116.82	▼ -2.4%
Money Market	78.67	58.12	63.17	66.50	76.56	▲ +15.1%
Bond/Fixed Income/Sukuk/Debtenture	56.41	52.62	51.21	55.45	65.02	▲ +17.3%
Feeder	12.70	10.47	10.39	13.50	17.50	▲ +29.6%
Fund-of-Funds	4.37	3.74	3.59	3.17	3.22	▲ +1.5%
Others	3.96	4.75	4.74	5.08	5.07	▼ -0.2%
Total NAV	526.89	487.94	499.88	546.08	580.17	▲ +6.2%

Note: Due to rounding, figures presented may not add up precisely to the totals indicated.

Source: Securities Commission Malaysia

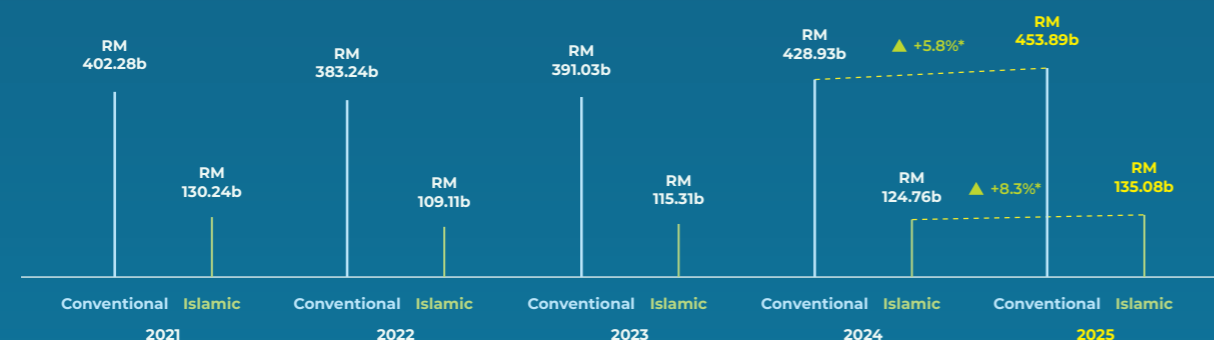
NAV by Collective Investment Scheme (2021-2025)

Scheme	2021 (RM billion)	2022 (RM billion)	2023 (RM billion)	2024 (RM billion)	2025 (RM billion)	YoY Growth 2024-2025
Unit Trust Scheme (UTS)	526.89	487.94	499.88	546.08	580.17	▲ +6.2%
Private Retirement Scheme (PRS)	5.63	5.41	6.45	7.61	8.80	▲ +15.6%
Total	532.52	493.35	506.34	553.69	588.97	▲ +6.4%

Note: Due to rounding, figures presented may not add up precisely to the totals indicated.

Source: Securities Commission Malaysia

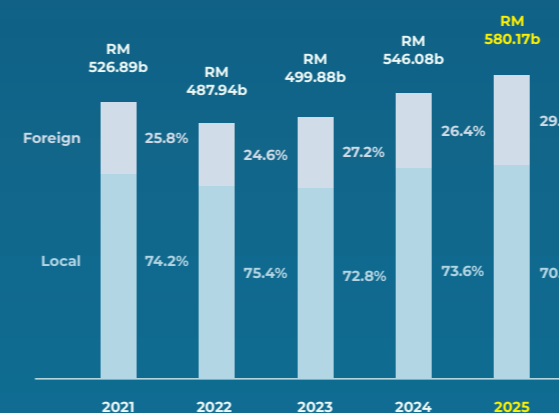
NAV by Conventional & Islamic (2021-2025)



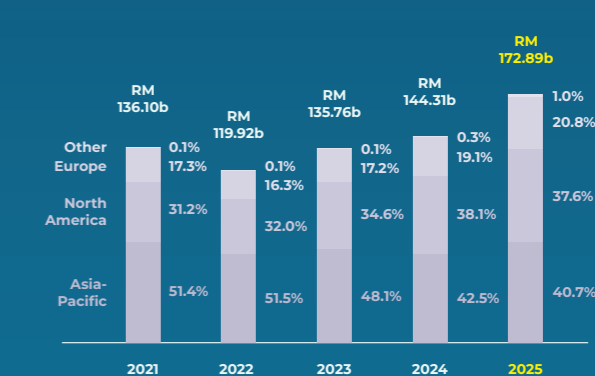
Notes:
• Due to rounding, figures presented may not add up precisely to the totals indicated.
• Total NAV includes UTS and PRS.
• * Percentage is Year-Over-Year (YoY) growth of 2024 vs 2025.

Source: Securities Commission Malaysia

UTS Investments by Foreign & Local Markets (2021-2025)



UTS Investments by Geographical Focus (2021-2025)



Markets	2021 (RM b)	2022 (RM b)	2023 (RM b)	2024 (RM b)	2025 (RM b)	YoY Growth 2024-2025
Local	390.79	368.03	364.12	401.78	407.28	▲ +1.4%
Foreign	136.10	119.92	135.76	144.31	172.89	▲ +19.8%
Total NAV	526.89	487.94	499.88	546.08	580.17	▲ +6.2%

Markets	2021 (RM b)	2022 (RM b)	2023 (RM b)	2024 (RM b)	2025 (RM b)	YoY Growth 2024-2025
Asia-Pacific*	70.02	61.75	65.35	61.35	70.35	▲ +14.7%
North America	42.43	38.43	47.00	54.95	64.96	▲ +18.2%
Europe	23.49	19.58	23.31	27.55	35.90	▲ +30.3%
Other**	0.17	0.16	0.14	0.45	1.68	▲ +272.5%
Total NAV	136.10	119.92	135.76	144.31	172.89	▲ +19.8%

Notes:
• Due to rounding, figures presented may not add up precisely to the totals indicated.
• * Asia-Pacific including Japan.
• ** Investment in foreign markets other than Asia-Pacific including Japan, North America & Europe.

Source: Securities Commission Malaysia

Industry

Registration & Gate-Keeping

- Distributors Snapshot 2025
- Background Screening on Consultants
- Registrations and Terminations
- Bankruptcy Findings from Consultant Screenings

Professional Development of Consultants

- Regulatory Training on Code of Ethics (COE)
- PRS Familiarisation Programme
- Continuous Professional Development (CPD)
- Examinations
- Training Programme
- E-Learning Portal
- Consultant Benefits Programme

Industry Development

- Centralised Database System
- Stakeholders Engagements
- Other Projects & Activities

FIMM as a Thought Leader

Registration & Gate-Keeping

The gatekeeping function serves as a key mechanism in safeguarding the integrity of the industry and protecting investors. Through established registration policies, vetting, and ongoing monitoring processes, only Distributors and Consultants who satisfy the prescribed fit-and-proper, competency and integrity requirements under the relevant regulatory framework are admitted and retained.

These measures are designed to prevent the admission and retention of unsuitable individuals as registered Consultants, while reinforcing the accountability of Distributors in overseeing the conduct of their registered Consultants.

As at 31 December 2025, the population of registered Distributors and Consultants reflects a diversified distribution framework, comprising institutional Distributors, corporate advisers, and a substantial network of individual Consultants providing services to retail investors nationwide.

Distributors Snapshot 2025

The snapshot provides an overview of the composition and movement within the industry. It captures the total number of registered Distributors and Consultants, highlighting changes in industry structure over the period. The data also offer insights into the demographics of Consultants, including their distribution across UTS and PRS categories, supporting FIMM’s ongoing monitoring and assessment of fit-and-proper standards.

The statistics reflect the industry’s evolving composition, presenting the total number of registered Distributors and Consultants, as well as trends in new registrations, terminations, and renewals.

Category of Registered Persons		2023	2024	2025
	Members (Unit Trust Management Companies)	40	42	42
	Institutional Unit Trust Advisers (IUTA)	51	53	56
	Corporate Unit Trust Advisers (CUTA)	21	25	25
	PRS Providers (PRSP)	9	9	9
	Institutional PRS Advisers (IPRA)	12	12	13
	Corporate PRS Advisers (CPRA)	19	23	23
	UTS Consultants	56,443	57,750	53,919
	PRS Consultants	27,943	28,073	29,411
	Individual Consultants (Non-Overlapping)	59,156	60,331	56,227

Notes:

Consultants with dual registration will be reflected in both categories, i.e. UTS and PRS Consultants.
 Individual Consultants represent the total headcount of Consultants, counted once regardless of whether they are registered under UTS, PRS, or both.

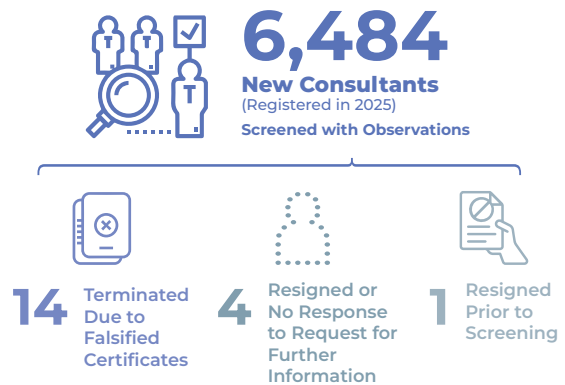
The distribution landscape from 2023 to 2025 reflects a transition from manufacturer-led channels toward institutional and advisory-driven models, with growth concentrated among multi-provider and advisory distributors, while product providers remain stable and mature.

Within the Consultant segment, the total number of Individual Consultants declined from 60,331 in 2024 to 56,227 in 2025 (a decrease of 6.8%), reflecting a phase of industry consolidation rather than a contraction in market demand. Although there was continued interest in entering the industry, this did not translate into a corresponding increase in registrations. The decline was primarily attributable to transitional factors affecting new entrants, including the temporary closure of examinations during the system migration period from 27 March to 13 May 2025, the revision of examination fees, and initial unfamiliarity with the unified examination syllabus covering both UTS and PRS. These factors moderated the pace of new registrations during the transition to the enhanced examination framework.


In terms of scheme composition, the number of registered UTS Consultants decreased by 3,831 (or 6.6%), while PRS Consultants increased by 1,338 (or 4.8%) compared to 2024. The growth in PRS Consultants was primarily driven by the implementation of the single registration framework, which permits Consultants to market and distribute both UTS and PRS products.

Background Screening on Consultants

In 2025, background screening was conducted to strengthen entry controls and lifecycle oversight of Consultants. The screening aimed to verify registration information, assess compliance with fit-and-proper requirements, and identify potential integrity or competency concerns at an early stage. This supports timely supervisory intervention, reinforces Distributors' accountability, and promotes market integrity and orderly development.



Registrations and Terminations

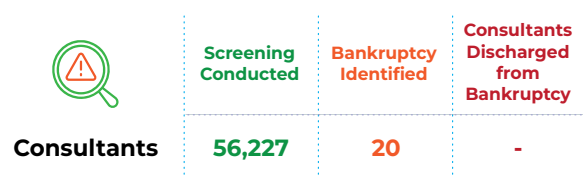
	Registration	Resignation	Termination by Distributor	Revocation by FIMM
 UTS Consultants	7,777	2,707	8,885	16
PRS Consultants	4,328	981	2,003	6
Total	12,105	3,688	10,888	22

Note: Any termination by Distributor due to misconduct will be subject to further investigation by FIMM.

The movements in new registrations, resignations, terminations or revocations of UTS and PRS Consultants during the year are outlined in this section.

Bankruptcy Findings from Consultant Screenings

As part of fit and proper assessments, Consultants are subject to bankruptcy screening prior to renewal.

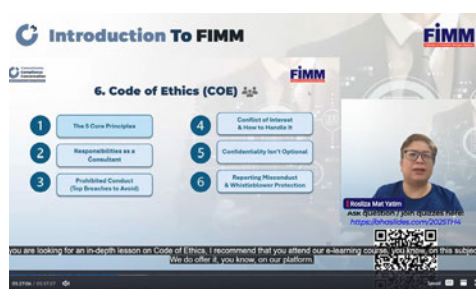


Professional Development of Consultants

Regulatory Training on Code of Ethics (COE)

High standards of professionalism and ethical conduct remain central to the industry. To support this, the following programmes were conducted to enhance competencies and address industry needs.

Regulatory Training



Regulatory training on Code and Ethics (COE) is implemented and maintained as part of broader efforts to uphold professional standards and safeguard investor interests. The initiative enhances Consultants' understanding of expected behaviours, promotes the consistent application of ethical requirements in distribution and marketing practices, and mitigates conduct risk through clear and practical reinforcement of regulatory expectations.

The training is delivered through an integrated approach to maximise reach and sustain learning impact. COE messaging and regulatory guidance are embedded into townhall sessions with Consultants, providing an effective platform for broad industry engagement, real-time clarification, and consistent regulatory reinforcement.

E-Learning Modules

To complement live engagement, a COE e-learning module was deployed to support structured, accessible learning for continuous professional development and refresher training. A total of 243 users completed the module, reflecting meaningful uptake of the on-demand learning channel.



PRS Familiarisation Programme

The Private Retirement Scheme Programme (PRSF) was introduced in response to sustained industry demand, particularly from Distributors seeking to accelerate the onboarding of new PRS Consultants to support market growth.

The programme provides a structured entry pathway for eligible individuals—specifically qualified UTS Consultants and insurance agents with at least three years' experience and no adverse records—to be registered as PRS Consultants without having to sit for the CPRE/FCE, subject to prescribed eligibility and assessment requirements.



Delivered through a one-and-a-half-day train-the-trainer and refresher programme conducted by authorised trainers, the PRSFP incorporates a mandatory post-programme assessment to validate participants' readiness. The curriculum covers key aspects of the PRS ecosystem, including the industry landscape, regulatory framework, product features, providers, investment fundamentals, and the roles and responsibilities of PRS Distributors and Consultants.

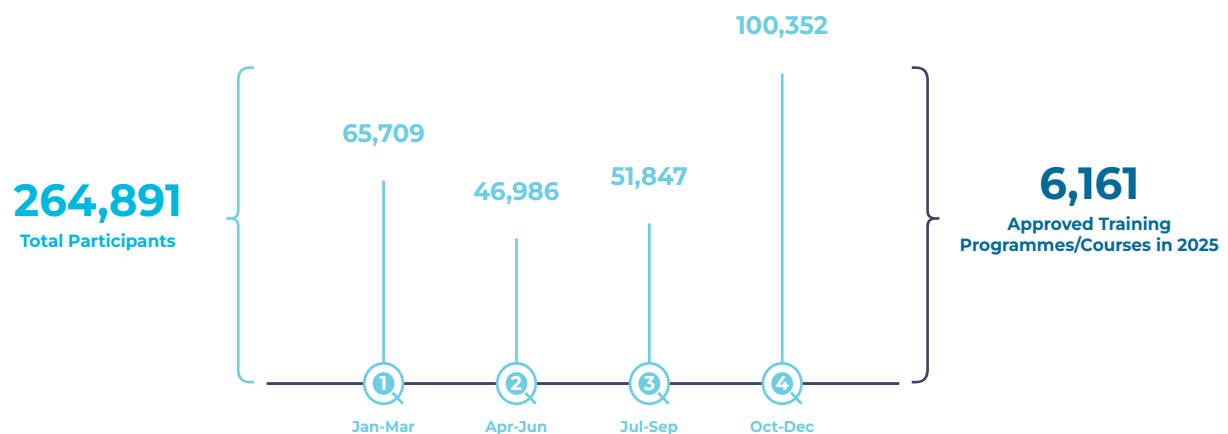
The programme strengthened the PRS talent pipeline by facilitating the timely expansion of qualified Consultants, supporting Distributors' recruitment

needs and enhancing market capacity. It also reinforced competency and conduct standards through structured training, knowledge assessments, and rigorous screening criteria. By standardising minimum learning coverage and regulatory expectations, the initiative improved consistency in PRS knowledge and promoted disciplined distribution and marketing practices.

Collectively, the PRSFP enhanced onboarding quality while supporting broader market development objectives, fostering professionalism, investor protection, and sustained confidence in the PRS ecosystem.

Continuous Professional Development (CPD)

Professional standards continued to be strengthened through the Continuing Professional Development (CPD) framework, ensuring that training programmes undertaken by industry practitioners remain relevant, quality-assured, and aligned with prevailing regulatory and market conduct expectations.



During the year, 6,161 training programmes were reviewed and approved (2024: 4,665), attracting 264,891 participants (2024: 146,002). This significant increase reflects stronger industry adoption of structured learning and professional upskilling. Participation was recorded throughout the year, peaking in the fourth quarter with 100,352 attendees, indicating sustained demand and intensified year-end completion activities.

CPD delivery under the enhanced framework strengthened industry competence and conduct standards by expanding access

to recognised learning. The higher volume of approved programmes reinforced quality assurance and consistency, while increased participation signalled deeper learning penetration and the growing institutionalisation of CPD as a professional practice.

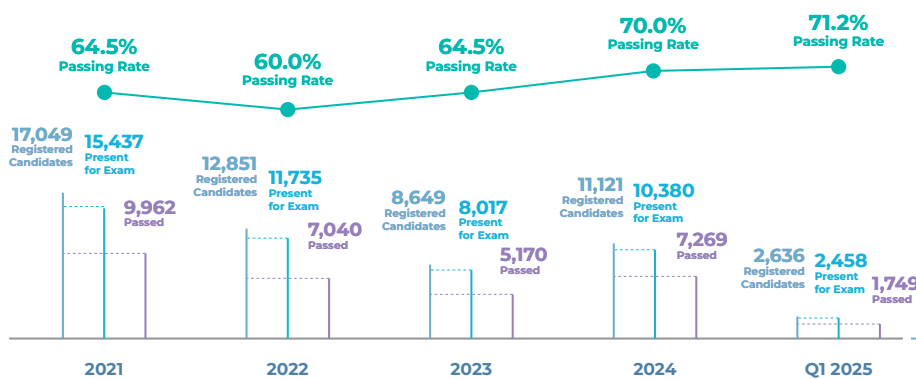
Overall, CPD developments in 2025 reflect a maturing professional development environment, supporting investor protection through a more competent, informed, and professionally accountable investment community.

Examinations

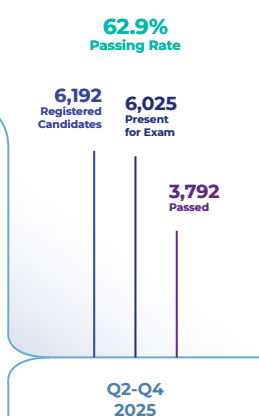
Following a one-month blackout period in April 2025 to facilitate system assessment and readiness validation, the enhanced FCS was introduced to strengthen operational controls and improve registration efficiency. The system provided greater lead time for examination administration, including registration review, scheduling, and candidate communications.

In conjunction with the launch of the FCS in May 2025, the FIMM Combined Examination (FCE) was introduced, consolidating the UTS and PRS examinations into a single sitting. Candidates who pass the FCE are eligible to register as Consultants for both UTS and PRS, subject to their appointed Distributor and the scope of products offered.

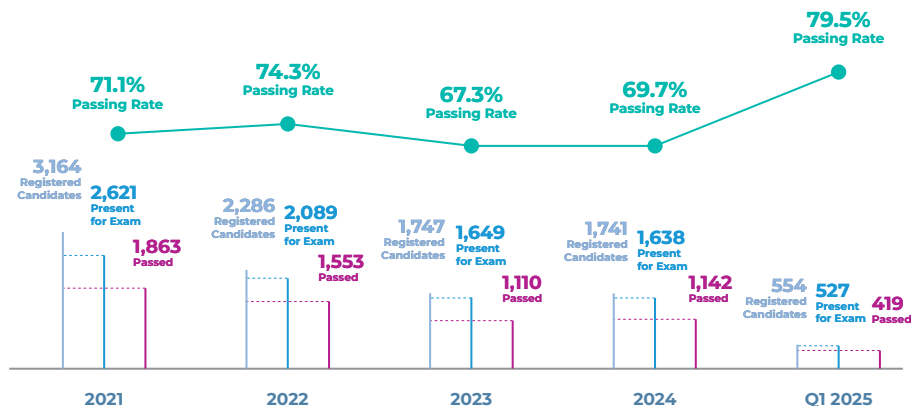
Computerised Unit Trust Examination (CUTE)



FIMM Combined Examination (FCE)



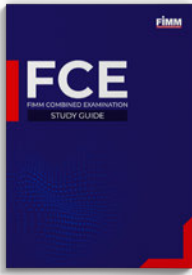
Computerised PRS Examination (CPRE)



Following the introduction of the Combined Examination (FCE), the passing rate from May to December 2025 was 62.9%, reflecting the transition to a unified examination format. Overall, examination outcomes remained stable despite syllabus enhancements, with no material concerns observed in relation to examination integrity or administration.

Enhancements to the examination framework improved operational efficiency and the candidate experience through centralised registration, stronger workflow controls, improved planning lead times, and clearer communications. The combined UTS and PRS structure also enables candidates to complete both components in a single sitting, supporting faster qualification timelines and improved administrative efficiency.

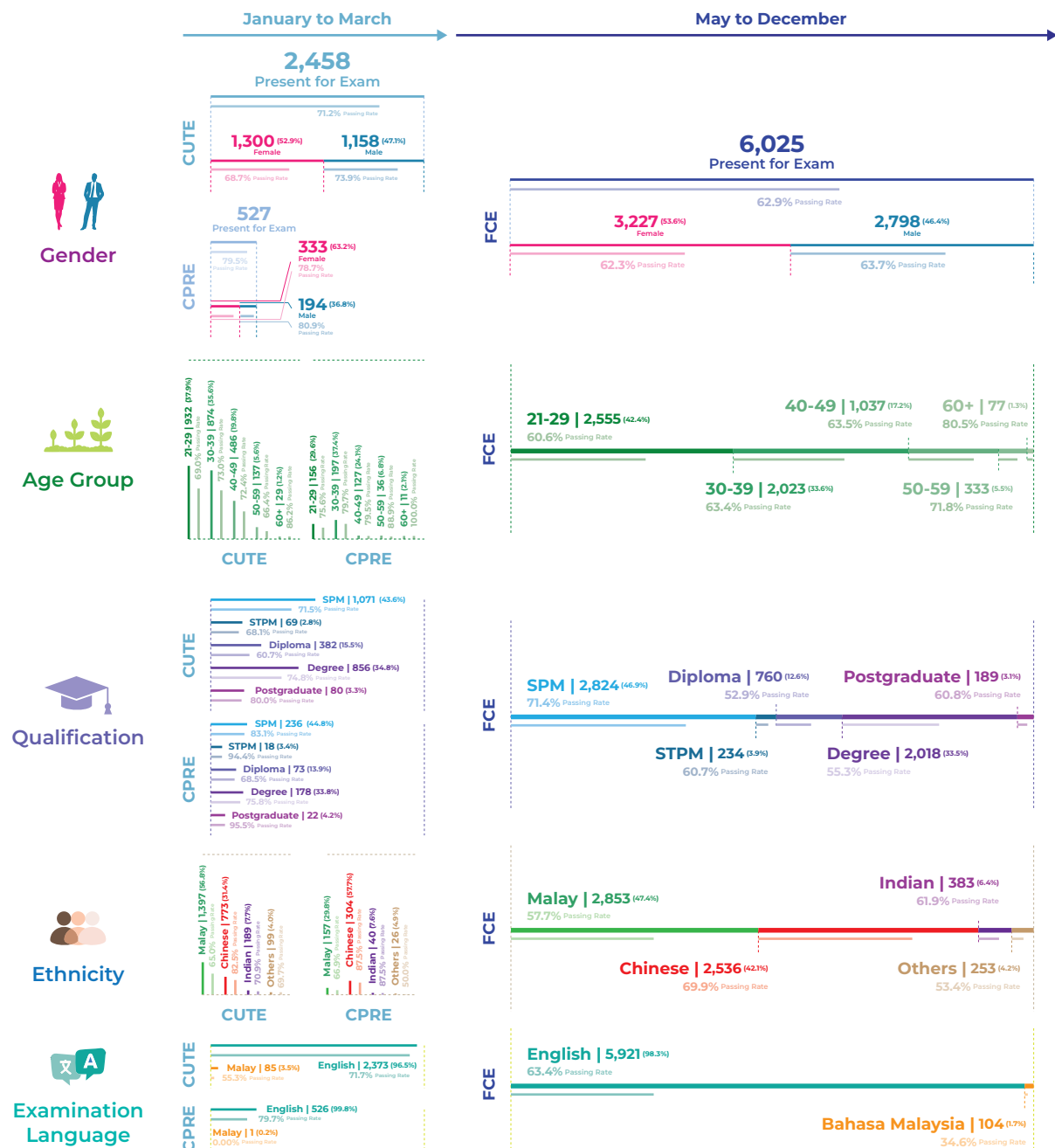
Introduction of New Examination Study Guide



To support FCE, a new *Study Guide* was introduced as the primary learning material for candidates. The guide consolidates the previous *Dealing in Unit Trusts and Private Retirement Scheme Examination Study Guides*, and incorporates updated regulatory requirements, revised guidelines, rules, and current best practices.

This ensures candidates are equipped with up-to-date knowledge of capital market expectations, particularly in relation to the marketing and distribution of UTS and PRS products.

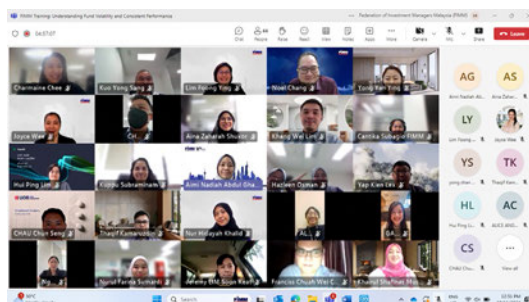
Candidates Profile



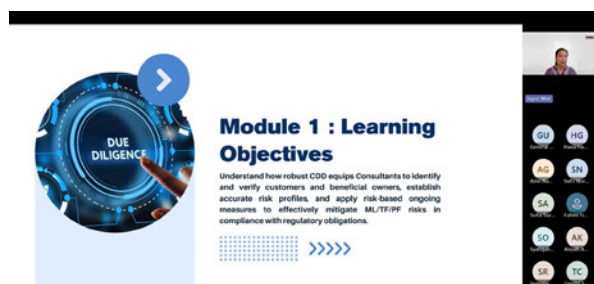
Training Programme

Launched in 2024, the programme aims to strengthen participants' understanding of Unit Trusts, fund management operations, regulatory compliance, and investment decision-making. In 2025, three HRDC-claimable programmes were conducted:

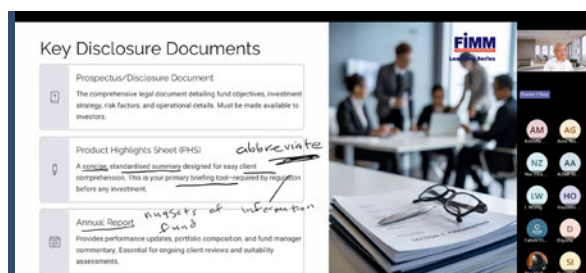
- *Understanding Fund Volatility and Consistent Performance*
- *Client Due Diligence (CDD) Essentials*
- *Marketing and Distribution: Servicing Investors in the UTS and PRS Industry*



Understanding Fund Volatility and Consistent Performance



Client Due Diligence (CDD) Essentials



Marketing and Distribution: Servicing Investors in the UTS and PRS Industry

In support of greater accessibility and wider outreach, all training sessions were delivered virtually by internal subject matter experts, underscoring FIMM's digitalisation agenda and its commitment to ESG principles.

Over 200 participants from financial and non-financial backgrounds attended the programmes. Post-training feedback reflected notable improvements in participants' understanding of fund operations, as well as enhanced proficiency in Know Your Customer and regulatory compliance practices. Participants also demonstrated stronger capability in sales conduct and investor servicing for UTS and PRS, and expressed greater confidence in applying these insights to real-world investor interactions, alongside continued interest in further learning on Unit Trusts and the evolving regulatory landscape.

E-Learning Portal

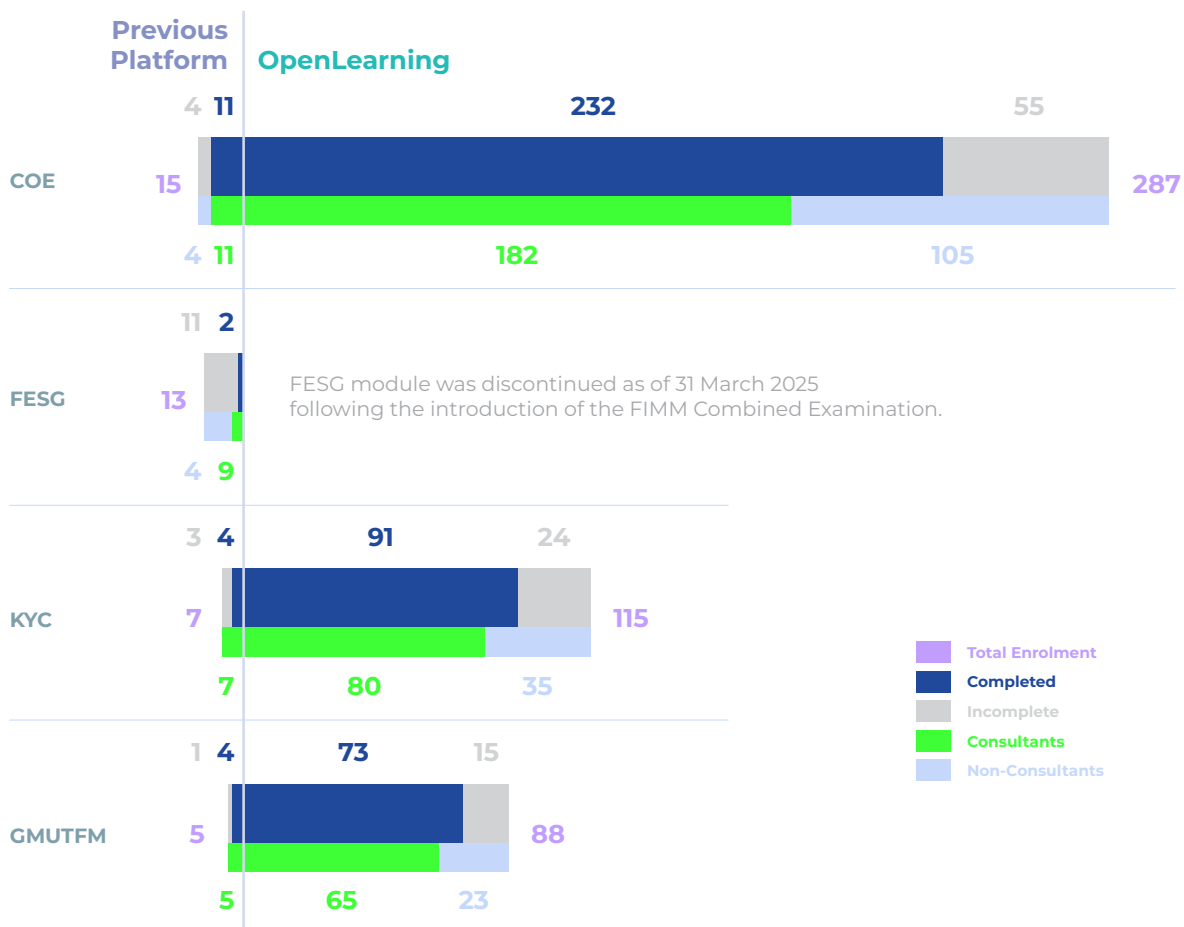
A transition to the OpenLearning platform was undertaken in October 2025, replacing the previous learning platform arrangement. The soft launch in December 2025 marked a key milestone in enhancing the learner experience, offering a more user-centric environment with improved accessibility and engagement, while supporting the expansion of the digital curriculum to promote consistent competency and ethical standards among Consultants.

Four e-learning modules were made available during the soft launch to support both the public and registered consultants:

- Regulatory Training on the COE
- FIMM Examination Study Guide (FESG)
- Guidelines and Marketing of Unit Trust Funds in Malaysia (GMUTFM)
- Know Your Customer (KYC)

These modules are delivered on a self-paced, on-demand basis, allowing learners to complete training flexibly, with four CPD points awarded per module upon successful completion.

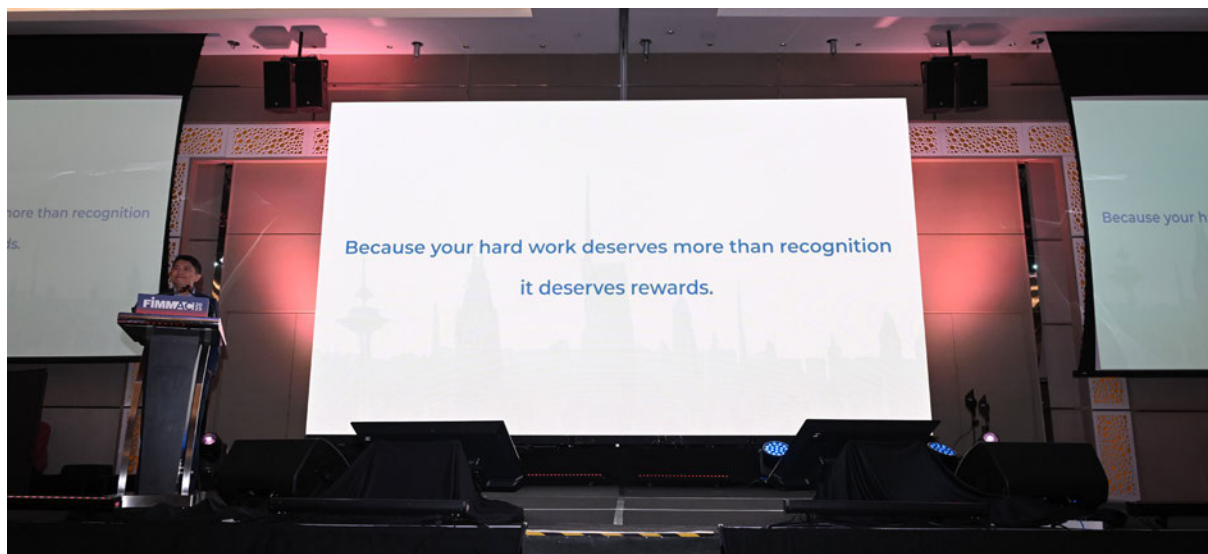
Enrolment and Completion in 2025



For 2025, a total of 417 participants successfully completed the e-learning modules for their year-end CPD requirements.

The shift to the OpenLearning platform improved accessibility and the learning experience, supporting higher uptake and more timely CPD completion. Overall, the initiative enhanced industry capability through structured, trackable learning, while reinforcing investor protection through stronger ethics, marketing discipline, and KYC practices.

Consultant Benefits Programme



The Programme was officially launched at FIMMAC on 9 October 2025.

Recognising the important role played by UTS and PRS Consultants, as well as the unique challenges faced by many self-employed professionals, the Consultant Benefits Programme was introduced in 2025 to provide access to products and services that support Consultants in both their professional and personal lives.

The initiative was developed in response to feedback from Consultants on areas where practical support could help alleviate day-to-day expenses and improve access to useful services. Common areas of interest included information technology products, automobile-related services, healthcare, and lifestyle benefits. The Programme seeks to complement the professional support provided to Consultants by offering access to preferential rates and value-added services through participating partners.

Considerable effort was undertaken throughout the year to establish the Programme, including engagement with potential partners, negotiation of benefits, and the completion of legal and operational arrangements. A dedicated team was formed to identify suitable organisations capable of delivering meaningful value to Consultants. Following the successful execution of agreements with 11 participating partners, the Programme was officially launched at

the FIMM Annual Convention (FIMMAC) on 9 October 2025.

Partner selection focused on organisations able to offer practical and relevant benefits, while taking into consideration factors such as reputation, service quality, reliability, and accessibility to Consultants nationwide. The Programme was designed to provide Consultants with a range of options and benefits that are relevant to their professional and personal needs.

The introduction of the Consultant Benefits Programme reflects ongoing efforts to support Consultants beyond registration, education, and regulatory matters.

Looking ahead, efforts will continue to expand the range of participating partners and benefits available, including opportunities relating to professional development and lifelong learning, with the aim of creating a sustainable ecosystem that delivers meaningful value to Consultants and industry stakeholders alike.



The Programme was also promoted digitally across social media.



Dear Consultants, Your Dedication Deserves More!

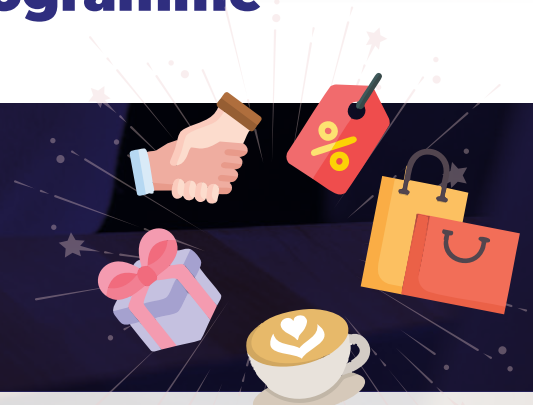
Enjoy exclusive deals and special offers from
our partner brands with the
FIMM Consultant Benefits Programme
— available only to FIMM-registered Consultants



**Start enjoying your
advantages today!**

Scan to explore exclusive offers
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<https://www.fimm.com.my/industry/consultants/consultant-benefits/>



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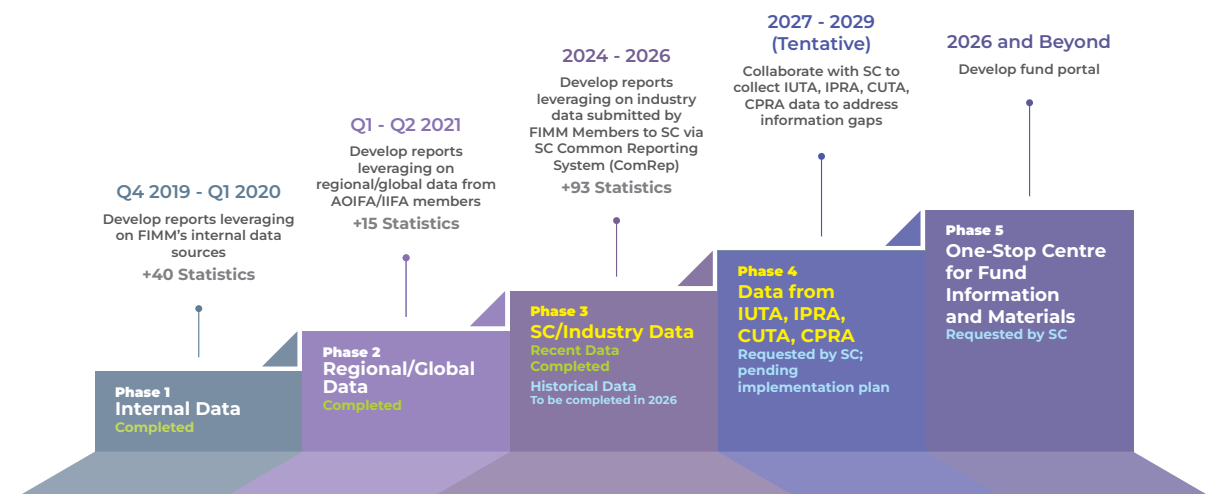
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Industry Development

Centralised Database System

The Centralised Database System (CDS) is an initiative to enhance FIMM’s role as an information repository and promote the sharing of industry information. It is a multi-year initiative being implemented in several phases.



Phase 3 Progress

The Phase 3 reports were released in March 2025, while work on the historical 2022 and 2023 data remained ongoing.

Phase 4 Progress

Collaboration between SC and FIMM is underway to address data gaps by exploring the collection of IUTA, IPRA, CUTA and CPRA data not available in SC Common Reporting System. Both parties will continue assessing use cases and data utility, with further discussions planned in 2026.

Stakeholders Engagements

Employees Provident Fund

Industry Proposals for EPF Annual Dialogue 2025

A set of industry proposals was submitted to the Employees Provident Fund for consideration at the EPF Annual Dialogue 2025. The proposals, developed in consultation with Fund Management Institutions, aimed to enhance the EPF-MIS framework by improving evaluation criteria, providing greater flexibility for funds with strong long-term or improving performance,

and broadening investment options for members. These also included suggestions on portfolio management practices and the inclusion of additional fund structures. As at end-2025, the dialogue remained pending, subject to further direction from EPF.

Engagement with Industry and Public

IWG on JKDM's SST Proposal

An industry working group () was formed to coordinate feedback on the proposed

Continued on the following page

expansion of Sales and Service Tax (SST) to fees and commissions, following an urgent request from Jabatan Kastam Diraja Malaysia (JKDM) as it prepared its policy paper on the financial services sector. Industry input was gathered on 20 December 2024 and 15 January 2025, and consolidated feedback was subsequently submitted on 19 February 2025. Ongoing engagement with the authorities and industry participants contributed to key outcomes under the Service Tax Guidelines, including the ability for industry members to apply business-to-business (B2B) exemptions as a practical relief on certain fees and commissions through the issuance of letters of undertaking. This has helped mitigate tax cascading and support compliance with Service Tax requirements.

Briefing on Service Tax Expansion for FIMM Members and Distributors

Members and Distributors were updated on the expansion of Service Tax to include financial services, which took effect on 1 July 2025 under the Service Tax Regulations 2018, during a briefing session held on 25 July 2025.


The virtual session, conducted by an appointed tax services provider, covered the implementation timeline, scope of taxable financial services, available exemptions and reliefs, as well as key compliance requirements and practical implementation considerations. The session also further clarified the application of Service Tax to specific fees and charges within the industry.

Thought Leadership Programme

FIMM Industry Development Thought Leadership Series


Unit Trust on the MOVE

Markets. Outlook. Volatility. Effects.




Dr Tan Chong Koay

Founder,
Chief Strategist &
Executive Chairman
PHEIM Unit Trusts Berhad




Michael Chang Wai Sing

Head of Investment
Eastspring Investments
Berhad




Annie Thomas

Director, Tax
PwC Malaysia



The first session, themed "The Tides & Flows," examined current market dynamics and capital flows in a time of ongoing global uncertainty.



The second session focused on recent changes to Malaysia's tax landscape, including the implementation of e-Invoicing and the expanded Service Tax framework.

As part of the Thought Leadership Series, an industry session titled Unit Trust on the MOVE (Markets, Outlook, Volatility and Effects) was organised on 30 July 2025, providing insights on market performance as well as a special focus on the impact of Service Tax on the industry and investors. The session was attended by 643 industry representatives. The programme covered key market trends, volatility, and outlook to support better investor communication, while also providing clarity on Service Tax implications and practical guidance for operational planning within the industry.

Other Projects & Activities

Reports to the International Investment Funds Association (IIFA)

As part of the annual International Investment Funds Association (IIFA) initiative, member countries are invited to submit country reports. In support of this exercise, the relevant information was compiled and submitted on 21 August 2025.

Issuance of Monthly Fund Volatility Report

Monthly Fund Volatility Reports are issued to the Authorised Representatives of our Members and Distributors. Generally, this report is used by Members who utilise volatility ratings when preparing their fund fact sheet and marketing & promotional materials.

Additionally, the report is also prepared for EPF, as it is used, amongst other things, to monitor the volatility and performance of funds managed under the approved EPF-MIS. A total of 12 reports were issued to Members, Distributors and EPF in 2025.

Industry Proposal for Federal Budget 2026

FIMM was invited by SC on 4 June 2025 to submit tax incentive proposals and policy recommendations to support the continued development of the Malaysian capital market and the broader economy. Following the expansion of SST to fee-based financial services effective 1 May 2024, three proposals were developed in consultation with the SC and submitted for consideration under the Federal Budget 2026 on 19 June 2025.

Separately, on 10 October 2025, the Prime Minister announced the extension of the income tax exemption on foreign-sourced dividends, gains from the disposal of foreign capital assets, and other foreign-sourced income for unit trust funds from 1 January 2027 to 31 December 2030. This announcement reinforces continued policy support for the Unit Trust industry's international investment activities.

Meanwhile, no new measures were announced relating to SST exemptions for the funds management industry.

Updates to Investment Management Standards (IMS 1–4) and Best Practices

The Investment Management Standards (IMS 1 to IMS 4) were originally developed between 2005 and 2009 to establish prescribed standards and best practices aligned with market developments, regulatory requirements and industry practices. The revised IMS framework has since been updated to reflect the latest regulatory expectations and evolving market conditions. In particular, IMS 4 (formerly referred to as the New IMS on standardising industry practice and controls on unauthorised transactions) introduces enhanced control measures aimed at strengthening governance and preventing misconduct by Distributors and Consultants.

Following a meeting with SC on 28 August 2025 to finalise outstanding matters relating to the IMS, it was agreed that the Best Practices, previously included within the IMS framework, would be separated to encourage greater industry adherence.

The SC communicated the recommended changes on 26 September 2025, and in response, the Best Practices were drafted in accordance with the guidance provided in November 2025. These Best Practices will be issued via circular to the industry, covering areas such as NAV publication for UTS and PRS, as well as enhanced controls on investor onboarding processes and improvements to investor communication practices to support better decision-making and protection.

E-Invoicing FAQ Project

This project was initiated in November 2024, with FIMM and an appointed tax services provider engaging with Inland Revenue Board (LHDN) to address eight key issues impacting the industry:

- E-Invoice treatment in relation to buying and selling securities/derivatives;

Continued on the following page

- E-Invoice treatment on dividend distribution;
- E-Invoice treatment in relation to management fee and management fee rebate under fund-of-fund structure;
- Applicability of e-Invoicing on subscription and redemption of units in UTS;
- Self-billed e-invoice to be issued by the IUTA in accordance with the UTMC/UTF's implementation deadline, for example on self-billed e-invoice to be issued by IUTA starting from 1 July 2025 onwards;
- Issuance of consolidated e-Invoice for foreign sourced income received by UTS is permitted by LHDN;
- To exclude UTS from mandatory issuance of e-invoice for every sale of goods and services exceeding RM10,000 starting 1 January 2026; and
- To allow the use of MyTentera or MyPolis number to be inputted under the "Registration / Identification Number / Passport Number" field instead of NRIC.

Following multiple industry engagements and clarifications, the exercise concluded on 20 August 2025. The Frequently Asked Questions (FAQ), prepared in collaboration with an appointed tax services provider, was subsequently distributed to the industry.

In addition, updated *e-Invoice FAQs for Financial Services, Stockbroking and Unit Trust* was issued by LHDN on 2 September 2025, reflecting the outcomes of the consultation and the project undertaken with an appointed tax services provider, as well as common industry practices identified during the engagement.

Implementation of Service Tax

Engagement with the Royal Malaysian Customs Department (JKDM), the Ministry of Finance (MOF), and key stakeholders, including Distributors and the Employees Provident Fund (EPF), continued throughout 2025 in relation to the implementation of Service Tax on financial services.

Following consultations on 12 February 2025, industry feedback on the revised Service Tax Policy was consolidated and submitted, including proposals for targeted exemptions. Subsequent engagements led to further refinements aligned with regulatory guidance, with an appeal submitted to MOF via JKDM.

In June 2025, amendments to the Service Tax Regulations expanded the scope of taxable financial services to include fund management activities. Under the revised framework, financial services involving fees, commissions, or similar payments exceeding the prescribed threshold are subject to Service Tax, with implementation phased from 1 September 2025. In response, industry feedback was gathered and submitted on the accompanying guidelines, contributing to ongoing regulatory clarification.

Further consultations in July and August 2025 focused on implementation readiness, particularly in relation to operational and system requirements. Feedback indicated the need for additional time to ensure effective implementation. This was formally communicated, and subsequent policy updates provided interim clarity, including temporary exemptions and phased applicability. From 1 October 2025, Service Tax applies to relevant financial services where applicable fees and commissions are charged.

To support consistent implementation, a structured FAQ initiative was undertaken in collaboration with external tax advisors, alongside continued engagement with JKDM to address operational considerations specific to the industry. Updated guidance issued in October 2025 provided further clarity on the application of Service Tax, including treatment of fees and exemptions.

Engagements with the EPF-MIS Department were also conducted to clarify the applicability of Service Tax on fees and transactions under the Members' Investment Scheme. Clarifications were provided on the treatment of transaction-based fees and the application of the Business-to-Business exemption, with guidance issued to facilitate compliance, including the submission of Letters of Undertaking to EPF where required.

FIMM as a Thought Leader

Guide For Assessing Investors' Sustainability Preferences for SRI Funds

The Guide was developed in collaboration with the Securities Commission Malaysia to strengthen the understanding and adoption of sustainability principles within the UTS and PRS industry, with development efforts commencing in November 2023. Following the submission of industry survey findings in June 2024, the draft was circulated in November 2024 for further feedback. Responses were received from 48 distributors, representing 45% of the targeted companies, with overall feedback reflecting broad industry support and alignment on the Guide's direction.



Sharifatul introducing the Guide at FIMMAC 2025.

The Guide was subsequently launched on 9 October 2025 during FIMMAC 2025, marking a key milestone in advancing industry-wide sustainability practices and supporting the integration of sustainability considerations into investment and distribution activities. In her keynote address at the Convention, SC Executive Director of Islamic Capital Market Sharifatul Hanizah Said Ali highlighted the importance of the Guide in supporting Consultants.

“We recognise that as interest in sustainable investing grows, so too does the complexity of navigating its many dimensions,” she said.

“So rather than leaving Consultants to piece together from multiple sources, this Guide is placed well for clarity and cohesion, distilling key principles and best practices into one



FIMM Chairman Mohd Ridzal Mohd Sheriff and SC Executive Director of Islamic Capital Market, Sharifatul Hanizah Said Ali officiated the launch of the Guide at FIMMAC 2025.

trusted reference. It is designed to build confidence and capability, and it will help Consultants translate investor aspirations into actionable strategies,” she continued.

“Hence, I am pleased to launch the guide for assessing investors sustainability preferences, a key step towards empowering Consultants to incorporate SRI considerations as a routine component of advice and to deliver recommendations that are both values aligned and investor centric,” she added.

Survey on Industry's Preparedness of UK's Transitioning to T+1 Settlement

The UK Accelerated Settlement Taskforce, through SC, initiated the collection of industry insights to support the United Kingdom's transition to a T+1 settlement cycle by 11 October 2027. This initiative aims to assess industry preparedness and facilitate a smooth transition for market participants. In this regard, feedback from industry Members was sought in February 2025.

To support this exercise, a circular was issued on 27 February 2025 to encourage participation in the survey, with responses collected via ValueExchange.

Consultation for New Product Governance Guidelines (PGG)

The SC proposed a new Guideline on Product Governance (PGG) to strengthen the oversight of the design and distribution of capital market products. The PGG sets out obligations to ensure that product issuers and distributors give due consideration to investors' interests throughout the product lifecycle, including the design, distribution, and post-sale stages.

In this regard, the SC requested FIMM to obtain industry feedback in April 2025. A circular was subsequently issued to invite responses on the proposed guideline. A total of 37 Distributors, representing 36% of the 104 Distributors, participated in the consultation, and the consolidated feedback was submitted to the SC on 14 May 2025.

Consultation on Proposed Product Highlights Sheet for Unit Trust Funds and Wholesale Funds

The SC requested FIMM's assistance in disseminating presentation materials, including the proposed Product Highlights Sheet template and feedback form, to obtain industry input on the proposed revisions on 29 April 2025. The revisions aim to enhance

transparency for investors and serve as an educational tool to support informed investment decisions.

FIMM subsequently issued a circular to industry Members on 30 April 2025, and feedback was received from 16 Distributors. The consolidated feedback was submitted to the SC on 16 May 2025.

Feedback on Questionnaire for Refinements to CCPT and SRI Taxonomy

The SC engaged FIMM to facilitate industry participation in a questionnaire on proposed refinements to the Climate Change and Principles-based Taxonomy (CCPT) and Sustainable and Responsible Investment (SRI) Taxonomy on 17 June 2025. The refinements, undertaken in collaboration with Bank Negara Malaysia, form part of efforts to develop a National Taxonomy and ensure continued relevance with the evolving sustainable finance landscape.

FIMM subsequently issued a circular to industry Members on 18 June 2025 to invite responses to the questionnaire, which was administered by SC. Approximately 13 industry Members participated in the exercise.

Asia Asset Management's 13th Annual Malaysia Roundtable

FIMM, represented by its CEO, Kaleon Leong, was invited to share perspectives on the future of the asset management industry, including the impact of emerging technologies such as artificial intelligence (AI), at the 13th Malaysia Roundtable organised by Asia Asset Management on 17 June 2025.

During the session, he emphasised the continued importance of human engagement in investment services, noting that while digital platforms enhance accessibility and efficiency, personal interaction remains a key component of investor confidence and experience.



Reinforcing Confidence

Ensuring Compliance

- Post-Registration Assessment
- Annual Compliance Review
- Supervisory Visits
- Focus Group Interviews with Consultants
- Social Media Surveillance with Mystery Shopping
- Quarterly Complaint and Trend Analysis
- “Dear CEO” Letter

Regulatory Industry Briefing

Townhall Series with Consultants

Enforcement

- Enforcement Snapshot 2025
- Overall Observation on Complaint Trends
- Case Management
- Complaint Channels
- Key Conduct Issues
- Sanctions Imposed by Disciplinary Committee
- Appeal Committee Proceedings

Ensuring Compliance

Supervisory activities and initiatives remain a key focus in strengthening the professional conduct and competence of Consultants, in line with FIMM's ongoing role in upholding industry standards.

Post-Registration Assessment (PRA)

All newly registered Distributors (except for Unit Trust Management Companies [UTMCs] and PRS Providers [PRSPs]) are required to complete a Post-Registration Assessment (PRA) before the expiry of a six-month period from the commencement of operations or from the changes in the process of registering clients' investments from a client-name account (direct approach) to a nominee system (applicable to IUTAs registered under Schedule 4 of the Capital Markets and Services Act (CMSA)).

The PRAs enable an evaluation of the state of readiness of operations and control functions at Distributors in the marketing and distribution of UTS and PRS. The scope of the PRA includes governance, back-office and front-office information processing control, risk management, customer service, and information systems.

This year, eight PRAs were reviewed across IUTA, CUTA and CPRA business operations. No non-compliance issues were identified during the review.

Annual Compliance Review (ACR)

The Annual Compliance Review (ACR) is a mandatory self-declaration exercise for Distributors, aimed at ensuring continued compliance with applicable rules and regulations governing the marketing and distribution of UTS and PRS. Distributors are required to complete and submit the ACR within the prescribed timeframe each year.

Common Observations from ACR Submissions for 2025



Absence of periodic review of existing manuals, policies and procedures on marketing and distribution of UTS and PRS.



Delay in dissemination of interim and annual financial report to investors.



Timeliness to complete anti-money laundering training sessions by Consultants.



Gaps in the procedures to assess Know-Your-Customer and Anti-Money Laundering Name Screening carried out during the onboarding process.



Registration and renewal of Consultants not compliant with FIMM Rules.

Observations during the year reflect enhanced supervisory oversight and continued strengthening of compliance frameworks across the industry. The review approach adopts a risk-based focus on key areas of higher impact, providing a more comprehensive assessment of control effectiveness beyond purely quantitative measures.

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Across Distributor segments, observations were influenced by ongoing improvements in internal monitoring capabilities, system-enabled controls, and governance practices. Strengthened detection mechanisms and more rigorous internal reviews contributed to the identification of control gaps, enabling timely remediation and reinforcing overall compliance standards.

Supervisory engagement remained focused on promoting sustainable improvements, with prior interventions yielding positive outcomes, particularly among CUTA/CPRA, where enhanced monitoring and follow-up actions contributed to improved control environments. Overall, compliance levels continued to improve, reflecting the industry's responsiveness to supervisory expectations.

Recurring matters identified over time are subject to ongoing monitoring and targeted engagement, with emphasis on strengthening internal controls and ensuring effective remediation. Where necessary, supervisory actions, including the issuance of Reminder Letters, were undertaken to reinforce accountability and support consistent compliance practices.

Distributors were also reminded, through Regulatory Industry Briefings and the issuance of Dear CEO Letters, to proactively address recurring observations by conducting thorough root cause analyses.

This supports the implementation of targeted and sustainable remedial measures to prevent recurrence, with further supervisory actions taken where appropriate to reinforce compliance standards.

Revision of the ACR Checklist

In 2025, the ACR Checklists were revised to address gaps identified from instances of incomplete and inaccurate submissions. Key amendments include:

- Alignment with current requirements under the Investment Management Standards;
- Introduction and consolidation of questions to address common areas of concern identified through supervisory and surveillance activities; and
- Removal of duplicate and no-longer-relevant questions.

These enhancements strengthen oversight and support higher standards of accuracy and transparency in Distributor reporting.

Supervisory Visits

UTMC and PRSP

Thematic engagements were conducted on three UTMC/PRSP to assess the adequacy of policies and procedures in managing agency structures and overseeing Consultants' conduct in the marketing of UTS and PRS. As part of the exercise, selected Consultants from identified agencies participated in Focus Group Interviews (FGI) to evaluate

their understanding of applicable regulatory requirements.

The review covered key areas including agency structure; registration and training of Consultants; monitoring of conduct; and targeted FGIs. Overall, the Distributors demonstrated sound controls over their

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multi-tiered agency structures, including fit-and-proper assessments, maintenance of CPD training records, and monitoring of Consultants' conduct.

Notwithstanding this, the FGIs identified areas for improvement in the effectiveness of training. While training frameworks were generally in place, some Consultants demonstrated limited awareness of key regulatory requirements across several key areas.

- Awareness of the Code of Ethics (COE), and Fit and Proper Criteria (FCR);
- Policies relating to vulnerable investors and cooling-off periods;
- The definition and implications of pre-signing of investment forms;
- CPD requirements for renewal of registration;
- Restrictions on the use of regulated salutations or titles (e.g. "Financial Planner"); and
- Prohibited practices, including indiscriminate cold-calling and proxy sales activities.

These observations highlight the need for continued focus on strengthening training effectiveness and reinforcing practical understanding of regulatory expectations.

CUTA and CPRA

Supervisory visits were conducted on three registered CUTA/CPRA as a follow-up assessment on the completeness and effectiveness of corrective action plans arising from prior thematic engagement reviews conducted in 2021 and 2022. The selection of Distributors was based on the significance of findings identified during the earlier thematic review.

Overall, two CUTA/CPRA demonstrated satisfactory remediation of previously identified findings. However, one CUTA/CPRA was issued a Supervisory Letter due

to incomplete resolution of certain non-compliance matters. In addition, for this CUTA/CPRA, two new observations were identified relating to the independence of compliance review and reporting, as well as the absence of clearly defined maker-checker arrangements.

Focus Group Interviews with Consultants

FIMM continued to conduct Focus Group Interview (FGI) with Consultants, which was introduced in 2021 to elicit views and feedback from Consultants on the industry and obtain their feedback on regulatory matters. Over the years, the scope of FGI has progressively expanded to include concerns during the period of review.

In 2025, interviews were conducted with Consultants from UTMC/PRSP, as well as IUTA/IPRA.

The information shared during the interviews included the following.

Consultants' Understanding of FIMM's Roles and Responsibilities

- Awareness of FIMM Rules was generally satisfactory across both groups of Consultants, although a number of Consultants (13 under thematic engagement and 8 under IUTA/IPRA) demonstrated unfamiliarity with the cooling-off period.
- While training programmes on Vulnerable Investors were conducted by selected Distributors, 17 Consultants indicated a lack of awareness of the criteria used to identify Vulnerable Investors.
- Instances of improper sales practices were observed, including one Consultant who acknowledged engagement in proxy sales activities, and two Consultants who previously used cold-calling methods to acquire investors, despite stating that such practices had ceased.
- Some Consultants highlighted limited investor awareness of FIMM's role in the industry, noting that investors are

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typically informed during initial meetings through presentation of registration credentials and Distributor details.

- Gaps in awareness were also identified in relation to conduct requirements, including the prohibition against using unrelated professional designations (e.g. “Financial Planner”) on social media profiles.
- Overall, Consultants across both groups demonstrated an understanding of FIMM’s prescribed roles and functions, and were generally aware of key industry initiatives and activities such as FIMMAC and the *FIMM e-Zine*.

updates and timely communication of regulatory developments.

- The availability of investment specialists within principal companies was also positively noted, particularly in assisting with the clarification of complex matters relating to the Schemes.
- In terms of operational processes, Consultants from UTMC/PRSP suggested expanding the use of digital platforms, including the availability of online forms for all transaction types, to further enhance efficiency and ease of investor onboarding.

Support from Distributors

- Overall, Consultants across both groups expressed satisfaction with the support provided by Distributors, particularly in relation to training programmes that equip them with the necessary skills to carry out sales effectively. They also highlighted the value of regular market

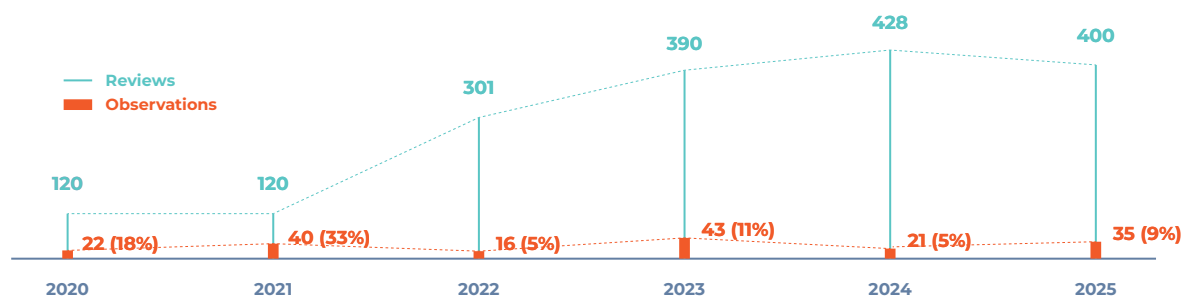
Following the completion of the 2025 FGI exercise involving selected Consultants from IUTA/IPRA, the outcomes were communicated to the respective Distributors.

In addition, for FGIs conducted under the thematic engagement involving three Distributors, the key observations and areas for improvement were shared with the respective Distributors as part of the overall assessment feedback.

Social Media Surveillance with Mystery Shopping

The monitoring of Consultants’ marketing activities on social media platforms in promoting UTS and PRS continues to be undertaken, supported by social media surveillance and mystery shopping exercises. These initiatives aim to promote professional conduct among registered Consultants, ensure compliance with applicable regulatory requirements, mitigate potential investor risks, and address misconduct arising from the improper use of digital and social media platforms. First introduced in 2020, the surveillance framework also supports the maintenance of fair communication and engagement between Consultants and potential investors through online platforms.

Number of Samples Reviewed



During the year, a total of 400 social media samples were reviewed, involving Consultants from 25 Distributors and covering postings on various platforms including Facebook,

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Instagram, LinkedIn, TikTok, YouTube, and Threads. The review was carried out using a combination of automated social media monitoring tools and manual sampling techniques.

In addition, mystery shopping exercises conducted in 2025 did not result in any adverse findings.

The results of the 2025 surveillance indicated a generally satisfactory level of compliance across the industry. Of the total samples reviewed, 368 profiles (92%) were found to be compliant with the relevant regulatory requirements. A total of 35 observations (2024: 21 observations) involving 32 Consultants (2024: 21 Consultants) were identified, affecting 11 Distributors. The findings were largely confined to a limited number of Consultants and did not indicate widespread or systemic non-compliance.

Observations identified during the year fell mainly within the following categories of misconduct derived from FIMM Rules.

Social Media Surveillance Observations for 2025



Engage in aggressive and offensive sales practices.



Make false statements or disseminate false information.



Use the designation without authorisation by regulatory authorities.



Provide forecast of future performance of UTS/PRS.



Marketing or distributing a Scheme without being registered with FIMM.

Consistent with trends observed in prior years, the most prevalent category of non-compliance in 2025 related to the unauthorised use of professional designations or titles such as “financial planner”, “financial advisor” or similar descriptions on social media platforms without authorisation from the relevant regulatory authorities. This category accounted for the majority of findings and continues to be an area of supervisory focus.

From a supervisory perspective, the nature of the findings suggests that the issues identified are primarily behavioural and awareness-related rather than indicative of material control weaknesses. It is further observed that Distributors have implemented more robust internal controls, including active monitoring of Consultants’ social media activities and restrictions on independent online marketing.

In conclusion, the social media surveillance outcomes for 2025 demonstrate that, industry-wide, Distributors are aware of the importance of monitoring social media postings by their registered Consultants. FIMM will continue to enhance its surveillance approach and engage closely with Distributors, including through reminders during industry briefings and circulars. These efforts aim to reinforce regulatory expectations and promote higher standards of compliance in digital marketing activities.

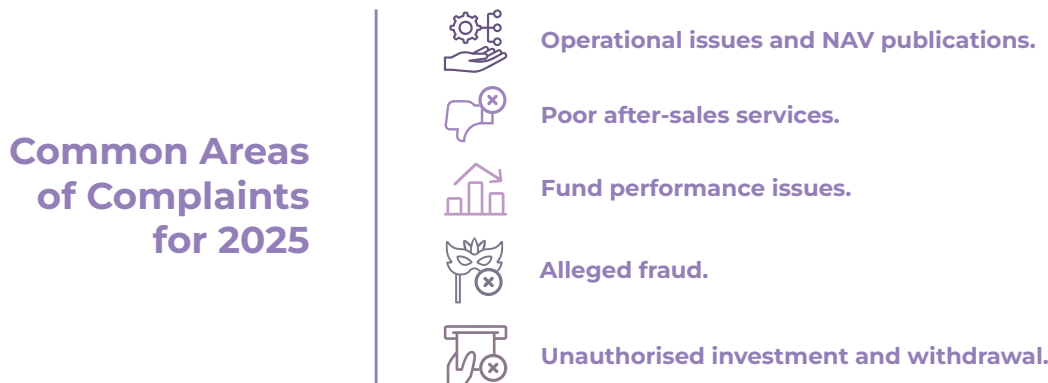
Quarterly Complaints and Trends Analysis

All Distributors are required to submit a Complaints Report relating to UTS and PRS received from investors and general public, on a quarterly basis to FIMM.

The objectives of the review on complaint submissions are as follows.



Complaints received were broadly classified into the following categories.



“Dear CEO” Letter

A “Dear CEO” letter was issued to Distributors via a circular dated 7 March 2025, reiterating key issues raised during the 6th Regulatory Industry Briefing (RIB) held on 12 November 2024.

The letter served as a reminder for Distributors to reassess their compliance frameworks to ensure alignment with relevant rules and regulations issued by the SC and FIMM.

Key supervisory observations included:

- Significant number of submission of falsified academic certificates.
- Timeliness and completeness of submission to FIMM.
- Renewal of Consultants’ registration despite not fulfilling CPD requirements.

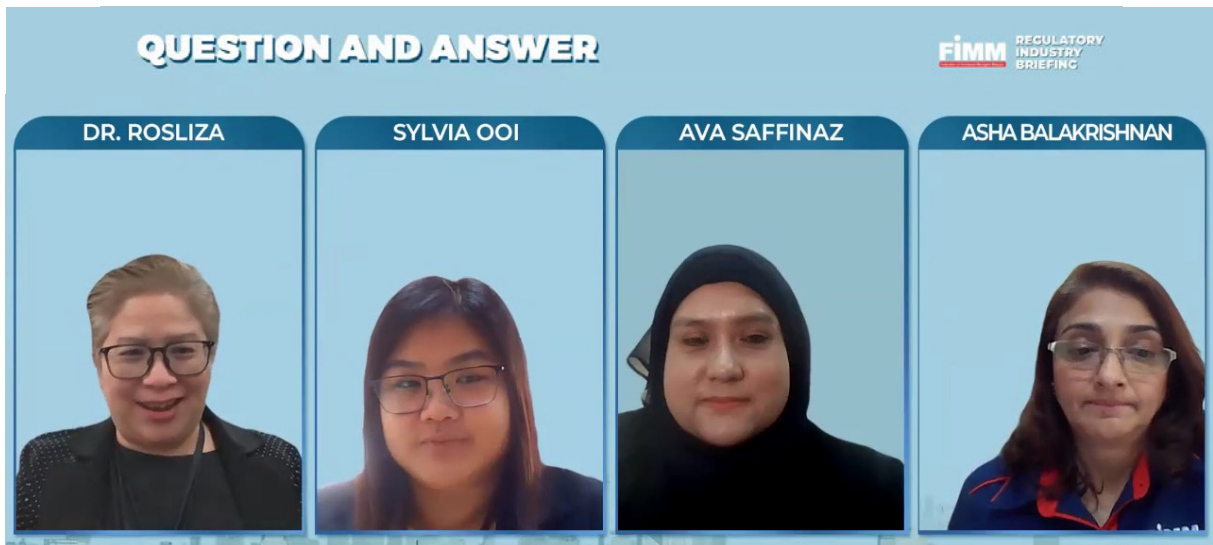
- Late submission of documents for FIMM’s Virtual Examination.
- Implementation of multiple tier structure by UTMC and/or PRSP.
- Observation on complaint trends.

Aside from reiterating the above concerns during RIB, the letter also highlighted a number of exemplary observations including the timely submission of all annual compliance reviews, and the effective remediation of previously identified observations, increasing number of Distributors proactively commenced own monitoring of Consultants’ marketing activities on social media platforms, and encouragement for Distributors to self-disclose any non-compliance issues to FIMM.

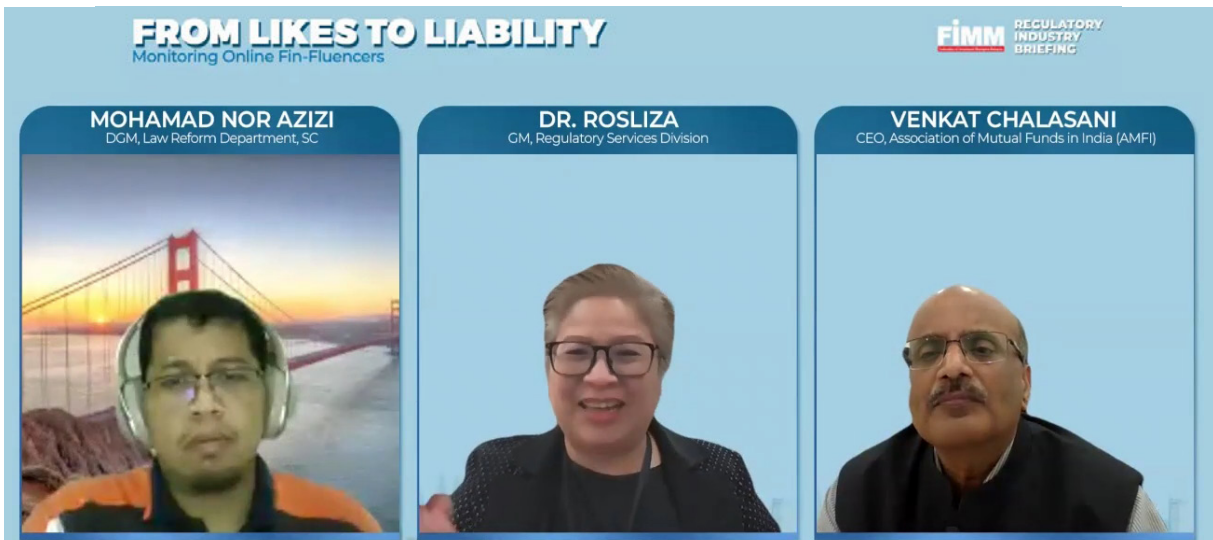
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Regulatory Industry Briefing

The seventh Regulatory Industry Briefing (RIB) was held on 27 November 2025 for company CEOs, authorised representatives and compliance officers, during which FIMM shared key regulatory updates and industry insights arising from recent supervisory and enforcement activities.



The briefing covered regulatory updates and key touch points relating to gatekeeping activities and supervisory observations, as well as trends in complaints and enforcement matters. These discussions provided participants with an overview of common issues observed and emerging areas of regulatory focus.



Additionally, a session titled *From Likes to Liability: Monitoring Online Fin-Fluencers* examined issues arising from the growing influence of online content creators in the financial space, highlighting regulatory considerations and potential liabilities associated with online financial promotion. The session featured representatives from the SC and the Association of Mutual Funds in India (AMFI), who shared regulatory perspectives and developments relating to finfluencing activities in their respective jurisdictions.

Townhall Series with Consultants

Following the introduction of the FIMM Townhall Series for Consultants in 2024, which received positive feedback from Distributors and Consultants, these engagement sessions were continued in 2025.



FIMM CEO Kaleon Leong sharing industry updates in his welcome address.



Case studies discussed by the Regulatory Services Division.

Rebranded as Consultants Compliance Conversation (C3), the webinar covered key areas including FIMM's role and regulatory framework, an overview of FIMM Rules, complaint trends and enforcement case studies, professionalism in online marketing, and best practices in compliance for Consultants.



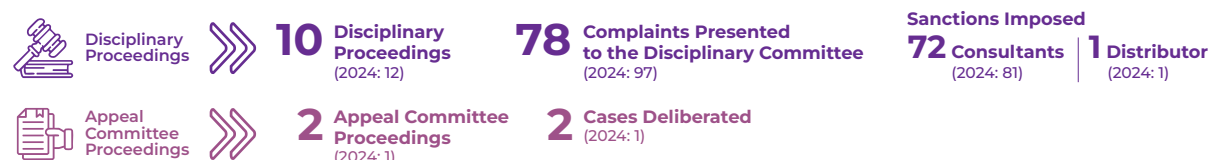
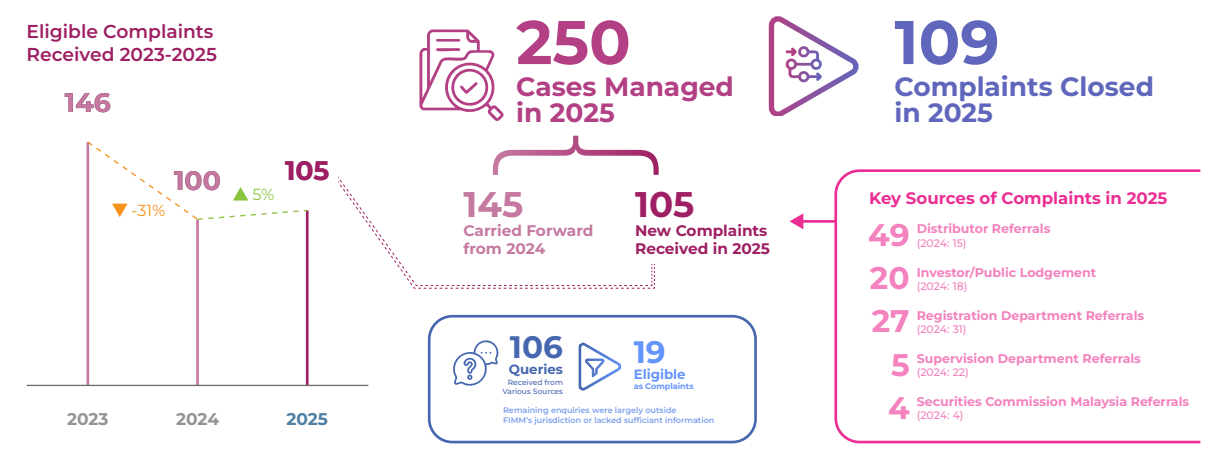
Addressing questions from the participants.

The sessions received strong participation and positive feedback, with initial interest in the first webinar exceeding available virtual capacity, reflecting strong demand for practical and reflective learning. In response, additional sessions were conducted throughout the year to enhance accessibility and support continuous professional development for Consultants across the industry.

Enforcement

Effective enforcement plays a critical role in upholding market integrity, safeguarding investor protection, and maintaining professional standards within the UTS and PRS industry. The enforcement framework is underpinned by thorough investigations, proportionate disciplinary actions, and sustained collaboration with industry stakeholders and regulatory counterparts.

Enforcement Snapshot 2025



In 2025, a total of 106 enquiries were received from various sources, of which 19 were subsequently filed as complaints (2024: 71 enquiries; 3 complaints).

The remaining enquiries were largely unrelated to the marketing and distribution of UTS and PRS and therefore fell outside the scope of the complaints framework, or did not contain sufficient information to enable an assessment of their eligibility as complaints.

The relatively low rate at which enquiries resulted in complaints reflects the effectiveness of early engagement and intervention, with many matters resolved at the preliminary stage through timely clarification and guidance, thereby avoiding unnecessary escalation.

Overall Observation on Complaint Trends

During the reporting period, a total of 105 complaints were received, representing a moderate increase of 5% compared to the previous year (2024: 100 complaints).

A total of 109 complaints were closed during the year, reflecting continued focus on timely case management and resolution, notwithstanding the increasing complexity of cases and

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ongoing enhancements to internal processes. This performance demonstrates operational resilience and sustained enforcement activity, alongside continued efforts to strengthen complaint management, investigation, and disciplinary processes.

A review of complaints received during the year revealed several recurring themes and areas where greater attention may be warranted within the industry.

Integrity and Ethical Conduct

A significant portion of complaints related to matters of professional conduct and adherence to expected standards. These included falsification-related misconduct, misuse of client information, unauthorised transactions, and other conduct inconsistent with the standards expected of Consultants operating within the regulated environment.

Observance of Controls and Procedures

Certain complaints also reflected deliberate circumvention of internal

controls and supervisory safeguards, particularly in relation to handling of client monies, documentation practices, and unauthorised activities undertaken outside prescribed operational processes.

Oversight and Monitoring Practices

The observed misconduct patterns also highlighted opportunities to enhance Distributor oversight, monitoring, and early detection capabilities, particularly in relation to proxy arrangements, non-registered persons dealing in UTS and PRS products, and adherence to procedural or compliance requirements.

Collectively, these observations reflect continued supervisory focus and enforcement priorities, alongside ongoing efforts to strengthen compliance culture and governance standards across the industry.

The enforcement function remained focused on ensuring that disciplinary outcomes were proportionate, consistent, and aligned with the severity and impact of the misconduct. Actions taken during the year were aimed at promoting deterrence, reinforcing compliance standards, and supporting confidence and trust in the industry.

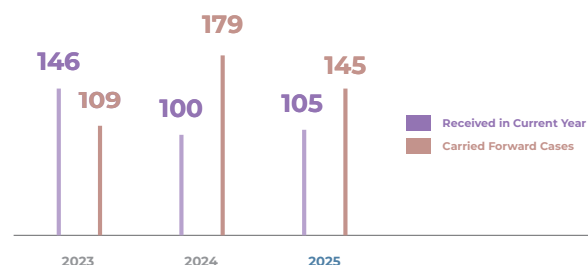
Case Management

The total number of complaints received remained relatively stable over the three-year period.

In 2025, a total of 250 complaints were managed, comprising 145 carried forward from 2024 and 105 newly received during the year. Of these, 109 complaints were closed, with 141 carried forward into 2026. This reflects continued progress in reducing outstanding cases while managing ongoing investigations, disciplinary proceedings, and increasingly complex enforcement matters.

Efforts to enhance case management efficiency during the year included strengthening internal workflows, improving

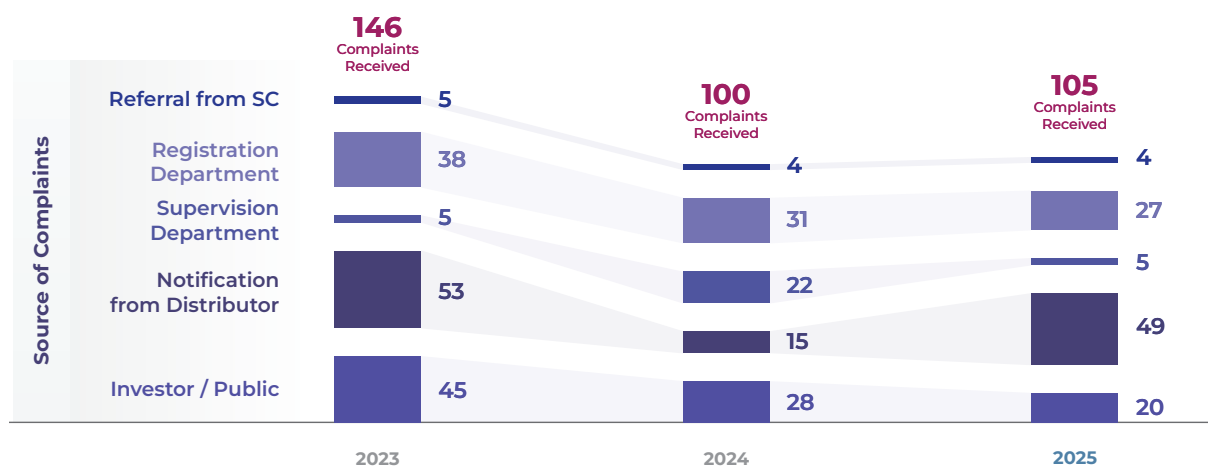
Complaints Received and Carried-Forward Cases



coordination of investigations, and prioritising more complex and older cases for resolution. These initiatives contributed to more effective resource management while maintaining steady progress in disciplinary and investigative activities throughout the year.

Complaint Channels

In 2025, complaints and referrals were received from key sources, including Distributors, investors and the public, internal departments, and regulatory channels.



Distributor Notifications

Cases reported by Distributors increased to 49 in 2025 (2024: 15 complaints). This reflects stronger internal surveillance, greater vigilance, and continued industry participation in monitoring Consultant conduct and reporting potential misconduct.

Investor and Public Complaints

Complaints from investors and the public continued to decline over the three-year period, from 45 in 2023 to 20 in 2025. This may indicate improved complaint handling and more timely dispute resolution undertaken by Distributors prior to escalation.

Registration-Related Referrals

Referrals from the Registration Department remained a key contributor to complaints received, albeit on a gradual downward trend. This is broadly consistent with enhanced screening measures and collaborative efforts with the industry to address recurring integrity-related concerns, particularly those involving falsification of academic qualifications submitted during the registration process.

Supervisory and Regulatory Referrals

Referrals from the Supervision Department and the SC remained relatively low and were generally linked to broader supervisory or regulatory matters requiring enforcement consideration.

Overall, the trends observed during the year suggest improving compliance adherence across the industry, supported by enhanced reporting practices, stronger monitoring, and continued regulatory awareness initiatives.

Key Conduct Issues



Notes:

- The fit and proper criteria serve as additional considerations covering offences such as cheating, falsification, failure to perform Know-Your-Customer (KYC) procedures, misuse of customer information for non-UTS/PRS matters, collusion with another Consultant to commit misconduct, and other integrity-related issues.
- A Consultant may be involved in multiple types of misconduct. Accordingly, the figures presented in this table may not correspond with the total number of complaints received each year.

Integrity and Fit and Proper Concerns

Integrity-related breaches continued to feature prominently during the year. A significant portion of complaints involved breaches of the Fit and Proper requirements under the FIMM Consolidated Rules (FCR), including falsification of academic qualifications, cheating, document forgery, misuse of customer information, and other conduct indicative of lapses in honesty, integrity, and ethical standards.

The continued occurrence of such misconduct highlights the need to maintain robust entry screening and ongoing fit and proper assessments, while further strengthening professional and ethical standards within the industry.

unauthorised or unapproved funds continued to pose significant investor protection concerns.

These forms of misconduct constitute serious breaches of the FCR, as they involve the circumvention of prescribed investment channels and expose investors to heightened financial scam and operational risks. Such complaints often involve failures to invest monies as instructed, unauthorised handling of client funds, or recommendations relating to products not approved under applicable securities laws.

Given the seriousness of these breaches and their direct impact on investors, such misconduct continued to attract significant disciplinary sanctions.

Investor Protection Risks

Recurring complaints involving the acceptance of cash, crediting monies into personal accounts, misappropriation of investor monies, and dealings in

Control and Process Breaches

Complaints involving unauthorised transactions, pre-signed or pre-thumbprinted forms, forgery of investment-related documents, and arrangements with

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non-registered persons or proxy activities continued to be observed during the year. These complaints reflect ongoing concerns relating to procedural non-compliance, weaknesses in operational controls, and attempts to circumvent established supervisory safeguards and regulatory requirements.

While certain categories of misconduct, including unsatisfactory services and parking of sales arrangements, have shown a declining trend in recent years, these practices continued to be closely monitored as part of broader supervisory and enforcement oversight, with continued emphasis on maintaining industry standards.

Sanctions Imposed by Disciplinary Committee

In 2025, a total of 72 Consultants and one Distributor were sanctioned by the Disciplinary Committee (2024: 81 Consultants; 1 Distributor), reflecting a modest decline from the previous year. This trend may indicate improving compliance alongside ongoing supervisory and enforcement efforts, although continued disciplinary actions highlight the importance of maintaining consistent oversight and regulatory discipline.

Nature of Misconduct				Consultants Sanctioned	Sanctions Issued		
Unauthorised Transaction	Misrepresentation by Consultant	Misappropriation of Money		1	Barred from Future Registration with FIMM	Public Reprimand	
Accepting Cash	Misappropriation of Money	Falsifying Investment Statement/ Document	Forging of Signature	1	Barred from Future Registration with FIMM	Public Reprimand	
Unauthorised Transaction	Fit and Proper	Making Arrangement with Another Consultant/ Parking of Sales*		1	Barred from Future Registration with FIMM	Public Reprimand	
Falsification of Documents	Accepting Pre-signed/ Pre-thumbprinted Investment Forms	Fit and Proper (not directly related to marketing and distribution of Unit Trust Schemes)		1	Barred from Registration with FIMM for 5 Years	Public Reprimand	
Accepting Cash	Misappropriation of Money	Falsifying Investment Statement/ Document	Fit and Proper	1	Barred from Registration with FIMM for 5 Years	Public Reprimand	
Fit and Proper	Making Arrangement with Another Consultant/ Parking of Sales*			1	Barred from Registration with FIMM for 5 Years	Public Reprimand	
Unauthorised Transaction				1	Barred from Registration with FIMM for 3 Years	Public Reprimand	
Accepting Cash	Misrepresentation by Consultant			1	Barred from Registration with FIMM for 3 Years	Public Reprimand	
Fit and Proper	Falsifying Academic Certificate			27	Barred from Registration with FIMM for 2 Years	Public Reprimand	
Fit and Proper	Falsifying Academic Certificate			27	Barred from Registration with FIMM for 1 Year	Public Reprimand	
Forging of Signature				1	Barred from registration with FIMM for 6 Months	Public Reprimand	Training
Falsifying Investment Statement/Document				1	Barred from registration with FIMM for 6 Months	Public Reprimand	Training
Non-Registered Person Dealing with UTS and/or PRS				2	Written Warning		Training
Dealing with Unapproved/Unauthorised Funds				2	Written Warning		Training
Accepting Cash				1	Written Warning		

Note:
 · * Referring or channeling clients to another Consultant solely to meet sales targets or for the purpose of earning higher commissions.
 · The sanctions imposed depend on the merit of each case despite having similar nature of misconduct.

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Non-Registered Person Dealing with UTS and/or PRS	Accepting Pre-signed/ Pre-thumbprinted Investment Forms	1	Written Warning	Training
Non-Registered Person Dealing with UTS and/or PRS	Making Arrangement with Another Consultant/Parting of Sales	1	Written warning	Training
Making Negative Statements About the Industry		1	Written warning	Training

Note: The sanctions imposed depend on the merit of each case despite having similar nature of misconduct.



Sanctions imposed during the year reflected the seriousness, intent, and impact of the misconduct committed by Consultants or Distributors, guided by FIMM’s regulatory principles.

Serious integrity-related breaches, including falsification, misappropriation, unauthorised transactions, and Fit and Proper breaches, attracted severe sanctions, including long-term or permanent barring orders, and public reprimands. Less severe procedural breaches were addressed through proportionate corrective measures, including warnings, training requirements, and remedial conditions aimed at improving regulatory awareness and future compliance.

The consistent imposition of public reprimands across a broad range of enforcement cases reinforces transparency, accountability, and behavioural expectations within the industry.

Given the seriousness of certain sanctions imposed, including permanent and long-term barring orders, FIMM continued to place strong emphasis on procedural fairness, evidentiary robustness, and consistency in its disciplinary decision-making. This includes ensuring that disciplinary proceedings are conducted in accordance with due process requirements, supported by clear reasoning, documented evidence, and proportionate sanctions based on the facts and circumstances of each complaint.

Appeal Committee Proceedings

The Appeal Committee serves as an important component of FIMM’s disciplinary framework, providing an independent avenue for aggrieved parties to seek a review of decisions and sanctions imposed by the Disciplinary Committee. The appeal process reinforces procedural fairness and ensures that disciplinary outcomes are subject to appropriate oversight and scrutiny.

	Appeal Committee Meetings	Cases Deliberated
2023	1	1
2024	1	1
2025	2	2

Between 2023 and 2025, the Appeal Committee convened four meetings and deliberated on four appeal cases. Following a thorough assessment of the facts, evidence, and grounds of appeal presented, these appeals were dismissed by the Appeal Committee.

The appeal mechanism continues to serve as an important safeguard within FIMM’s enforcement framework, ensuring transparency, accountability, and fairness in the disciplinary process while maintaining confidence in the integrity of regulatory decision-making.

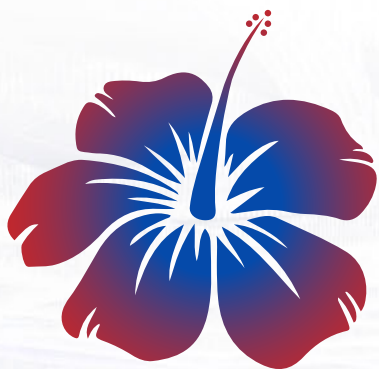
Public Relations

The 38th International Investment Funds Association Conference

Investor Awareness & Education

- FIMM Annual Convention 2025
- FIMM Teen Programme
- Roadshows & Events
- FIMM E-Zine (FeZ)
- Social Media Engagement
- TV Weekly Recap
- Coffee Talk
- FIMM e-Zine
- Media Tie-Up
- Digital Marketing
- Gamification Initiatives

Timeline 2025



IIFA 2025 CONFERENCE MALAYSIA



The 38th International Investment Funds Association Conference



FIMM hosted the 38th International Investment Funds Association (IIFA) Conference on 9 and 10 September 2025 at the Grand Hyatt Kuala Lumpur. The two-day conference brought together 96 participants, comprising IIFA members from 22 countries as well as representatives from Malaysia's funds management industry.

As part of the IIFA Conference Committee, FIMM contributed to the development of the conference programme, which explored emerging global investment trends, evolving industry challenges, and the outlook for the asset management industry. The conference also served as a platform for international collaboration and the exchange of insights and best practices among industry associations, regulators, and market participants.

In his opening remarks, IIFA Chairman Eric Pan highlighted the importance of remaining adaptive and forward-looking amid significant shifts in policy, technology, and industrial developments affecting the global investment landscape.

The conference also featured a keynote address delivered virtually by Dato' Mohammad Faiz Azmi. He emphasised the importance of stronger conduct standards, greater transparency, enhanced product

Programme Overview

- Session 1
Rethinking Global Funds: Navigating Tariffs and Economic Shifts
- Session 2
Digitalisation & AI Developments
- Session 3
Strategies to Drive Inflows and Manage Outflow Risk in the Fund Management Industry
- Session 4
Alternative Investments on the Rise: Strategies, Trends and Global Shifts
- Session 5
Sustainable and Responsible Investment (SRI), Ethical, and Shariah Investing
- Session 6
Digital Influence Meets Investor Protection: Global Perspectives and Regulatory Trends
- Session 7
Global Perspectives on Wealth Accumulation and Decumulation
- Session 8
Country Sharing Experiences on Investor Education Initiatives: Charting a Smarter Investor Future

governance, and more inclusive outcomes in supporting investors' long-term savings and wealth objectives.

Investor Awareness & Education

As an ongoing commitment to investor education and the promotion of public awareness regarding the importance and benefits of investing in UTS and PRS, FIMM organised as well as participated in several public outreach programmes. Engagements were intensified through collaborations with other affiliates to reach a wider audience.

FIMM Annual Convention 2025

Themed "Navigating the Future", with the stylised letters "UT" to signify Unit Trusts, the annual flagship event was held on 9 October 2025. While previous conventions have often focused on looking ahead, this year's flagship event placed greater emphasis on the horizon, including upcoming industry changes and evolving investor trends.

NAVIGATING THE FUTURE
FIMM AG 2025
THURSDAY, 9 OCTOBER THE VERTICAL, BANGSAR SOUTH

SBL Khas SIDC CPE-Approved 10 CPE Hours 8 CPD Points

26 Speakers
896 Registered Participants (606 Consultants & 290 Public)
606 Consultants Awarded CPD Points

Programme

- Session 1: Market Outlook: Insights from Fund Managers and Analysts
- Session 2: Transforming Challenges into Opportunities in UT Industry
- Session 3: AI-volution in Fund Management
- Session 4: Unit Trust: Safe and Sound!
- Session 5: Brave New World – Social Media & Finfluencers
- Session 6: Shifting Gears from Accumulation to Decumulation

To promote engagement and interactivity, a variety of gamification activities were introduced and well received by both physical and virtual participants.

Following its introduction in 2024, Continuing Professional Education (CPE)

points accredited by the Securities Industry Development Corporation (SIDC) continued to be offered in 2025, providing participants with added professional development value. The event also received approval for Human Resources Development Corporation (HRDC) claimability.



FIMM Chairman Mohd Ridzal Mohd Sheriff presented the opening remarks.



SC Executive Director of Islamic Capital Market Sharifatul Hanizah Said Ali delivering keynotes.



Session 1
Insights from Fund Managers and Analysts

Session 2
Transforming Challenges into Opportunities



Session 3
AI-volution in Fund Management

Session 4
Unit Trust: Safe and Sound!



Session 5
Brave New World – Social Media & Finfluencers

Session 6
Shifting Gears from Accumulation to Decumulation



As with previous years, the convention served as a key platform for networking among industry representatives. The event reaffirmed an ongoing commitment to advancing financial literacy and supporting professional development within Malaysia's investment management sector. As the industry continues to evolve, emphasis remains on promoting knowledge sharing and the adoption of best practices among practitioners and investors.

A total of 26 speakers from regulatory bodies, industry stakeholders, and the host organisation contributed to six curated sessions, addressing key issues and offering insights on future industry directions.

FIMM extends its appreciation to all sponsors, benefits programme partner companies, speakers, moderators, exhibitors, Members, Distributors, Consultants, and public participants for their invaluable contributions towards the success of FIMMAC 2025.

FIMM Teen Programme

The teenage years are a critical period for shaping financial habits and attitudes. With sound financial knowledge, teenagers are better able to make informed decisions on spending and savings, while developing basic investing knowledge, building a stronger foundation as they transition into adulthood.

Against this backdrop, the FIMM Teen Programme was introduced in 2024 to empower young learners with practical financial literacy and strengthen early financial decision-making, supporting a more resilient future.

In 2025, FIMM expanded the programme's reach, engaging 290 students from four secondary schools in the Klang Valley, with a focus on Form 3 and Form 4 students. The programme was designed to bridge classroom concepts with real-world financial realities through interactive learning, group-based activities, and relatable case scenarios.



SMK Wangsa Maju Seksyen 2



SMK Seri Titiwangsa



SMK Bandar Baru Sentul



SMK Taman Desa

Participant feedback indicated strong programme relevance and engagement, particularly on scams and internet safety, which students highlighted as highly applicable to their daily lives given the increasing visibility of scam-related incidents across mainstream and social media. Students reported key takeaways including a clearer understanding of “wants versus needs”, stronger awareness that scams are real and how to identify warning signs, positive learning experiences from team activities and real-life financial case studies, and an improved foundational grasp of concepts such as inflation.

The 2025 delivery achieved clear outcomes for FIMM's public education agenda: it expanded early-stage financial literacy

Participating Schools

- SMK Wangsa Maju Seksyen 2
- SMK Seri Titiwangsa
- SMK Bandar Baru Sentul
- SMK Taman Desa

*SMK: Sekolah Menengah Kebangsaan

outreach to schools, strengthened youth awareness on scam prevention and safe online behaviour, and improved practical decision-making skills through applied learning. Overall, the programme supported FIMM's objective of building a more informed and financially resilient pipeline of future investors.

Roadshows & Events

In line with ongoing efforts to raise public awareness and promote understanding of the benefits of investing in UTS and PRS, various roadshows and outreach initiatives were carried out throughout 2025.



Participation in roadshows and events organised by stakeholders and partners enabled FIMM to engage diverse audiences in a cost-effective manner, while facilitating two-way communication and valuable stakeholder feedback. Surveys and quizzes conducted during these engagements helped assess participants' awareness and understanding of FIMM. The initiatives contributed to stronger collaboration, greater alignment on industry-related matters, and increased participation in FIMM-led initiatives.

FSMOne What & Where to Invest

FSMOne's What & Where to Invest (WAWTI) is an annual public event centred on investment strategies, market outlooks, and emerging opportunities for the year ahead. The 2025 edition returned to the Sunway Pyramid Convention Centre on 18 January 2025. As an event partner, FIMM was present to raise awareness of its role and to advocate responsible investing through registered and regulated intermediaries.



MFPC Financial Literacy Programme: My Money & Me



Kuala Lumpur



Penang



Malacca



Pahang



Johor

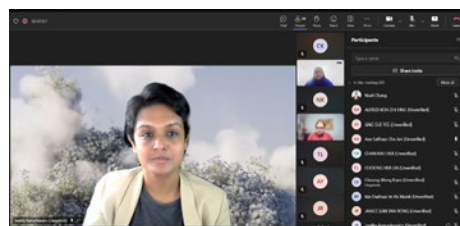


Sabah

In 2025, participation continued in MFPC's My Money & Me literacy programme, which focused on key financial topics including budgeting, saving, investing, insurance, and retirement planning. The nationwide initiative aimed to equip participants with the knowledge needed to make informed and prudent financial decisions.

MFPC Industry Talk

Support for undergraduate financial education continued through participation in MFPC's Industry Talk programme, with FIMM representatives serving as featured speakers. The initiative forms part of ongoing collaboration with local universities to raise awareness of financial planning. It also provided a platform to share insights and equip students with relevant knowledge of the financial sector.



Industry Talk session with UTAR Kampar.

Karnival Celik Kewangan



Held in conjunction with Financial Literacy Month, the Karnival Celik Kewangan organised by Bank Negara Malaysia took place at Queensbay Mall from 14 to 16 November 2025, with participation from FIMM alongside various financial industry stakeholders. The event provided an

opportunity to engage with members of the public on financial literacy and responsible investing, while promoting greater awareness of informed investment decision-making and the role of FIMM in supporting investor education initiatives.

Bersama InvestSmart @ Pahang



Booth visit by Pahang State Investment, Industrial Development Science, Technology and Innovation Committee Chairman Dato' Mohamad Nizar Dato' Sri Mohamad Najib with SC Chairman Dato' Mohammad Faiz Azmi.



The SC's Bersama InvestSmart® event was held from 20 to 22 June 2025 at East Coast Mall, Kuantan, Pahang. The programme featured over 40 exhibitors comprising capital market affiliates, industry players—including fintech firms—and other key stakeholders.

Over three days, participating organisations engaged with visitors through booth activities and stage presentations to

promote awareness of their products and services.

As part of the programme, representatives of FIMM conducted a sharing session on the value of long-term investing through UTS and PRS. The event served as a meaningful platform to connect with the local community and strengthen public awareness of UTS, PRS, and the broader investment management ecosystem.

InvestSmart Fest at Mid Valley Exhibition Centre, Kuala Lumpur



The InvestSmart® Fest (ISF) returned to the Mid Valley Exhibition Centre from 24 to 26 October 2025. As an event partner, FIMM supported this annual flagship initiative by the SC, which aims to equip investors with the knowledge to make informed financial decisions.

The three-day event focused on empowering the public to become smart investors, especially in an environment where investment scams remain a concern. ISF 2025 featured a variety of investor education programmes delivered by capital market affiliates and stakeholders, who provided

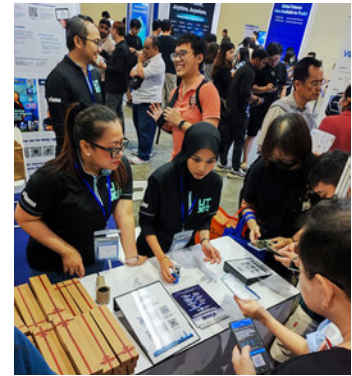
insights into the diverse range of products and services available in the Malaysian capital market.

FIMM also delivered a sharing session highlighting the fundamentals of informed investing and the role of FIMM within the UTS and PRS industry.

ISF 2025 brought together over 45 exhibitors, including the Bank Negara Malaysia-led Financial Education Network (FEN), Bursa Malaysia, EPF, investment banks, and other capital market product and service providers.

Invest Fair by Share Investor

Marking another first for the year, participation was extended to the Invest Fair 2024 organised by ShareInvestor Malaysia, held from 21 to 22 June 2025 at the Mid Valley Exhibition Centre. The event focused on investor education across various financial themes, while highlighting investor trends, multi-asset literacy, and the rise of tech-driven platforms.



With over 70 speakers and 30 exhibitors from the capital market and investment sectors, the event provided an important platform for FIMM to raise awareness of UTS and PRS, while emphasising the importance of engaging authorised and registered Consultants.

FIMM also highlighted its investor protection initiatives, including the complaints management channel and the online verification tool for UTS and PRS Consultants, reinforcing its regulatory role in the Malaysian investment ecosystem.

InvestED Career Talk



In support of the SC's InvestED initiative to nurture future talent for the capital market, engagement activities continued in 2025 with a university career talk held at Universiti Malaysia Sarawak (UNIMAS) on 10 December 2025.



The session provided students with insights into career pathways within the investment management sector, as well as an understanding of the evolving needs of the industry and the broader capital market landscape. Through such engagements, InvestED continues to bridge academic learning with practical industry perspectives, supporting the development of future talent for the capital market.

Other Speaking Engagements

As part of its ongoing commitment to promoting financial literacy and empowering Malaysians to make informed financial decisions, FIMM continues to pursue outreach and collaborative opportunities across a range of platforms. These engagements include participation in public programmes as well as invited sessions at various educational institutions, covering topics aligned with its regulatory and investor education mandate.

Following the memorandum of understanding signed in 2024 with the Universiti Sains Malaysia (USM) School of Management to support collaborative initiatives in advancing financial literacy among students, FIMM was invited on 16 January 2025 to participate in a group assignment for the subject Investment Security & Portfolio Management. Students selected various Unit Trust products to compare performance and analyse volatility, while also examining diversification strategies and their benefits compared to investing directly in a single company's shares.



The student groups presented their findings to their peers, with FIMM representatives serving as judges and providing evaluative feedback on each presentation.



CareerFin Day, organised by International Islamic University Malaysia (IIUM), featured a Financial Pathways session where FIMM was invited to share insights on careers in investment management. FIMM CEO Kaleon Leong shared his career journey, an overview of the fund management industry, and key skills and qualities required for success in the profession.

The UniKL Financial Fusion Bootcamp held on 6 December 2025 by Universiti Kuala Lumpur (UniKL), was a one-day programme aimed at equipping students with practical financial knowledge, enhancing financial literacy, and exposing them to industry best practices. FIMM was invited to share insights on responsible and informed financial decision-making.

FIMM e-Zine (FeZ)

 **10,425**
Readership
for the e-Zine series by the end of 2025

 **2,047**
CPD Points Claimed



Issue #1 2025
Published on 23 April

Scan to read



Issue #2 2025
Published on 4 November

Scan to read



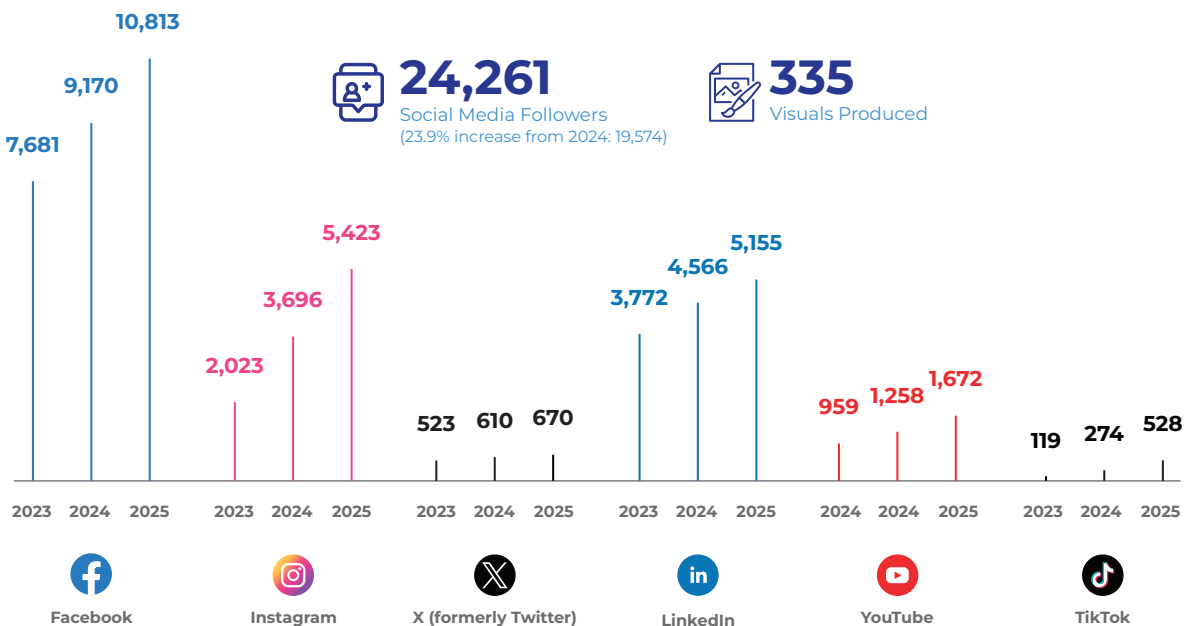
Issue #3 2025
Published on 23 December

Scan to read

Published on FIMM’s website and social media platforms, the e-magazine aims to promote the investment management industry, share trending topics and recent developments, and educate Consultants, investors, and the general public on matters relating to UTS and PRS.

Social Media Engagement

In 2025, FIMM continued to expand its social media presence, featuring content that raised awareness on various topics, including investor education on UTS and PRS, organisational and industry developments, regulatory updates, event announcements, post-event coverage, and Consultant recruitment efforts.



TV Weekly Recap

 **18,142**
Views in 2025

 **51 Videos**
Produced in 2025



Uploaded on Mondays, the FIMM TV Weekly Recap provides viewers with a recap of the previous week's local and international news relating to the financial industry, with priority given to news related to the investment

management industry. The weekly videos are available on YouTube, Facebook, and LinkedIn, while promotions are made on Instagram and X (formerly Twitter) directing people to the YouTube channel.

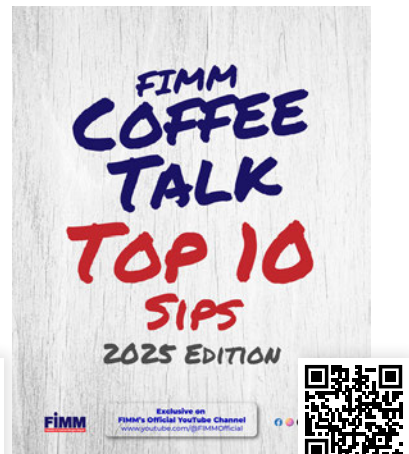
Coffee Talk



Scan to watch



Scan to watch



Scan to watch



Episode #1 2025
Investment Scams:
What About Age and Experience?



Episode #2 2025
FMOS and You:
Getting Help for Money Disputes



Episode #3 2025
Top 10 Sips
2025 Edition

The FIMM Coffee Talk series was developed and introduced to raise awareness about investments and the Unit Trust industry. This podcast invites guests to discuss various relevant topics in an informal setting.

Media Tie-Up

In 2025, media engagements and collaborations with various stakeholders helped expand public access to educational and informative content on the benefits of investing in UTS and PRS across multiple media platforms.

A voice for the unit trust industry
The Edge Malaysia Weekly
 30 Dec 2024 – 13 Jan 2025



Scan to read

Issues: Investing in unit trusts could soon cost more
The Edge Malaysia Weekly
 28 Jul 2025 – 3 Aug 2025



Scan to read

Advertisements
MFPC Financial 1st
 Volume 1 and 2 2025



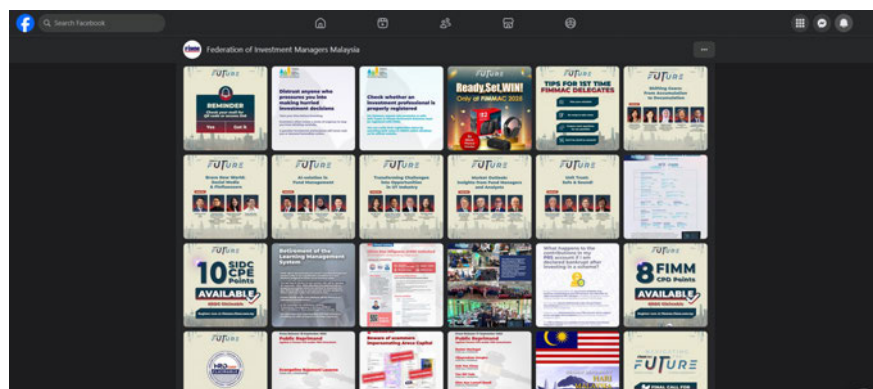
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These efforts enhanced the reach and credibility of key messages, increased awareness of industry issues and initiatives, and supported investor education through clearer and more accessible communication, while reinforcing recognition of FIMM as a representative voice of the investment management industry.

Digital Marketing

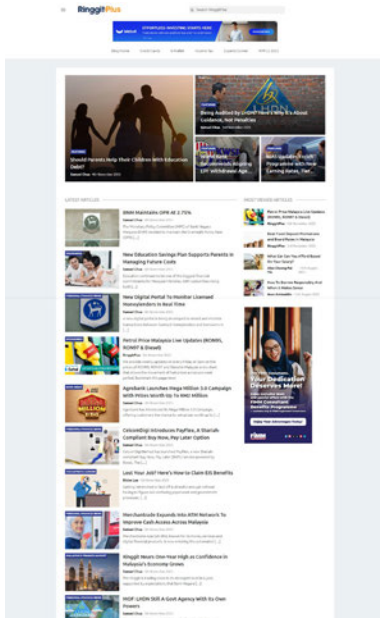
In 2025, four digital marketing initiatives were carried out to enhance awareness, reach, and engagement across FIMM's platforms and programmes.



A targeted social media promotion supported FIMMAC 2025 through Facebook and Instagram to drive awareness and encourage participation.

Continued on the following page

The remaining three campaigns, conducted in collaboration with RinggitPlus, promoted the Consultants Benefits Privilege Programme, Consultant career opportunities, and FIMM e-Zine issues 2 and 3, with the objective of increasing readership and raising awareness of newly launched initiatives.



Promoting Awareness of the FIMM Consultant Benefits Privilege Programme.



Promoting Career Opportunity as a Consultant.



Promoting issues 2 and 3 of the FIMM e-Zine.

These efforts contributed to increased digital visibility and audience engagement, while supporting broader awareness of FIMM's programmes, publications, and consultant career pathways through cost-effective digital outreach.

Gamification Initiatives

In 2025, FIMM continued leveraging gamification to promote financial literacy and enhance investor engagement.

FIMM e-Zine Quiz

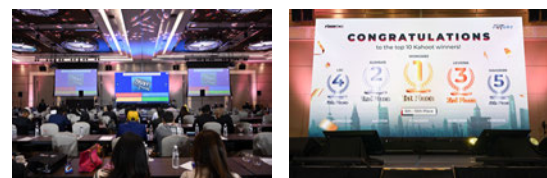
A content-based quiz featuring questions from the year's e-Zine issues.



FIMM e-Zine quizzes.

FIMMAC 2025 Activities

Featured interactive elements such as a Kahoot! quiz, lucky draw, leaderboard challenge, and a post-event quiz to engage both physical and virtual participants.



Interactivities at FIMMAC 2025.

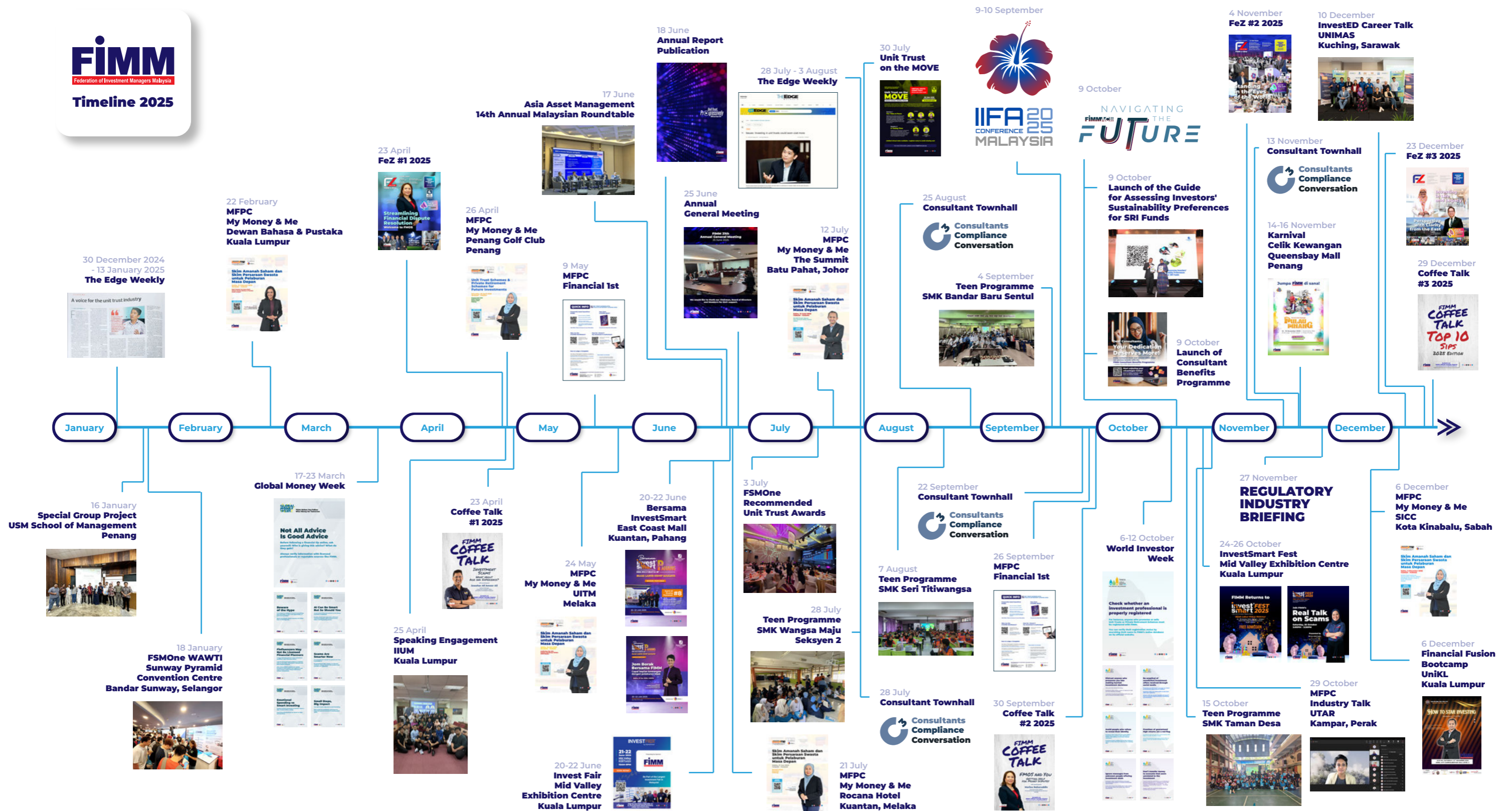
Interactive Quizzes at Events

Held during the SC InvestSmart® Fest and MFPC's My Money & Me programmes.



Interactive quizzes at live events.

These initiatives remain a key part of FIMM's approach to delivering accessible and engaging investor education.



The background of the page is a dark blue, starry night sky with a reflection on a body of water. The stars are scattered across the sky, and the reflection on the water is slightly blurred and dimmer. The overall tone is serene and professional.

Leadership

Board of Directors & Committees

Management

Our People

IT Infrastructure & Systems

Board of Directors & Committees

Public Interest Directors



**Ahmad Tajuddin
Abdul Carrim**

**Yvonne Phe
Kheng Peng**

**Dato' Mohd
Sallehuddin
Othman**

**Mohd Ridzal
Mohd Sheriff
*Chairman***

**Datin Yon
See Ting**

Jas Bir Kaur

**Dato' Shamsuddin
Mohd Mahayidin**

Elected Directors



Yap Siok Hoon

*Appointed to the Board
3 September 2025*

**Fadzihan Abbas
Mohamed Ramlee**

*Appointed to the Board
18 February 2025*

**Dato' Teng
Chee Wai**

**Datuk Wira
Ismitz Matthew
De Alwis**

**Danny Wong
Teck Meng**

Chiang Kang Pey

Lim Suet Ling

Roles & Responsibilities



Composition of the Board of Directors

The composition of the Board and Board Committees collectively constitute as key elements of corporate governance. As of 31 December 2025, the Board is made up of seven Public Interest Directors (PID) appointed by the SC and seven Elected Directors (ED) appointed in accordance with FIMM's Article of Association (Constitution).

Appointment/re-appointment of PIDs:

Public Interest Directors	Effective Date	Term
Re-appointments		
Jas Bir Kaur	13 January 2025	2 years
Yvonne Phe Kheng Peng	20 June 2025	2 years

Appointment/re-appointment of EDs:

Elected Directors	Effective Date
New Appointments	
Fadzihan Abbas Mohamed Ramlee	18 February 2025
Yap Siok Hoon	3 September 2025



FIMM's 31st Annual General Meeting held on 25 June 2025.

The following are re-appointment/re-election of Directors at FIMM's 31st Annual General Meeting (AGM) held on 25 June 2025.

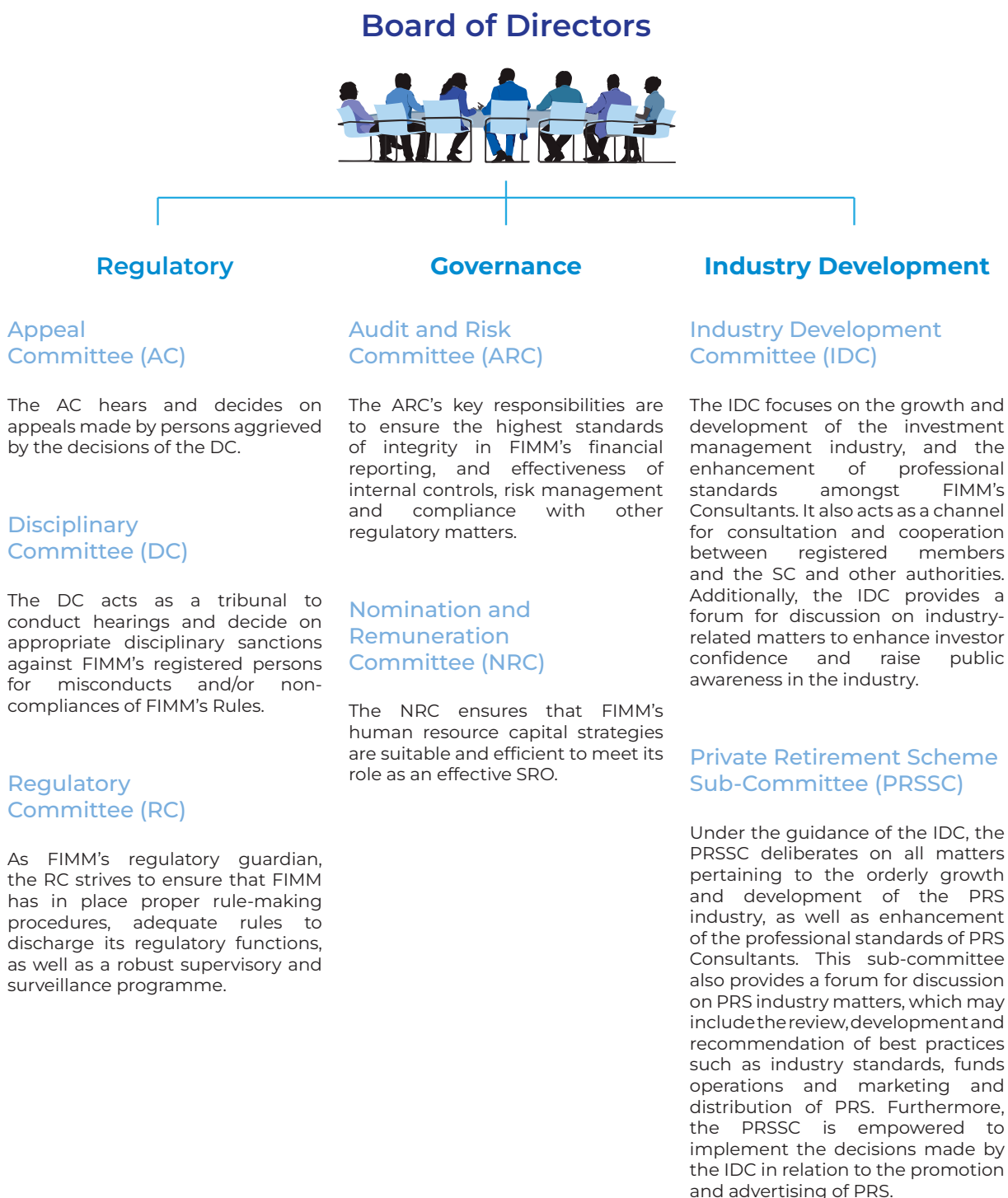
Elected Directors

Dato' Mohd Sallehuddin Othman
Ahmad Tajuddin Abdul Carrim
Chiang Kang Pey
Dato' Teng Chee Wai
Lim Suet Ling
Yap Siok Hoon

Composition of Board Committees

In carrying out its functions, the Board is supported by the regulatory, governance and industry development committees which operate within their respective defined terms of reference, thus enabling the Board to perform its fiduciary duties in a more efficient and focused manner.

Each Board member sits on various Board Committees. Within FIMM, there are a total of six Board Committees and one Sub-Committee.



Details of the Board members and their relevant Board Committees and Chairmanships, as of 31 December 2025.

Public Interest Directors	No. of Committees	Committee/Sub-Committee						
		IDC	AC	DC	RC	ARC	NRC	PRSSC
Mohd Ridzal Mohd Sheriff Chairman of the Board	4	IDC	AC		RC		NRC	
Dato' Mohd Sallehuddin Othman	4	IDC	AC			ARC	NRC	
Datin Yon See Ting	4	IDC		DC	RC			PRSSC
Jas Bir Kaur	4	IDC		DC	RC			PRSSC
Ahmad Tajuddin Abdul Carrim	4	IDC		DC			NRC	PRSSC
Yvonne Phe Kheng Peng	4	IDC				ARC	NRC	PRSSC
Dato' Shamsuddin Mohd Mahayidin	4	IDC		DC	RC	ARC		
Elected Directors								
Fadzihan Abbas Mohamed Ramlee Appointed to the Board on 18 February 2025	5	IDC	AC		RC	ARC	NRC	
Chiang Kang Pey	4	IDC		DC	RC			PRSSC
Dato' Teng Chee Wai	3	IDC	AC					PRSSC
Datuk Wira Ismitz Matthew De Alwis	4	IDC			RC	ARC		PRSSC
Yap Siok Hoon Appointed to the Board on 3 September 2025	4	IDC		DC	RC		NRC	
Danny Wong Teck Meng	3	IDC		DC	RC			
Lim Suet Ling	4	IDC		DC		ARC	NRC	

Chairpersonship

As a best practice, FIMM is guided by the principles set out in the Malaysian Code on Corporate Governance (MCCG). In 2025, FIMM complied with and applied the relevant MCCG practices, including Practice 1.3, whereby the positions of Chairman of the Board and Chief Executive Officer (CEO) are held by different individuals, and Practice 3.2, through the establishment of policies and procedures on whistleblowing, with the Whistleblowing Policy made available on FIMM's website.

In support of board diversity, FIMM has embraced Practice 5.9 by maintaining at least 30% women representation on the Board. As at 31 December 2025, women comprised 36% of the Board and three (3) out of the six (6) Board Committees (including one (1) Sub-Committee) were chaired by women directors. In addition, consistent with Practice 9.1, the Chairman of the ARC is not the Chairman of the Board.

Appointments to Board Committees

Fadzihan Abbas Mohamed Ramlee was appointed to the IDC, AC, RC, ARC and NRC on 6 March 2025.

Yap Siok Hoon was appointed to the IDC, DC, RC and NRC on 23 September 2025.

Board Meetings

The Board held a total of seven meetings (including a Special Meeting) in 2025, which exceeded the minimum requirement of four meetings as stipulated in FIMM's Board Charter.

The Board also conducted a self-assessment evaluation assessment, which is undertaken as part of its continuous improvement efforts and in line with the Board Charter, the Board undertakes an annual self-assessment exercise to evaluate and enhance its effectiveness in discharging its duties and responsibilities. The exercise was not completed during the year following the demise of the Head of Department overseeing the Secretarial function and the subsequent transition within the function.

Notwithstanding this, efforts to strengthen governance practices remain ongoing, and the annual self-assessment exercise will continue to be implemented in 2026.

Board Committee Meetings

Each of the six Board Committees and one Sub-Committee focuses on a clearly defined area of FIMM's operations, where their respective functions and duties are set out in their respective TOR.

Board & Committee Meeting Attendance

Board of Directors		Attendance
PD	Mohd Ridzal Mohd Sheriff (Chairman)	●●●●●●●● 7/7
	Dato' Mohd Sallehuddin Othman	●●●●●●●● 7/7
	Datin Yon See Ting	●●●●●●●● 7/7
	Jas Bir Kaur	●●●●●●●● 7/7
	Ahmad Tajuddin Abdul Carrim	●●●●●●●● 7/7
	Yvonne Phe Kheng Peng	●●●●○●○ 5/7
	Dato' Shamsuddin Mohd Mahayidin	●●●●●●●● 7/7
ED	Fadzihan Abbas Mohamed Ramlee <i>Appointed to the Board on 18 February 2025</i>	●○●●●●● 5/6
	Chiang Kang Pey	●●○●●●●● 6/7
	Dato' Teng Chee Wai	●●●●●●●○ 6/7
	Datuk Wira Ismitz Matthew De Alwis	●●●●●●●● 7/7
	Yap Siok Hoon <i>Appointed to the Board on 3 September 2025</i>	● 1/1
	Danny Wong Teck Meng	●●●●○●●● 6/7
	Lim Suet Ling	●●●●○●●● 6/7

Continued on the following page

Appeal Committee

Attendance

PID	Mohd Ridzal Mohd Sheriff (Chairman)	●●	2/2
	Dato' Mohd Sallehuddin Othman	●●	2/2
ED	Fadzihan Abbas Mohamed Ramlee <i>Appointed to the Committee on 6 March 2025</i>	●○	1/2
	Dato' Teng Chee Wai	○●	1/2

Audit & Risk Committee

Attendance

PID	Dato' Mohd Sallehuddin Othman (Chairman)	●●●●	4/4
	Dato' Shamsuddin Mohd Mahayidin	●●●●	4/4
	Yvonne Phe Kheng Peng	●●●●	4/4
ED	Fadzihan Abbas Mohamed Ramlee <i>Appointed to the Committee on 6 March 2025</i>	○○●○	1/4
	Datuk Wira Ismitz Matthew De Alwis	●●●●	4/4
	Lim Suet Ling	●○○●	3/4

Disciplinary Committee

Attendance

PID	Dato' Shamsuddin Mohd Mahayidin (Chairman)	●●●●●●●●●●●●	11/11
	Datin Yon See Ting	●●●●●●●●●●●●	11/11
	Jas Bir Kaur	●●●●●●●●●●●●	11/11
	Ahmad Tajuddin Abdul Carrim	●●●●●●●●●●●●	11/11
ED	Chiang Kang Pey	●●○○●●●●●●●●	9/11
	Yap Siok Hoon <i>Appointed to the Committee on 23 September 2025</i>	○○	1/2
	Danny Wong Teck Meng	●●●●○●●●●●●○	9/11
	Lim Suet Ling	○●●●●○●●○○●	7/11

Continued on the following page

Industry Development Committee		Attendance	
PID	Jas Bir Kaur (Chairman)	●●	2/2
	Mohd Ridzal Mohd Sheriff	●●	2/2
	Dato' Mohd Sallehuddin Othman	●●	2/2
	Datin Yon See Ting	○●	1/2
	Ahmad Tajuddin Abdul Carrim	●○	1/2
	Yvonne Phe Kheng Peng	●●	2/2
	Dato' Shamsuddin Mohd Mahayidin	●●	2/2
ED	Fadzihan Abbas Mohamed Ramlee <i>Appointed to the Committee on 6 March 2025</i>	○	0/1
	Chiang Kang Pey	●●	2/2
	Dato' Teng Chee Wai	○○	0/2
	Datuk Wira Ismitz Matthew De Alwis	●●	2/2
	Danny Wong Teck Meng	●●	2/2
	Lim Suet Ling	○●	1/2
SME	Munirah Khairuddin	●○	1/2

SME: Subject Matter Expert

Nomination & Remuneration Committee		Attendance	
PID	Ahmad Tajuddin Abdul Carrim (Chairman)	●●●	3/3
	Dato' Mohd Sallehuddin Othman	●●●	3/3
	Mohd Ridzal Mohd Sheriff	●●●	3/3
	Yvonne Phe Kheng Peng	●●●	3/3
ED	Fadzihan Abbas Mohamed Ramlee <i>Appointed to the Committee on 6 March 2025</i>	○	0/1
	Lim Suet Ling	●●●	3/3

Continued on the following page

Regulatory Committee

Attendance

PID	Datin Yon See Ting (Chairman)	●	1/1
	Mohd Ridzal Mohd Sheriff	●	1/1
	Jas Bir Kaur	●	1/1
	Dato' Shamsuddin Mohd Mahayidin	●	1/1
ED	Fadzihan Abbas Mohamed Ramlee <i>Appointed to the Committee on 6 March 2025</i>	●	1/1
	Chiang Kang Pey	●	1/1
	Datuk Wira Ismitz Matthew De Alwis	●	1/1
	Yap Siok Hoon <i>Appointed to the Committee on 23 September 2025</i>	●	1/1
	Danny Wong Teck Meng	●	1/1

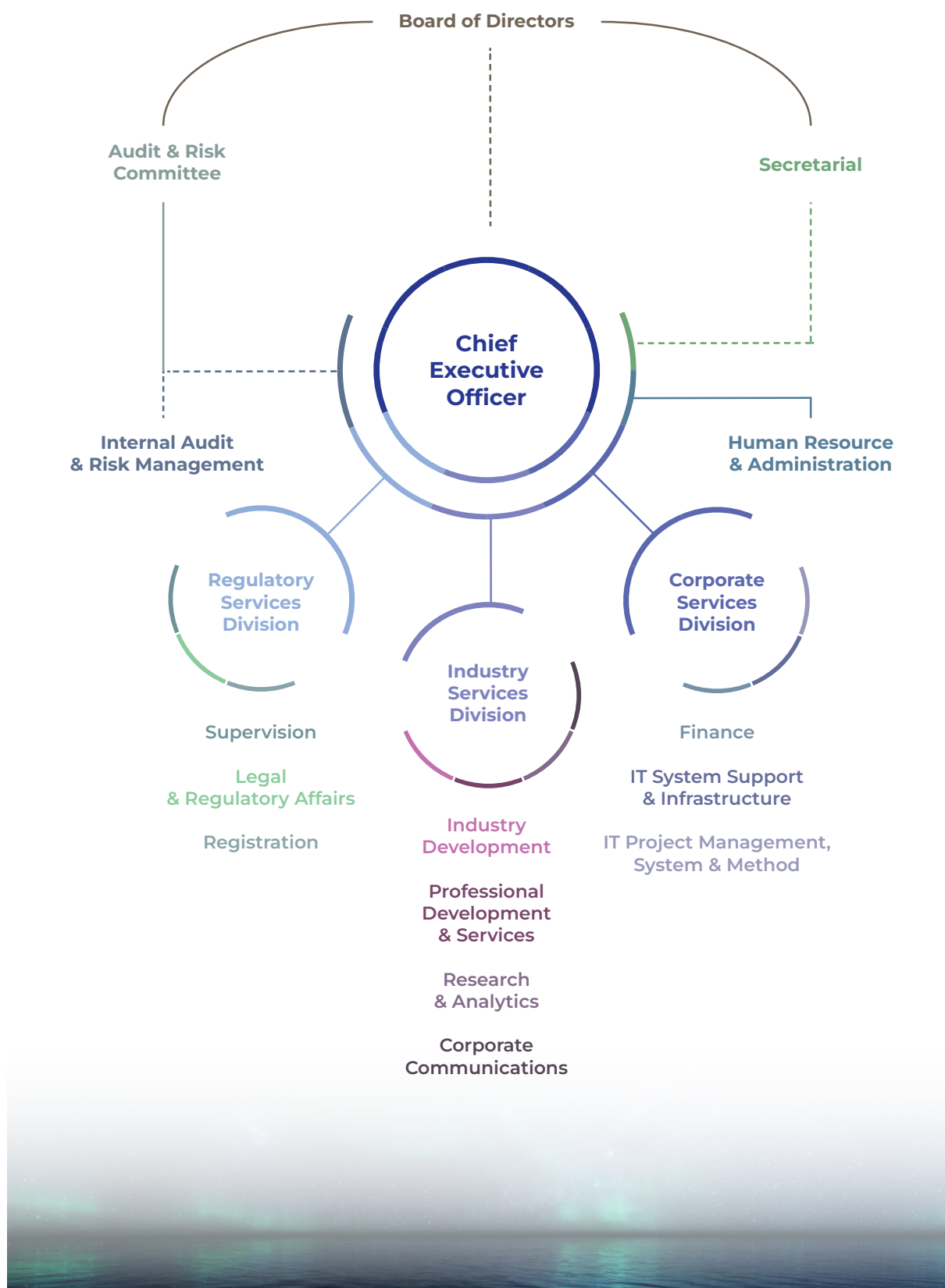
Private Retirement Scheme Sub-Committee

Attendance

PID	Yvonne Phe Kheng Peng (Chairman)	●	1/1
	Datin Yon See Ting	●	1/1
	Jas Bir Kaur	●	1/1
	Ahmad Tajuddin Abdul Carrim	●	1/1
AR	Chiang Kang Pey	●	1/1
	Datuk Wira Ismitz Matthew De Alwis	●	1/1
	Datin Chan Ai Mei	●	1/1
	Ng Chze How	○	0/1
	Munirah Khairuddin	○	0/1
	Valerie Low Lai Kin	●	1/1
	Wan Shuhaida Wan Zainal Shukri	○	0/1
	Nuraini Ali Kasim	●	1/1
Kyan Tan Shan Leong	●	1/1	
SME	Husaini Hussin	●	1/1

AR: Appointed Representative
SME: Subject Matter Expert

Organisation Structure



Management

CEO's Office



Kaleon Leong Rahan
Chief Executive Officer

Secretarial



Belinda Yeo
Manager
Cessation on 5 March 2025



**Sheikh Faiz
Sheikh Ibrahim**
Assistant Manager
Acting Head of Department

Internal Audit & Risk Management



Kuppu Subraminam
Senior Manager
Resigned w.e.f. 4 July 2025



Loqman Hakim Mohd Din
Manager
Acting Head of Department



Shahrul Azmani Ja'afar
Senior Manager

Human Resource & Administration

Regulatory Services Division



Dr Rosliza Mat Yatim
General Manager



Asha Balakrishnan
Senior Manager
Legal & Regulatory Affairs



Ava Saffinaz Che Ani
Senior Manager
Supervision



Sylvia Ooi
Manager
Registration

Industry Services Division



Heow Yen Fen
General Manager
Resigned w.e.f. 17 August 2025



Joyce Wee
Senior Manager
Industry Development



Lim Foong Ying
Senior Manager
Research & Analytics



Shahrul Nizam Zainol
Senior Manager
Professional Development
& Services
Resigned w.e.f. 3 May 2025



Hathyia Husni Amir Husni
Senior Manager
Professional Development
& Services
Appointed w.e.f. 15 April 2025



Ida Shafinaz Ab Malek
Senior Manager
Corporate Communications

Corporate Services Division



Normala Mohamed
Assistant
General Manager



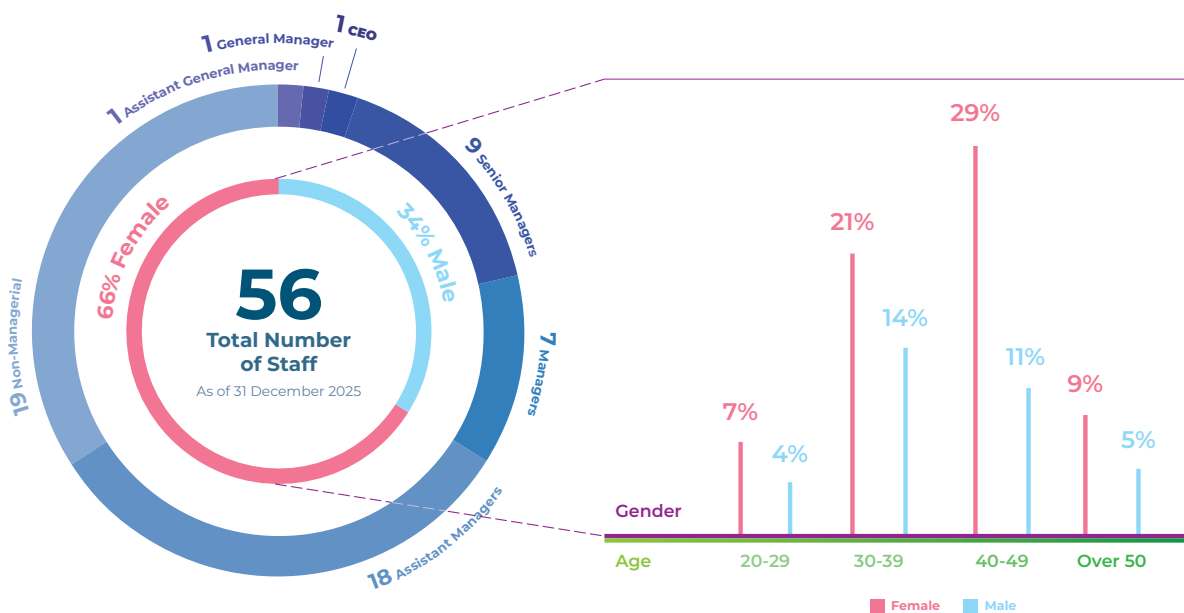
Abdul Razak Ibrahim
Senior Manager
IT System Support
& Infrastructure
Resigned w.e.f. 10 June 2025



Lazman Halim Lajman
Senior Manager
IT Project Management,
System & Method

Our People

Employee Demographic



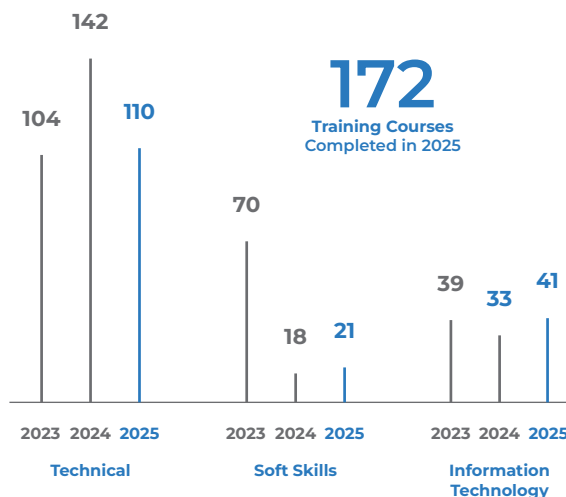
As at 31 December 2025, total headcount stood at 56, compared to 60 in 2024. During the year, 14 employees resigned, of which 10 positions were filled by year end.

The workforce comprised 37 female and 19 male staff (approximately 2:1 ratio), with continued strong representation of women in leadership and managerial roles.

Employee Learning and Development

Consistent with previous years, FIMM remained committed to upskilling its workforce by equipping staff with the knowledge and capabilities to perform their roles more effectively and efficiently. In 2025, approximately 85% of the approved training budget was utilised (2024: 82%).

A total of 172 training courses (2024: 193) were attended across various departments, contributing to an average of 9.5 training man-days per staff member (2024: 9.6 man-days).



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Training programmes—delivered through both in-person and online formats—covered a wide range of topics, including 12% on soft skills (2024: 9%), 24% on Information Technology (IT) skills (2024: 17%), and 64% on technical skills (2024: 74%). The increase in technical training reflects management's emphasis on enhancing industry-relevant competencies.

FIMM continued to strengthen its role as a Registered Training Provider with the Human Resource Development Corporation (HRDC), following the renewal of its registration in August 2025.

During the year, four staff members successfully obtained accreditation from the Human Resource Development Corporation (HRDC) under the Train-the-Trainer (TTT) Programme, with one additional staff member awaiting accreditation confirmation. As of 31 December 2025, nine industry-related courses had been registered as HRDC-claimable, enabling industry participants to utilise their HRDC levy for enrolment.

To complement technical and professional development, annual mandatory

Information Security Awareness training was conducted to ensure staff remain alert to cybersecurity threats. The IT team also attended specialised technical courses.

Internship Programmes



The FIMM-UT Internship Programme attracted 17 interns in 2025, surpassing the initial target of 12. The initiative aimed to provide university students with hands-on experience and insight into potential career pathways within the organisation or the broader UTS and PRS industry, subject to relevant skills and qualifications.

IT Infrastructure & Systems

FIMM Core System Roll Out

The FIMM Core System (FCS) project achieved an important milestone with its Go-Live in April 2025, following the completion of testing and training activities.

Approval to proceed with the go-live was obtained from the Board of Directors on 26 March 2025, with an initial target launch date of 15 April 2025. A Declaration of Undertaking was subsequently submitted to the SC on 28 March 2025 in accordance with the requirements for the launch of the new system. The go-live was later scheduled following the finalisation of the revised Registration Manual and fee structures, with SC confirmation obtained on 25 April 2025.

Ahead of the launch, a briefing session was conducted for Distributors' Administrators

on 28 April 2025 covering key operational matters, including pre- and during-Go-Live activities, the launch of the FIMM Combined Examination (FCE), revised fee structures, and updates to the Registration Manual.

Following implementation, a significant increase in system usage was recorded, with 657,907 logins by Consultants and 71,866 logins by applicants, involving 59,360 unique Consultants and 13,252 unique applicants.

As with any major system transition involving a large user base, operational adjustments and user adaptation were required during the initial implementation phase. In response, continuous support and engagement efforts were undertaken, including helpdesk assistance, online user guides, dedicated briefing sessions, and

Continued on the following page

hands-on support initiatives coordinated with Distributors.

To further support user adoption, a total of 108 briefing sessions were conducted over a 23-day period, with an average attendance of 20 to 25 Consultants per session. Additional assistance was also provided through a dedicated support counter during FIMMAC 2025 to address FCS-related matters directly with Consultants.

Overall, system stability and user experience improved progressively throughout the year as enhancements and refinements continued to be implemented. Ongoing monitoring, stakeholder engagement, and future system improvements remain key priorities in strengthening the platform's performance and service delivery.

Cyber Security

Capital Market Cyber Simulation

The Capital Market Cyber Simulation (CMCS) is an industry-wide exercise designed to assess the readiness of capital market participants in responding to simulated cyber incidents within a controlled environment. Organised at industry level, it replicates realistic scenarios such as ransomware attacks and data exfiltration to evaluate both technical response capabilities and broader incident management processes, including governance, escalation procedures, regulatory reporting, and stakeholder communication.

By simulating end-to-end response conditions, the exercise enables participants to benchmark their preparedness, identify gaps, and strengthen overall cyber resilience across the capital market ecosystem.

FIMM participated in the CMCS 2025 exercise on 8 May 2025 to assess its cyber resilience through a simulated ransomware and data

exfiltration scenario. The exercise evaluated both technical response capabilities and adherence to established policies and procedures.

An overall score of 70.9% was achieved, reflecting an improvement from 67.3% in CMCS 2023. Stronger performance was observed in technical areas such as malware analysis, forensic investigation, and incident containment, indicating enhanced preparedness in responding to cyber incidents.

The exercise also identified areas for further strengthening, particularly in policy adherence, governance processes, and communication protocols, including escalation procedures, regulatory reporting, and stakeholder communication. These enhancements are important in supporting a more coordinated and effective incident response framework.

In response, targeted training and awareness initiatives will be conducted for IT personnel, focusing on governance, escalation, and communication requirements. Overall, participation in CMCS 2025 provided valuable insights to further enhance cyber resilience and incident response readiness.

Cyber Security Awareness Training (SAT)

To strengthen internal awareness on cybersecurity risks, all staff members were enrolled in a year-long Security Awareness Training (SAT) programme. The mandatory training included monthly online modules, phishing simulations and knowledge assessments to reinforce best practices in digital security.

An end-of-year assessment showed encouraging results, with staff performance surpassing the industry benchmark—reflecting improved awareness and resilience across the organisation.

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The background of the page is a dark blue, starry night sky with a reflection on water. The stars are scattered across the sky, and the water in the foreground shows gentle ripples. The overall color palette is shades of blue, from deep navy to a lighter, almost white, starlight.

Financial Report

Directors' Report

Statement by Directors

Statutory Declaration

Independent Auditors' Report

Statement of Financial Position

Statement of Comprehensive Income

**Statement of Changes in
Accumulated Fund**

Statement of Cash Flows

Notes to the Financial Statements

Directors' Report

The Directors hereby present their report together with the audited financial statements of the Federation of Investment Managers Malaysia (the Federation) for the financial year ended 31 December 2025.

Principal Activities

The Federation is a recognised self-regulatory organisation (SRO) since 2011 under section 323(1) of the Capital Markets & Services Act 2007 (CMSA) by the Securities Commission. As an SRO, the Federation's principal activity is to act as a public interest body in preserving market integrity while striving to protect the interests and rights of the investors and promoting the growth of unit trust and private retirement schemes industry in Malaysia.

There have been no significant changes in the nature of the principal activities during the financial year.

Financial Results

Operating surplus for the financial year

RM
14,093

Reserves and Provisions

There were no material transfers to or from reserves or provisions during the financial year under review.

Directors

The Directors in office since the beginning of the financial year to the date of this report are:

Public Interest Directors:

Mohd Ridzal Bin Mohd Sheriff
Dato' Mohd Sallehuddin Bin Othman
Datin Yon See Ting
Jas Bir Kaur A/P Lol Singh
Ahmad Tajuddin Bin Abdul Carrim
Yvonne Phe Kheng Peng
Dato' Shamsuddin Bin Mohd Mahayidin

Elected Directors:

Datuk Wira Ismitz Matthew De Alwis
Wong Teck Meng
Lim Suet Ling
Dato' Teng Chee Wai
Chiang Kang Pey
Fadzihan Abbas Bin Mohamed Ramlee (Appointed w.e.f. 18 February 2025)
Yap Siok Hoon (Appointed w.e.f. 3 September 2025)

Directors' Benefits

Since the end of the previous financial year, no Director of the Federation has received or become entitled to receive any benefit (other than a benefit included in the aggregate amount of emoluments received or due and receivable by Directors as shown in the financial statements) by reason of a contract made by the Federation with the Director or with a firm of which the Director is a member, or with a company in which the Director has a substantial financial interest.

Neither during nor at the end of the financial year, was the Federation a party to any arrangement the object of which is to enable the Directors to acquire benefits by means of the acquisition of shares in or debentures of the Federation or any other body corporate.

Directors' Remuneration

	2025
	RM
Directors' Remuneration	<u>596,500</u>

None of the Directors or past Directors of the Federation have received any benefits otherwise than in cash from the Federation during the year.

No payment has been paid to or payable to any third party in respect of the services provided to the Federation by the Directors or past Directors of the Federation during the year.

Directors' Interest

None of the Directors in office at the end of the year had any interest in the Federation during the year.

Indemnifying Directors or Officers

The Federation has maintained the Association Liability Insurance (comprising Professional Indemnity and Directors' and Officers' Liability Insurance) up to an aggregate limit of RM20 million against any legal liability incurred by the Directors and Officers in discharge of their duties while holding office for the Federation. The Directors and Officers shall not be indemnified by such insurance for any deliberate negligence, fraud, intentional breach of law or breach of trust proven against them. The total amount of insurance premium paid for the Directors and Officers of the Federation for the current financial year were RM47,206.

Other Statutory Information

- (a) Before the financial statements of the Federation were prepared, the Directors took reasonable steps:
- (i) to ascertain that action had been taken in relation to the writing off of bad debts and the making of provision for doubtful debts and satisfied themselves that there is no known bad debts and no provision for doubtful debts is required; and
 - (ii) to ensure that any current assets which were unlikely to be realised in the ordinary course of business including the value of current assets as shown in the accounting records of Federation have been written down to an amount which the current assets might be expected so to realise.
- (b) At the date of this report, the Directors are not aware of any circumstances which would render:
- (i) it necessary to write off any bad debts or to make any allowance for doubtful debts in respect of the financial statements of the Federation; or
 - (ii) the values attributed to the current assets in the financial statements of the Federation misleading; or
 - (iii) adherence to the existing method of valuation of assets or liabilities in the financial statements of the Federation misleading or inappropriate; or
 - (iv) any amount stated in the financial statements of the Federation misleading.
- (c) No contingent or other liabilities of the Federation has become enforceable, or is likely to become enforceable within the period of twelve months after the end of the financial year which, in the opinion of the Directors, will or may affect the ability of the Federation to meet its obligations as and when they fall due.
- (d) At the date of this report, there does not exist:
- (i) any charge on the assets of the Federation which has arisen since the end of the financial year which secures the liabilities of any other person; or
 - (ii) any contingent liability in respect of the Federation which has arisen since the end of the financial year.
- (e) In the opinion of the Directors:
- (i) the results of the operations of the Federation for the financial year were not substantially affected by any item, transaction or event of a material and unusual nature; and
 - (ii) there has not arisen in the interval between the end of the financial year and the date of this report any item, transaction or event of a material and unusual nature likely to affect substantially the results of the operations of the Federation for the financial year in which this report is made.

Auditors' Remuneration

The auditors, Ernst & Young PLT, have expressed their willingness to continue in office.

	2025
	RM
Auditors' remuneration	<u>53,835</u>

To the extent permitted by law, including Section 289 of the Companies Act 2016 in Malaysia, the Federation has agreed to indemnify its auditors, Ernst & Young PLT, as part of the terms of its audit engagement against claims by third parties arising from the audit (for an unspecified amount). No payment has been made to indemnify Ernst & Young PLT during or since the financial year.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors.



Mohd Ridzal Bin Mohd Sheriff



Dato' Mohd Sallehuddin Bin Othman

Kuala Lumpur
17 March 2026

Statement by Directors

Pursuant to Section 251(2) of the Companies Act 2016

We, Mohd Ridzal Bin Mohd Sheriff and Dato' Mohd Sallehuddin Bin Othman, being two of the Directors of Federation of Investment Managers Malaysia, do hereby state that, in the opinion of the Directors, the financial statements set out on pages 104 to 129 are drawn up in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia so as to give a true and fair view of the financial position of the Federation as of 31 December 2025 and of its financial performance and cash flows for the financial year then ended.

Signed on behalf of the Board of Directors in accordance with a resolution of the Directors dated 17 March 2026.



Mohd Ridzal Bin Mohd Sheriff



Dato' Mohd Sallehuddin Bin Othman

Kuala Lumpur

Statutory Declaration

Pursuant to Section 251(1) (b) of the Companies Act 2016

I, Kaleon Leong Bin Rahan Leong, being the Officer primarily responsible for the financial management of Federation of Investment Managers Malaysia, do solemnly and sincerely declare that the financial statements set out on pages 104 to 129 are, in my opinion, correct and I make this solemn declaration conscientiously believing the same to be true and by virtue of the provisions of the Statutory Declarations Act, 1960.

Subscribed and solemnly declared by the abovenamed Kaleon Leong Bin Rahan Leong at Kuala Lumpur, in the Federal Territory on this date of 17 March 2026



Kaleon Leong Bin Rahan Leong

Before me,

Commissioner for Oaths



NO. 33-4, JALAN MEDAN TUANKU
50300 KUALA LUMPUR.

Independent Auditors' Report

to the Members of Federation of Investment Managers Malaysia
(Incorporated in Malaysia)

Report on the Audit of the Financial Statements

Opinion

We have audited the financial statements of Federation of Investment Managers Malaysia (the Federation), which comprise the statement of financial position as at 31 December 2025, and the statement of comprehensive income, statement of changes in equity and statement of cash flows for the year then ended, and notes to the financial statements, including material accounting policy information, as set out on pages 104 to 129.

In our opinion, the accompanying financial statements give a true and fair view of the financial position of the Federation as at 31 December 2025, and of its financial performance and cash flows for the year then ended in accordance with MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

Basis for opinion

We conducted our audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing. Our responsibilities under those standards are further described in the *Auditors' responsibilities for the audit of the financial statements* section of our report. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Independence and other ethical responsibilities

We are independent of the Federation in accordance with the By-Laws (on Professional Ethics, Conduct and Practice) of the Malaysian Institute of Accountants (By-Laws) and the International Code of Ethics for Professional Accountants (including International Independence Standards) (IESBA Code), as applicable to audits of financial statements of public interest entities and we have fulfilled our other ethical responsibilities in accordance with the By-Laws and the IESBA Code.

Information other than the financial statements and auditors' report thereon

The directors of the Federation are responsible for the other information. The other information comprises the Directors' Report, but does not include the financial statements of the Federation and our auditors' report thereon.

Our opinion on the financial statements of the Federation does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements of the Federation, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements of the Federation or our knowledge obtained in the audit or otherwise appears to be materially misstated.

Continued on the following page

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the directors for the financial statements

The directors of the Federation are responsible for the preparation of financial statements of the Federation that give a true and fair view in accordance with MFRS Accounting Standards, IFRS Accounting Standards, and the requirements of the Companies Act 2016 in Malaysia. The directors are also responsible for such internal control as the directors determine is necessary to enable the preparation of financial statements of the Federation that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements of the Federation, the directors are responsible for assessing the Federation's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the directors either intend to liquidate the Federation or to cease operations, or have no realistic alternative but to do so.

Auditors' responsibilities for the audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the financial statements of the Federation as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with approved standards on auditing in Malaysia and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with approved standards on auditing in Malaysia and International Standards on Auditing, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements of the Federation, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Federation's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the directors.
- Conclude on the appropriateness of the directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Federation's ability to continue as a going concern. If we conclude that a material uncertainty exists,

Continued on the following page

we are required to draw attention in our auditors' report to the related disclosures in the financial statements of the Federation or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Federation to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the financial statements of the Federation, including the disclosures, and whether the financial statements of the Federation represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Other Matters

This report is made solely to the members of the Federation, as a body, in accordance with Section 266 of the Companies Act 2016 in Malaysia and for no other purpose. We do not assume responsibility to any other person for the content of this report.



Ernst & Young PLT
202006000003(LLP0022760-LCA) & AF 0039
Chartered Accountants



Ahmad Siddiq Bin Ahmad Hasbullah
No. 03675/07/2026 J
Chartered Accountant

Kuala Lumpur, Malaysia
17 March 2026

Statement of Financial Position

As at 31 December 2025

	Note	2025 RM	2024 RM
Non-Current Assets			
Property, plant and equipment	5	334,804	291,398
Intangible asset	6	1,587,475	547,176
Right-of-use assets	7	511,956	1,131,685
Deferred tax asset	8	588,889	729,248
		<u>3,023,124</u>	<u>2,699,507</u>
Current Assets			
Right-of-use assets	7	619,728	619,728
Other receivables	9	1,412,789	1,286,500
Tax recoverable		445,354	435,934
Fixed deposits with financial institutions	10	46,612,867	47,558,604
Cash and bank balances		47,452	74,962
		<u>49,138,190</u>	<u>49,975,728</u>
Current Liabilities			
Other payables	11	3,905,696	3,837,971
Lease liabilities	14	624,349	595,738
Net Current Assets		<u>44,608,145</u>	<u>45,542,019</u>
		<u>47,631,269</u>	<u>48,241,526</u>
Non-Current Liabilities			
Lease liabilities	14	538,285	1,162,635
		<u>47,092,984</u>	<u>47,078,891</u>
Equity Attributable to Owners of the Parent			
Accumulated fund	12	24,783,116	25,831,398
SRO requirement reserve	13	22,309,868	21,247,493
		<u>47,092,984</u>	<u>47,078,891</u>

The accompanying notes form an integral part of the financial statements.

Statement of Comprehensive Income

For the Financial Year Ended 31 December 2025

	Note	2025 RM	2024 RM
Revenue	15	15,295,702	13,810,203
Other income	16	2,286,638	1,952,358
Administrative expenses		(5,891,030)	(6,188,060)
Staff cost	18	<u>(11,498,355)</u>	<u>(11,301,162)</u>
Excess of revenue over expenditure/ (expenditure over revenue)	17	192,955	(1,726,661)
Tax (expense)/income	19	<u>(178,862)</u>	<u>63,142</u>
Operating surplus/(deficits) representing total comprehensive income/(loss) for the financial year		<u>14,093</u>	<u>(1,663,519)</u>

The accompanying notes form an integral part of the financial statements.

Statement of Changes in Accumulated Fund

For the Financial Year Ended 31 December 2025

		← Non Distributable →		
	Note	Accumulated Fund RM	SRO Requirement Reserve RM	
			Total RM	
Balance as at 1 January 2025		25,831,398	21,247,493	47,078,891
Transfer to SRO requirement reserve	13	(1,062,375)	1,062,375	-
Total comprehensive income for the financial year		14,093	-	14,093
Balance as at 31 December 2025		<u>24,783,116</u>	<u>22,309,868</u>	<u>47,092,984</u>
Balance as at 1 January 2024		28,506,702	20,235,708	48,742,410
Transfer to SRO requirement reserve	13	(1,011,785)	1,011,785	-
Total comprehensive loss for the financial year		(1,663,519)	-	(1,663,519)
Balance as at 31 December 2024		<u>25,831,398</u>	<u>21,247,493</u>	<u>47,078,891</u>

The accompanying notes form an integral part of the financial statements.

Statement of Cash Flows

For the Financial Year Ended 31 December 2025

	2025 RM	2024 RM
Cash Flows from Operating Activities		
Excess of revenue over expenditure/(expenditure over revenue)	192,955	(1,726,661)
Adjustments for:		
Depreciation of property, plant and equipment and right-of-use assets	756,871	726,828
Amortisation of intangible asset	297,443	118,905
Write-off of property, plant and equipment	1,119	-
Interest expense on lease liabilities	67,321	23,152
Interest income	(1,643,258)	(1,824,953)
Excess of expenditure over operating revenue before working capital changes	(327,549)	(2,682,729)
Changes in working capital:		
(Increase)/Decrease in other receivables	(157,827)	48,456
Increase in other payables	67,725	495,702
	(90,102)	544,158
Cash used in operations	(417,651)	(2,138,571)
Tax paid (net)	(47,926)	(235,818)
Net cash used in operating activities	(465,577)	(2,374,389)
Cash Flows from Investing Activities		
Purchase of property, plant and equipment	(181,667)	(99,056)
Purchase of intangible asset	(1,337,742)	(370,816)
Interest received	1,674,799	1,732,511
Withdrawal/(placement) of deposits with licensed banks with original maturity of more than 3 months	(218,894)	9,952,410
Net cash (used in)/generated from investing activities	(63,504)	11,215,049
Cash Flows from Financing Activity		
Repayment of leases, representing net cash used in financing activity	(663,060)	(609,483)
Net (decrease)/increase in cash and cash equivalents	(1,192,141)	8,231,177
Cash and cash equivalents at the beginning of the financial year	17,111,916	8,880,739
Cash and cash equivalents at the end of the financial year	15,919,775	17,111,916
Cash and cash equivalents at the end of the financial year comprises:		
Fixed deposits with financial institutions (Note 10)	46,612,867	47,558,604
Cash and bank balances	47,452	74,962
	46,660,319	47,633,566
Less: Deposits with original maturity of more than 3 months	(30,740,544)	(30,521,650)
	15,919,775	17,111,916

The accompanying notes form an integral part of the financial statements.

Notes to the Financial Statements

1. Corporate Information

The Federation of Investment Managers Malaysia (the Federation) is a recognised self-regulatory organisation (SRO) since 2011 under section 323(1) of the Capital Markets & Services Act 2007 (CMSA) by the Securities Commission. As a SRO, the Federation's principal activity is to act as a public interest body in preserving market integrity while striving to protect the interests and rights of the investors and promoting the growth of unit trust and private retirement schemes industry in Malaysia.

There have been no significant changes in the nature of the principal activities during the financial year.

The Federation is a company limited by guarantee, incorporated in Malaysia under the Companies Act, 2016 and domiciled in Malaysia.

The registered office of the Federation is located at Level 7, Menara Millenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur.

The principal place of business is located at 19-06-1, 6th Floor, Wisma Capital A, 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur.

2. Basis of Preparation

(a) Basis of Preparation

The financial statements of the Federation have been prepared in accordance with the provisions of the MFRS Accounting Standards, IFRS Accounting Standards and the requirements of the Companies Act 2016 in Malaysia.

The financial statements have been prepared under the historical cost convention except as disclosed in material accounting policy information.

The preparation of financial statements in conformity with MFRS Accounting Standards requires the use of certain critical accounting estimates and assumptions that affect the reported amount of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of revenues and expenses during the reported period. It also requires Directors to exercise their judgement in the process of applying the Federation's accounting policies. Although these estimates and judgement are based on the Directors' best knowledge of current events and actions, actual results may differ. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 4 to the financial statements.

On 1 January 2025, the Federation adopted amended MFRS Accounting Standards which are mandatory for annual financial periods beginning on or after 1 January 2025. The adoption of these amendments does not have any material impact on the financial statements of the Federation.

Continued on the following page

Effective for financial periods beginning on or after 1 January 2025

Amendments to MFRS 121	The Effects of Changes in Foreign Exchange Rates (Lack of Exchangeability)
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The new and amended MFRS Accounting Standards that are issued but not yet effective up to date of issuance of the Federation's financial statements are disclosed below:

Effective for financial periods beginning on or after 1 January 2026

Amendments to MFRS 9	Financial Instruments (Amendments to the Classification and Measurement of Financial Instruments)
Amendments to MFRS 7	Financial Instruments: Disclosures (Amendments to the Classification and Measurement of Financial Instruments)
Amendments to MFRS 9 and MFRS 7	Contract Referencing Nature-dependent Electricity

Amendments to MFRS Accounting Standards contained in the document entitled Annual Improvements to MFRS Accounting Standards - Volume 11

Effective for financial periods beginning on or after 1 January 2027

MFRS 18	Presentation and Disclosure in Financial Statements
Amendment to MFRS 19	Subsidiaries without Public Accountability: Disclosures
Amendment to MFRS 121	The Effect of Changes in Foreign Exchange Rates (Translation to a Hyperinflationary Presentation Currency)

Effective date yet to be determined

Amendments to MFRS 10	Consolidated Financial Statements (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)
Amendments to MFRS 128	Investments in Associates and Joint Ventures (Sale or Contribution of Assets between an Investor and its Associate or Joint Venture)

The directors expect that the adoption of the above amendments, if applicable, will have no material impact on the financial statements of the Federation in the period of initial application except for MFRS 18 *Presentation and Disclosure in Financial Statements* where the Federation is still in midst of evaluating the potential impact of adopting this standard on the required effective date.

Continued on the following page

3. Material accounting policy information

(a) Functional and presentation currency

Items included in the financial statements of the Federation are measured using the currency at the primary economic environment in which the entity operates (the functional currency). The financial statements are presented in Ringgit Malaysia (RM), which is the Federation's functional currency and presentation currency.

(b) Property, plant and equipment

(i) Recognition and measurement

Property, plant and equipment are stated at cost less accumulated depreciation and impairment losses. The cost of an item of property, plant and equipment initially recognised includes its purchase price and any cost that is directly attributable to bringing the asset to the location and condition necessary for it to be capable of operating in the manner intended by management.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Federation and the cost of the item can be measured reliably. The carrying amount of the replaced part is derecognised. All other repairs and maintenance are recognised as expenses in profit or loss during the financial period in which they are incurred.

(ii) Subsequent costs

When significant parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on disposals are determined by comparing the proceeds from disposal with the carrying amount of property, plant and equipment and are recognised in net in the profit or loss.

(iii) Depreciation and impairment

Depreciation is recognised in the profit or loss on a straight-line basis at rates calculated to write off the cost of the assets to their residual values over their estimated useful lives of each part of an item of property, plant and equipment.

The estimated useful lives for the current and comparative periods are as follows:

Office equipment	5 years
Furniture and fittings	10 years
Office renovations	3 years

The depreciable amount is determined after deducting the residual value.

Depreciation methods, useful lives and residual values are reassessed at each reporting period, and adjusted as appropriate.

Continued on the following page

At the end of the reporting period, the Federation assesses whether there is any indication of impairment. If such indications exist, an analysis is performed to assess whether the carrying amount of the asset is fully recoverable. A write down is made if the carrying amount exceeds the recoverable amount in accordance with accounting policy Note 3(g) to the financial statements.

(c) Intangible asset

Intangible assets acquired separately are measured on initial recognition at cost. The cost of intangible assets acquired in a business combination is their fair values as at the date of acquisition. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and expenditure is reflected in profit or loss in the financial year in which the expenditure is incurred.

The useful lives of intangible assets are assessed as either finite or indefinite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life is reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embedded in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in profit or loss in the expense category consistent with the function of the intangible assets.

Intangible assets with indefinite useful lives are not amortised but are tested for impairment annually, either individually or at the cash-generating unit (CGU) level. The assessment of indefinite life is reviewed annually to determine whether the indefinite life continues to be supportable. If not, the change in the useful life from indefinite to finite is made on a prospective basis.

Any gains or losses arising from derecognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and recognised in profit or loss when the asset is derecognised.

Work-in-progress (WIP) is not amortised as these assets are not available for use. Intangible assets are amortised over their finite useful lives at the following annual rate:

Computer software	20%
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Continued on the following page

(d) Leases

The Federation assesses at contract inception whether a contract is, or contains, a lease. That is, if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

Federation as a lessee

The Federation applies a single recognition and measurement approach for all leases. The Federation recognises lease liabilities to make lease payments and right-of-use assets representing the right to use the underlying assets.

(i) *Right-of-use assets*

The Federation recognises right-of-use assets at the commencement date of the lease. Right-of-use assets are measured at cost, less any accumulated depreciation and impairment losses, and adjusted for any remeasurement of lease liabilities. The cost of right-of-use assets includes the amount of lease liabilities recognised, initial direct costs incurred, lease payments made at or before the commencement date less any lease incentives received, and an estimate of costs to be incurred in dismantling and removing the underlying asset, restoring the site on which it is located or restoring the underlying asset to the condition required. Right-of-use assets are depreciated on a straight-line basis over the shorter of the lease term and the estimated useful lives of the assets, as follows:

Office premise	3 years
Photocopier machines	1-3 years

Details of right-of-use assets are disclosed in Note 7 of the financial statement.

(ii) *Lease liabilities*

At the commencement date of the lease, the Federation recognises lease liabilities measured at the present value of lease payments to be made over the lease term. The lease payments include fixed payments (including in-substance fixed payments) less any lease incentives receivable, variable lease payments that depend on an index or a rate, and amounts expected to be paid under residual value guarantees. The lease payments also include the exercise price of a purchase option reasonably certain to be exercised by the Federation and payments of penalties for terminating the lease, if the lease term reflects the Federation exercising the option to terminate.

Variable lease payments that do not depend on an index or a rate are recognised as expenses (unless they are incurred to produce inventories) in the period in which the event or condition that triggers the payment occurs.

Continued on the following page

In calculating the present value of lease payments, the Federation uses incremental borrowing rate at the lease commencement date. After the commencement date, the amount of lease liabilities is increased to reflect the accretion of interest and reduced for the lease payments made. In addition, the carrying amount of lease liabilities is remeasured if there is a modification, a change in the lease term, a change in the lease payments (e.g. changes to future payments resulting from a change in an index or rate used to determine such lease payments) or a change in the assessment of an option to purchase the underlying asset.

(e) Financial Assets

Initial recognition and measurement

Financial assets are classified, at initial recognition, as subsequently measured at amortised cost, fair value through other comprehensive income (FVOCI) and fair value through profit or loss (FVTPL).

The classification of financial assets at initial recognition depends on the financial asset's contractual cash flow characteristics and the Federation's business model for managing them. Trade receivables that do not contain a significant financing component or for which the Federation are measured at the transaction price determined under MFRS 15.

The Federation's business model for managing financial assets refers to how it manages its financial assets in order to generate cash flows. The business model determines whether cash flows will result from collecting contractual cash flows, selling the financial assets, or both.

Subsequent measurement

Financial assets at amortised cost.

The Federation measures financial assets at amortised cost if both of the following conditions are met:

- (i) The financial asset is held within a business model with the objective to hold financial assets in order to collect contractual cash flows; and
- (ii) The contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

Financial assets at amortised cost are subsequently measured using the effective interest (EIR) method and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

Continued on the following page

(f) Impairment of financial assets

The Federation recognises an allowance for Expected Credit Losses (ECL) based on the difference between the contractual cash flows due in accordance with the contract and all the cash flows that the Federation expects to receive, discounted at an approximation of the original effective interest rate. The expected cash flows will include cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms.

For trade receivables, the Federation applies a simplified approach in calculating ECLs. Therefore, the Federation does not track changes in credit risk, but instead recognises a loss allowance based on lifetime ECLs at each reporting date. The Federation assesses each trade receivable individually to derive the ECL at each reporting date.

The carrying amount of the financial asset is reduced through the use of an impairment allowance account and the amount of the ECL is recognised in profit or loss. If, in a subsequent period, the amount of the ECL decrease and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised ECL shall be reversed and recognised in profit or loss. An uncollectible financial asset classified as impaired is written-off after taking into consideration the realisable value of collateral, if any, when in the opinion of management, there is no prospect of recovery.

(g) Impairment of non-financial assets

Assets that are subject to amortisation and depreciation are reviewed for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable.

For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash-generating units.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or cash-generating unit.

An impairment loss is recognised if the carrying amount of an asset or its related cash-generating unit exceeds its estimated recoverable amount. Impairment losses are recognised in profit or loss unless it reverses a previous revaluation in which it is charged to the revaluation surplus.

Impairment losses recognised in prior periods are assessed at the end of each reporting period for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount since the last impairment loss was recognised. An impairment loss is reversed only to the extent that the asset's carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised. Reversals of impairment losses are credited to profit or loss in the financial year in which the reversals are recognised.

Continued on the following page

(h) Cash and cash equivalents

Cash and cash equivalents consist of cash on hand, balances and deposits with banks and highly liquid investments which have an insignificant risk of changes in fair value with original maturities of three months or less, and are used by the Federation in the management of their short term commitments.

(i) Financial liabilities

Trade and other payables are classified as financial liabilities in the statement of financial position as there is a contractual obligation to make cash payments to another entity and is contractually obliged to settle the liabilities in cash.

Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss. Financial liabilities carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in profit or loss.

All financial liabilities are subsequently measured at amortised cost using the effective interest method other than those categorised as fair value through profit or loss.

Other financial liabilities categorised as fair value through profit or loss are subsequently measured at their fair values with the gain or loss recognised in profit or loss.

A financial liability is derecognised when the obligation under the liability is extinguished. When an existing financial liability is replaced by another from the same lender or on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of new liability, and the difference in the respective carrying amounts is recognised in profit or loss.

(j) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount presented in the statements of financial position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis, or realise the asset and settle the liability simultaneously.

(k) Revenue recognition

Revenue from contracts with customers is recognised when services are transferred to the customer at an amount that reflects the consideration to which the Federation expects to be entitled in exchange for those services. Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Federation and the revenue can be reliably measured.

Continued on the following page

The Federation recognises revenue from contracts with customers for the provision of services and sale of information based on the five-step models as set out below:

- (i) Identify contract(s) with a customer. A contract is defined as an agreement between two or more parties that creates enforceable rights and obligations and sets out the criteria that must be met.
- (ii) Identify performance obligations in the contract. A performance obligation is a promise in a contract with a customer to transfer a good or service to the customer.
- (iii) Determine the transaction price. The transaction price is the amount of consideration to which the Federation expects to be entitled in exchange for transferring promised goods or services to a customer, excluding amounts collected on behalf of third parties.
- (iv) Allocate the transaction price to the performance obligations in the contract. For a contract that has more than one performance obligation, the Federation allocates the transaction price to each performance obligation in an amount that depicts the amount of consideration to which the Federation expects to be entitled in exchange for satisfying each performance obligation.
- (v) Recognise revenue when (or as) the Federation satisfies a performance obligation.

The following specific recognition criteria must also be met before revenue is recognised:

(i) **Subscriptions**

Annual subscriptions receivable from members are accounted for under the accruals method of accounting.

(ii) **Advance billings**

Annual subscriptions received over the period of subscriptions for each calendar year are recognised as revenue evenly in the profit or loss on a monthly basis over the 12 months of each financial year.

(iii) **Application and examination fees**

Application and examination fees are recognised upon the receipt of application and the holding of examination respectively.

(iv) **Interest income**

Interest income is recognised as it accrues using effective interest method in profit or loss.

Continued on the following page

(l) Employee benefits

(i) Short term employee benefits

Wages, salaries, bonuses and social security contributions are recognised as an expense in the year in which the associated services are rendered by employees of the Federation.

Short term accumulating compensated absences such as paid annual leave are recognised when services are rendered by employees that increase their entitlement to future compensated absences.

Short-term non-accumulating compensated absences such as sick leave are recognised when the absences occur.

The expected cost of accumulating compensated absences is measured as additional amount expected to be paid as a result of the unused entitlement that has accumulated at the reporting date.

(m) Income and deferred taxes

The tax expense for the period comprises current and deferred tax. Tax is recognised in profit or loss, except to the extent that it relates to items recognised in other comprehensive income or directly in equity. In this case the tax is also recognised in other comprehensive income or directly in equity, respectively.

Current tax is the expected tax payable or receivable on the taxable income or loss for the year, using tax rates enacted or substantively enacted by the end of the reporting period, and any adjustment to tax payable in respect of previous financial years.

Deferred tax is recognised, using the liability method, on temporary differences arising between the amounts attributed to assets and liabilities for tax purposes and their carrying amounts in the financial statements. However, deferred tax is not accounted for if it arises from initial recognition of an asset or liability transaction other than business combination that at the time of the transaction affects neither accounting nor taxable profit nor loss. Deferred tax is determined using tax rates that have been enacted or substantively enacted by the end of the reporting period and are expected to apply when related deferred tax asset is realised or the deferred tax liability is settled.

Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, unused tax losses or unused tax credits can be utilised.

Deferred tax is not recognised if the temporary difference arises from goodwill or from the initial recognition of asset or liability in a transaction which is not a business combination and, at the time of the transaction, affects neither accounting profit nor taxable profit.

Deferred and income tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets against current tax liabilities and when the deferred income tax assets and liabilities relate to taxes levied by the same taxation authority on either the taxable entity or different taxable entities where there is an intention to settle the balances on a net basis.

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4. Significant Accounting Estimates and Judgements

Estimates, assumptions concerning the future and judgements are made in the preparation of the financial statements. They affect the application of the Federation's accounting policies, reported amounts of assets, liabilities, income and expenses and disclosures made. They are assessed on an on-going basis and are based on experience and other relevant factors, including expectations of future events that are believed to be reasonable under the circumstances.

The key assumptions concerning the future and other key sources of estimation or uncertainty at the balance sheet date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year are set out below:

(a) Income taxes

Significant judgement is involved in determining the Federation's provision for income taxes. There are certain transactions and computations for which the ultimate tax determination is uncertain during the ordinary course of business. The Federation recognises liabilities for expected tax issues based on estimates of whether additional taxes will be due. Where the final tax outcome of these matters is different from the amounts that were initially recognised, such differences will impact the income tax and deferred tax provisions in the period in which such determination is made.

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5. Property, plant and equipment

	Office Equipment RM	Furniture and Fittings RM	Office Renovations RM	Total RM
Cost				
At 1 January 2025	1,816,113	360,178	653,703	2,829,994
Additions	93,808	79,489	8,370	181,667
Write-Off	<u>(2,070)</u>	<u>(38,686)</u>	<u>-</u>	<u>(40,756)</u>
At 31 December 2025	<u>1,907,851</u>	<u>400,981</u>	<u>662,073</u>	<u>2,970,905</u>

Accumulated depreciation				
At 1 January 2025	1,571,303	323,264	644,029	2,538,596
Charge for the financial year	111,720	13,550	11,872	137,142
Write-off	<u>(2,070)</u>	<u>(37,567)</u>	<u>-</u>	<u>(39,637)</u>
At 31 December 2025	<u>1,680,953</u>	<u>299,247</u>	<u>655,901</u>	<u>2,636,101</u>

Carrying amount

At 31 December 2025	<u>226,898</u>	<u>101,734</u>	<u>6,172</u>	<u>334,804</u>
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Cost

At 1 January 2024	1,735,431	341,804	653,703	2,730,938
Additions	80,682	18,374	-	99,056
Write-off	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2024	<u>1,816,113</u>	<u>360,178</u>	<u>653,703</u>	<u>2,829,994</u>

Accumulated depreciation

At 1 January 2024	1,453,289	316,881	618,537	2,388,707
Charge for the financial year	118,014	6,383	25,492	149,889
Write-off	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
At 31 December 2024	<u>1,571,303</u>	<u>323,264</u>	<u>644,029</u>	<u>2,538,596</u>

Carrying amount

At 31 December 2024	<u>244,810</u>	<u>36,914</u>	<u>9,674</u>	<u>291,398</u>
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6. Intangible asset

	Computer Software	Work in Progress	Total
	RM	RM	RM
Cost			
At 1 January 2025	2,009,011	333,200	2,342,211
Additions	1,337,742	-	1,337,742
Transfers	333,200	(333,200)	-
At 31 December 2025	<u>3,679,953</u>	<u>-</u>	<u>3,679,953</u>

Accumulated amortisation

At 1 January 2025	1,795,035	-	1,795,035
Charge for the financial year	297,443	-	297,443
At 31 December 2025	<u>2,092,478</u>	<u>-</u>	<u>2,092,478</u>

Carrying amount

At 31 December 2025	<u>1,587,475</u>	<u>-</u>	<u>1,587,475</u>
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Cost

At 1 January 2024	1,971,395	-	1,971,395
Additions	37,616	333,200	370,816
At 31 December 2024	<u>2,009,011</u>	<u>333,200</u>	<u>2,342,211</u>

Accumulated amortisation

At 1 January 2024	1,676,130	-	1,676,130
Charge for the financial year	118,905	-	118,905
At 31 December 2024	<u>1,795,035</u>	<u>-</u>	<u>1,795,035</u>

Carrying amount

At 31 December 2024	<u>213,976</u>	<u>333,200</u>	<u>547,176</u>
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7. Right-of-use assets

	Office Premise RM	Photocopier Machines RM	Total RM
Cost			
At 1 January 2025	1,823,016	36,171	1,859,187
Addition	-	-	-
As 31 December 2025	<u>1,823,016</u>	<u>36,171</u>	<u>1,859,187</u>

Accumulated amortisation

At 1 January 2025	101,279	6,495	107,774
Charge for the financial year	607,672	12,057	619,729
At 31 December 2025	<u>708,951</u>	<u>18,552</u>	<u>727,503</u>

Carrying amount

At 31 December 2025	<u>1,114,065</u>	<u>17,619</u>	<u>1,131,684</u>
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Cost

At 1 January 2024	1,685,008	25,080	1,710,088
Addition	1,823,016	36,171	1,859,187
Derecognition	(1,685,008)	(25,080)	(1,710,088)
At 31 December 2024	<u>1,823,016</u>	<u>36,171</u>	<u>1,859,187</u>

Accumulated amortisation

At 1 January 2024	1,216,950	23,973	1,240,923
Charge for the financial year	569,337	7,602	576,939
Derecognition	(1,685,008)	(25,080)	(1,710,088)
At 31 December 2024	<u>101,279</u>	<u>6,495</u>	<u>107,774</u>

Carrying amount

At 31 December 2024	<u>1,721,737</u>	<u>29,676</u>	<u>1,751,413</u>
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	2025 RM	2024 RM
Analysed as:		
Current	619,728	619,728
Non-current	511,956	1,131,685
	<u>1,131,684</u>	<u>1,751,413</u>

Continued on the following page

8. Deferred tax asset

	2025	2024
	RM	RM
At 1 January	729,248	618,438
Recognised in profit or loss (Note 19)	<u>(140,359)</u>	<u>110,810</u>
At 31 December	<u>588,889</u>	<u>729,248</u>

The component and movements of deferred tax assets and deferred tax liabilities during the year, prior to offsetting, are as follows:

	Lease Liabilities	Unutilised Business Losses & Capital Allowance	Provisions	Property, Plant and Equipment and Software	Total
	RM	RM	RM	RM	RM
2025					
At 1 January 2025	457,176	176,045	618,717	(522,690)	729,248
Recognised in profit or loss (Note 19)	<u>(166,518)</u>	<u>88,405</u>	<u>(138,262)</u>	<u>76,016</u>	<u>(140,359)</u>
At 31 December 2025	<u>290,658</u>	<u>264,450</u>	<u>480,455</u>	<u>(446,674)</u>	<u>588,889</u>
2024					
At 1 January 2024	126,234	159,967	543,525	(211,288)	618,438
Recognised in profit or loss (Note 19)	<u>330,942</u>	<u>16,078</u>	<u>75,192</u>	<u>(311,402)</u>	<u>110,810</u>
At 31 December 2024	<u>457,176</u>	<u>176,045</u>	<u>618,717</u>	<u>(522,690)</u>	<u>729,248</u>

Deferred tax assets have not been recognised on the following items:

	2025	2024
	RM	RM
Unutilised business losses	<u>375,984</u>	<u>375,984</u>

Pursuant to Finance Bill 2021, the tax losses can be utilised up to a maximum of ten consecutive years effective from the year of assesment 2024 up until 2034.

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9. Other receivables

	2025	2024
	RM	RM
Other receivables	901,032	934,603
Less: Allowance for expected credit loss	<u>(313,732)</u>	<u>(313,732)</u>
	<u>587,300</u>	<u>620,871</u>
Deposits	324,770	324,770
Prepayments	<u>500,719</u>	<u>340,859</u>
	<u>1,412,789</u>	<u>1,286,500</u>

Other receivables mainly consist of accruals of fixed deposits income amounting to RM580,867 (2024: RM612,405) and other debtors amounting to RM319,325 (2024: RM321,358).

10. Fixed deposits with financial institutions

The fixed deposits' interest rates ranges from 2.1% to 4.1% (2024: 2.2% to 4.2%) per annum and the tenure ranges from 31 to 365 days (2024: 29 to 366 days) respectively.

11. Other payables

	2025	2024
	RM	RM
Other payables	392,971	56,811
Accruals		
- Staff bonus and benefit	1,835,597	2,273,908
- Others	385,535	603,071
Advance billings	1,147,858	861,446
Deferred revenue	<u>143,735</u>	<u>42,735</u>
	<u>3,905,696</u>	<u>3,837,971</u>

Advance billings mainly consist of prepayments received from members and registered persons.

12. Accumulated fund

Accumulated fund represents the reserve available to be utilised for the general operations and capital expenditure of the Federation.

Continued on the following page

13. SRO requirement reserve

	2025	2024
	RM	RM
At 1 January	21,247,493	20,235,708
Transfer from accumulated fund	1,062,375	1,011,785
At 31 December	<u>22,309,868</u>	<u>21,247,493</u>

The Federation is a recognised Self-Regulatory Organisation (SRO) for the unit trust and private retirement schemes industry under Section 323(1) of the Capital Markets & Services Act 2007 (CMSA).

To ensure there is sufficient financial resources to fund its operations and in reference to Article 15A of the Federation's Articles of Association and Paragraph 1.14(a) and (b) of Appendix 1 of the Guidelines on SRO issued by the Securities Commission dated 5 January 2015, the Federation is required to maintain an SRO Requirement Reserve which fulfills the following criteria:

- (i) Pegged at a 3-year multiple of operating expenditure (inclusive of anticipated capital expenditure) based on its first year of establishment; and
- (ii) For subsequent years, the reserve should factor an annual increase of 5%.

Any refund of subscription fees to its members may only commence when the targeted SRO Requirement Reserve amount has been achieved and after consultation with the Securities Commission.

14. Lease liabilities

	2025	2024
	RM	RM
At 1 January	1,758,373	485,517
Addition	-	1,859,187
Accretion of interest (Note 17)	67,321	23,152
Payments	(663,060)	(609,483)
At 31 December	<u>1,162,634</u>	<u>1,758,373</u>
Analysed as:		
Current	624,349	595,738
Non-current	538,285	1,162,635
	<u>1,162,634</u>	<u>1,758,373</u>

Continued on the following page

15. Revenue

Revenue represents:

		2025	2024
	Note	RM	RM
Application fees		27,750	22,500
Membership subscription		6,475,926	6,188,240
Annual fees			
Institutional Unit Trust Advisers and Institutional Private Retirement Advisers	(a)	1,340,000	950,000
Corporate Unit Trust Advisers and Corporate Private Retirement Advisers	(b)	14,000	12,500
Consultants renewal fees		4,293,100	4,229,352
Examination fees		2,711,810	2,199,970
Re-registration fees		433,116	207,641
		<u>15,295,702</u>	<u>13,810,203</u>

(a) application and annual subscription fees from Members, Institutional Unit Trust Advisers, Corporate Unit Trust Advisers and Unit Trust Consultants' examination fees received.

(b) application and annual subscription fees from Members, Institutional Private Retirement Advisers and Private Retirement Consultants' examination fees received.

16. Other income

		2025	2024
		RM	RM
Interest income		1,643,258	1,824,953
Conference income		517,226	122,056
Registration/annual fees - CPD Training Provider		124,380	-
Sundry income		1,774	5,349
		<u>2,286,638</u>	<u>1,952,358</u>

Continued on the following page

17. Excess of revenue over expenditure/(expenditure over revenue)

	2025	2024
	RM	RM
Auditors' remuneration	53,835	45,835
Depreciation of property, plant, equipment and right-of-use assets	756,871	726,828
Amortisation of intangible assets	297,443	118,905
Lease interest expense (Note 14)	67,321	23,152
Key management personnel compensation (Note 20)	2,073,521	2,194,869
Other project expenses	195,860	335,594
Conference/event expenses	1,032,562	1,041,208
Examination expenses	537,433	885,629
Loss on property, plant and equipment write-off	1,119	-
Directors' remuneration:		
Attendance fees		
Directors	483,500	553,000
Subject Matter Experts	5,000	6,000
Chairman	<u>108,000</u>	<u>108,000</u>

18. Staff Costs

	2025	2024
	RM	RM
Staff costs (excluding Directors)	<u>11,498,355</u>	<u>11,301,162</u>

Included in staff costs (excluding Directors) are:

- (i) contributions made to the Employees Provident Fund under a statutory contribution plan for the Federation amounting to RM1,105,076 (2024: RM1,121,045).
- (ii) contributions made to registered Private Retirement Scheme for eligible employees of the Federation amounting to RM134,565 (2024: RM131,240).

Continued on the following page

19. Taxation

	2025	2024
	RM	RM
Current tax:		
- Current year	38,503	-
- Under provision in prior year	-	47,668
	<u>38,503</u>	<u>47,668</u>
Deferred tax (Note 8):		
- Relating to origination & reversal of temporary differences	101,083	(179,368)
- Under provision in prior year	39,276	68,558
	<u>140,359</u>	<u>(110,810)</u>
Tax expense/(income) for the financial year	<u>178,862</u>	<u>(63,142)</u>

Income tax is calculated at the statutory tax rate of 25% (2024: 26%) of the estimated assessable operating surplus/(deficit) and total comprehensive income/(loss) for the financial year.

A reconciliation of income tax expense applicable to excess of expenditure over revenue at the statutory income tax rate to income tax expense at the effective income tax rate of the Federation is as follows:

	2025	2024
	RM	RM
Excess of revenue over expenditure/(expenditure over revenue)	<u>192,955</u>	<u>(1,726,662)</u>
On the first RM100,000 of chargeable income *	9,400	-
25% on the first RM100,000 to RM300,000	23,239	-
26% on the first RM400,000 to RM600,000	-	(448,932)
Effect on opening deferred tax of reduction in income tax rate	26,537	-
Expenses not deductible for tax purposes	80,410	269,564
Under provision of current taxation in prior year	-	47,668
Under provision of deferred taxation in prior year	39,276	68,558
Tax income for the financial year	<u>178,862</u>	<u>(63,142)</u>

The Federation is treated as a 'Trade Association' under Section 53(3) of the Income Tax Act 1967, under which its income is taxed at scaled rates.

Continued on the following page

20. Key management personnel compensation

	2025	2024
	RM	RM
Key management personnel		
- Short term employee benefit	<u>2,073,521</u>	<u>2,194,869</u>

Key management personnel comprise persons other than the Directors of the Federation, who have authority and responsibility for planning, directing and controlling the activities of the Federation either directly or indirectly.

21. Financial instruments

	2025		2024	
	Amortised cost/other financial liabilities	Total	Amortised cost/other financial liabilities	Total
	RM	RM	RM	RM
Financial assets				
Other receivables *	912,070	912,070	945,641	945,641
Fixed deposits with financial institutions	46,612,867	46,612,867	47,558,604	47,558,604
Cash and bank balances	47,452	47,452	74,962	74,962
	<u>47,572,389</u>	<u>47,572,389</u>	<u>48,579,207</u>	<u>48,579,207</u>
Financial liabilities				
Other payables #	392,971	392,971	56,811	56,811
Lease liabilities	1,162,634	1,162,634	1,758,373	1,758,373
	<u>1,555,605</u>	<u>1,555,605</u>	<u>1,815,184</u>	<u>1,815,184</u>

* Exclude prepayments

Exclude accruals, advanced billings and deferred revenue

Financial risk management objectives and policies

The Federation's financial risk management policy is to ensure that adequate financial resources are available for the development of the Federation's operations whilst managing its financial risks, including credit risk, liquidity and cash flow risk.

(a) Credit risk

The Federation's exposure to credit risk arises mainly from receivables. Receivables are monitored on an on-going basis via management reporting procedure and action is taken to recover debts when due.

At reporting date, there was no significant concentration of credit risk. The maximum exposure to credit risk for the Federation is the carrying amount of the financial assets shown in the statement of financial position.

(b) Liquidity and cash flow risk

The Federation's exposure to liquidity risk arises from its other payables and lease liabilities.

The Federation also maintains a certain level of cash and cash convertible investments to meet its working capital requirements.

Maturity analysis

The table below summarises the maturity profile of the Federation's financial liability as at the end of the reporting period based on undiscounted contractual payments.

	On demand or within 1 year	More than 1 year	Total
	RM	RM	RM
2025			
Other payables #	392,971	-	392,971
Lease liabilities	663,060	547,752	1,210,812
	<u>1,056,031</u>	<u>547,752</u>	<u>1,603,783</u>
2024			
Other payables #	56,811	-	56,811
Lease liabilities	663,060	1,210,812	1,873,872
	<u>719,871</u>	<u>1,210,812</u>	<u>1,930,683</u>

Exclude accruals, advanced billings and deferred revenue

22. Capital management

The Federation is a recognised SRO since 2011 under Section 323(1) of the CMSA by the Securities Commission.

The Federation is required to ensure there is sufficient financial resources to fund its operations and in reference to Article 15A of the Federation's Articles of Association and to maintain an SRO Requirement Reserve which fulfills the criteria as stated in Note 13 to the financial statements.

The Federation is not subject to externally imposed capital requirement as it does not have any external borrowings.

23. Date of authorisation for issue

The financial statements of the Federation for the financial year ended 31 December 2025 were authorised for issue in accordance with a resolution of the Board of Directors on 17 March 2026.

A night sky filled with stars and a faint Milky Way galaxy, reflected on a body of water. The text is centered in the upper half of the image.

Miscellaneous

Abbreviations & Acronyms

Notice of AGM

Reply Slip

Proxy Form

Abbreviations & Acronyms

AC	Appeal Committee
ACR	Annual Compliance Review
AGM	Annual General Meeting
AI	Artificial Intelligence
AMSF	Annual Membership Subscription Fee
AR	Appointed Representative
ARC	Audit and Risk Committee
ASEAN	Association of Southeast Asian Nations
ASNB	Amanah Saham Nasional Berhad
BNM	Bank Negara Malaysia
CDS	Centralised Database System
CEO	Chief Executive Officer
CGU	Cash-Generating Unit
CMSA	Capital Markets and Services Act 2007
COE	Code of Ethics
CPD	Continuing Professional Development
CPE	Continuing Professional Education
CPRA	Corporate PRS Adviser
CPRE	Computerised PRS Examination
CUTA	Corporate Unit Trust Adviser
CUTE	Computerised Unit Trust Examination
DC	Disciplinary Committee
ECL	Expected Credit Losses
EIR	Effective Interest Rate
EPF	Employees Provident Fund
EPF-MIS	Employees Provident Fund - Members Investment Scheme
ESG	Environmental, Social and Corporate Governance
ETF	Exchange Traded Fund
FCE	FIMM Combined Exam
FCR	FIMM's Consolidated Rules
FCS	Financial Education Network
FEN	FIMM Core System
FGI	Focus Group Interview
FIMM	Federation of Investment Managers Malaysia
FIMMAC	FIMM Annual Convention
FMUTM	Federation of Malaysian Unit Trust Managers
FVOCI	Fair Value through Other Comprehensive Income
FVTPL	Fair Value through Profit or Loss
HR	Human Resource
HRDC	Human Resource Development Corporation
IDC	Industry Development Committee
IESBA	International Ethics Standards Board for Accountants
IFRS	International Financial Reporting Standards
IIFA	International Investment Funds Association
IMS	Investment Management Standards
IPRA	Institutional PRS Advisers

IT	Information Technology
IUTA	Institutional Unit Trust Adviser
IWG	Industry Working Group
JKDM	Royal Malaysian Customs Department
LHDN	Inland Revenue Board of Malaysia
MCCG	Malaysian Code on Corporate Governance
MFPC	Malaysian Financial Planning Council
MFRS	Malaysian Financial Reporting Standards
MOF	Ministry of Finance
NAV	Net Asset Value
NRC	Nomination and Remuneration Committee
NRIC	National Registration Identity Card
PID	Public Interest Directors
PNB	Permodalan Nasional Berhad
PRA	Post-Registration Assessment
PRS	Private Retirement Scheme
PRSFP	PRS Familiarisation Programme
PRSCC	Private Retirement Scheme Sub-Committee
PRSP	PRS Provider
RC	Regulatory Committee
RIB	Regulatory Industry Briefing
RM	Ringgit Malaysia
SAT	Security Awareness Training
SC	Securities Commission Malaysia
SIDC	Securities Industry Development Corporation
SRO	Self-Regulatory Organisation
SST	Sales and Service Tax
TOR	Terms of Reference
UTF	Unit Trust Fund
UTMC	Unit Trust Management Company
UTS	Unit Trust Scheme
VAPT	Vulnerability Assessment and Penetration Testing
w.e.f	With Effect From
WIP	Work-in-Progress
YoY	Year-Over-Year



FEDERATION OF INVESTMENT MANAGERS MALAYSIA

(Registration No: 199301017839 (272577-P))

(Incorporated in Malaysia)

NOTICE IS HEREBY GIVEN THAT the Thirty-Second Annual General Meeting (“32nd AGM”) of Federation of Investment Managers Malaysia (“FIMM”) will be held in hybrid mode at the Boardroom of FIMM, Unit No. 19-06-01, 6th Floor, Wisma Capital A, No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia (“Main Venue”) and virtually by way of electronic means via the MICROSOFT TEAMS Virtual Conferencing (“Online Platform”) on Thursday, 25 June 2026 at 10.00 a.m. for the transaction of the following business:

AGENDA

1. To receive the Audited Financial Statements for the financial year ended 31 December 2025 and the reports of the Directors and Auditors thereon. **Notification**

Refer to Explanatory Note 1

2. To re-appoint Messrs Ernst & Young PLT as Auditors of FIMM to hold office until the conclusion of the next Annual General Meeting (“AGM”) of FIMM and to authorise the Directors to fix their remuneration. **Ordinary Resolution 1**
3. To re-appoint En. Ahmad Tajuddin bin Abdul Carrim as a member of the Board of FIMM and to hold office until the conclusion of the next AGM of FIMM pursuant to *Article 29(c) of FIMM’s Article of Association (“FIMM’s Constitution”)*. **Ordinary Resolution 2**

Refer to Explanatory Note 2

4. (a) To note the total attendance fee of RM483,500.00 paid to members of the Board and Committees for meeting attendance and the total attendance fee of RM5,000.00 paid to non-members of the Board for Committee meeting attendance in the year 2025. **Notification**

- (b) To note the total annual allowance of RM36,000.00 and RM72,000.00 paid to the Chairman and Public Interest Directors (“PID”), respectively, for the year 2025. **Notification**

5. To approve the estimated payment of up to RM769,000.00 for allowances and meeting attendance fees to be paid to the Directors from 26 June 2026 until the conclusion of the next AGM in 2027. **Ordinary Resolution 3**

Refer to Explanatory Note 3

6. To transact any other business of which due notice shall have been given.

By Order of the Board,

Chua Siew Chuan (MAICSA 0777689) (SSM PC No. 201908002648)

Tan Ley Theng (MAICSA 7030358) (SSM PC No. 201908001685)

Company Secretaries

Dated: 3 June 2026

Notes:

1. The 32nd AGM of FIMM will be held on a hybrid mode whereby Member(s) or proxy(ies) are given an option, either:
 - (a) to attend physically at the Main Venue (“Physical Attendance”); OR
 - (b) to attend virtually using the MICROSOFT TEAMS software application (“Virtual Attendance”).Please refer to the Administrative Guide set out in Appendix A of the Notice of the 32nd AGM for the full guide to Physical Attendance and Virtual Attendance.
2. A Member of FIMM entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his/her stead.
3. A proxy appointed to attend and vote at the 32nd AGM of FIMM shall be either: (a) Chairman of the Meeting or (b) any other person who is also an Authorised Representative of a Member of FIMM.
4. If you wish to appoint any person other than the Chairman of the Meeting as proxy, please insert the full name of the proxy (in block letters) in the space provided and delete the words “the Chairman of the Meeting”.
5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing. The Board of Directors may, but shall not be bound to, require evidence of the authority of the appointer or his attorney.
6. The instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
7. Please indicate with an “X” in the spaces provided to cast your vote. Any alteration to the instrument appointing a proxy must be initialised.

8. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified true copy of that power or authority shall be deposited at the Registered Office of FIMM at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur (Attn: Ms. Cathy Chew / Mr. Lim Ming Wei) or emailed to the following persons:

- (i) Ms. Cathy Chew at cathy.chew@sshbs.com.my
- (ii) Mr. Lim Ming Wei at ming.wei.lim@sshbs.com.my

no less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

9. For Members who have submitted proxy forms appointing proxies, the proxy appointment can be revoked should the Member's Authorised Representative decide to personally attend and participate in the 32nd AGM.

10. If you have any enquiries prior to the 32nd AGM, you may contact the following FIMM officers via email:

	Name	Position/Department	Contact Email
a)	Mr. Sheikh Faiz Sheikh Ibrahim	Manager, Secretarial	sheikhfaiz@fimm.com.my
b)	Ms. Asha Balakrishnan	Senior Manager, Legal & Regulatory Affairs	asha@fimm.com.my
c)	Ms. Taqiah Hani Muhamad Idris	Senior Executive, Secretarial	taqiah.hani@fimm.com.my

Last date and time for lodging the instrument appointing a proxy : Tuesday, 23 June 2026 at 10.00 a.m.

Explanatory Notes:

1. **Audited Financial Statements for the Financial Year Ended 31 December 2025**

This Agenda item is meant for discussion only, as the provision of *Section 340(1)(a) of the Companies Act 2016* does not require formal approval from the Members for the Audited Financial Statements. Hence, this Agenda item is not put forward for voting.

2. **Ordinary Resolution 2 - Re-appointment of En. Ahmad Tajuddin bin Abdul Carrim as a member of the Board of FIMM**

Pursuant to *Article 29(c) of FIMM's Constitution*, Members' approval is required for En. Ahmad Tajuddin bin Abdul Carrim who is over the age of 70 years to hold office until the conclusion of the next AGM in 2027.

3. **Ordinary Resolution 3 - Estimated Payment to the Directors from 26 June 2026 until the conclusion of the next AGM in 2027**

(a) Attendance fees to be paid to the members of the Board for attending Board and Board Committee meetings from 26 June 2026 until the conclusion of the next AGM in 2027 are as follows:

	Attendance Fee (per meeting)	
	Board Meeting	Board Committee Meeting
Chairman	RM4,000.00	RM2,500.00
PID	RM2,700.00	RM1,500.00
Elected Directors (Non-PID)	RM2,000.00	RM1,000.00

(b) Allowance and fee to be paid to the Chairman and each PID from 26 June 2026 until the conclusion of the next AGM in 2027 are as follows:

- Monthly allowance of RM3,000.00 for the Chairman.
- Monthly allowance of RM1,000.00 for each PID.
- Fee of RM500.00 for each PID's attendance at any official meetings/dialogues.

APPENDIX A

Administrative Guide for Members' participation at the 32nd AGM

1. **Physical Attendance**

All Member(s) or proxy(ies) who wish to attend and participate at the 32nd AGM physically are required to register for the meeting at the Main Venue.

Registration will start at 9.00 a.m. on Thursday, 25 June 2026 at the Meeting Venue and will end at a time as announced by the Chairman of the Meeting. You are encouraged to be punctual.

Virtual Attendance

For Member(s) or proxy(ies) who wish to attend and participate at the 32nd AGM remotely, the meeting will be conducted using MICROSOFT TEAMS software application.

Member(s) or proxy(ies) are advised to ensure that the laptop or electronic device is equipped with the latest version of Microsoft Teams application, together with the necessary audio and visual capabilities to support participation in the meeting.

Member(s) or proxy(ies) are encouraged to log in at least fifteen (15) minutes prior to the commencement of the meeting for verification as well as audio and video testing.

Participation and Voting

2. Members who wish to participate and vote at the 32nd AGM must revert with your reply slip (inclusive of your email address and mobile number) to FIMM via email (sheikhfaiz@fimm.com.my) by **10.00 a.m. on 23 June 2026**.

3. Upon receiving and verifying such document, FIMM will respond to your participation request (either physical or virtual) accordingly.
4. A separate email containing the Microsoft Teams meeting link will be sent to all confirmed virtual participants at least twenty-four (24) hours prior to the commencement of the 32nd AGM on 25 June 2026.
5. Virtual participants may submit questions during the 32nd AGM via the “Chat” feature in the Microsoft Teams application. Physical participants may raise and pose their questions directly during the meeting.
6. Where voting is conducted by a show of hands in accordance with the *Article 29A(1) of FIMM’s Constitution*, virtual participants shall indicate their vote by using the “Raise Hand” function in the Microsoft Teams application.
7. Virtual participants must ensure that the “Raise Hand” icon is selected clearly and remains active for a sufficient period to allow verification.

Enquiry

8. If you have any enquiries, you may contact the following officers via email:

	Name	Position/Department	Contact Email
a)	Mr. Sheikh Faiz Sheikh Ibrahim	Manager, Secretarial	sheikhfaiz@fimm.com.my
b)	Ms. Asha Balakrishnan	Senior Manager, Legal & Regulatory Affairs	asha@fimm.com.my
c)	Ms. Taqiah Hani Muhamad Idris	Senior Executive, Secretarial	taqiah.hani@fimm.com.my



REPLY SLIP*

PLEASE REPLY BY TUESDAY, 23 JUNE 2026

Ref No. : SEC/AGM2026/Reply/SF-th/092-26

Secretarial Department
Federation of Investment Managers Malaysia
19-06-01, 6th Floor, Wisma Capital A
No. 19, Lorong Dungun, Damansara Heights
50490 Kuala Lumpur

[Attn: Sheikh Faiz Sheikh Ibrahim sheikhfaiz@fimm.com.my]

Dear Sir/Madam,

THIRTY-SECOND ANNUAL GENERAL MEETING (“32ND AGM”) OF THE FEDERATION OF INVESTMENT MANAGERS MALAYSIA (“FIMM”)

With reference to the above matter, I hereby confirm that:

- YES**, I am attending the 32nd AGM - # **physically / virtually**.
- YES**, my PROXY is attending the 32nd AGM - # **physically / virtually**
(refer to Proxy Form).
- NO**, I am not attending the 32nd AGM.

**Please tick whichever is applicable / #Please strikethrough whichever not applicable*

Signature : _____

Name of Authorised Representative : _____

NRIC No. / Passport No. : _____

Designation : _____

Name of company : _____

Contact No. : _____

Email Address : _____
(For online platform Registration)

Date : _____

**Please submit your e-signed/scanned copy of the reply slip via email (sheikhfaiz@fimm.com.my) by Tuesday, 23 June 2026, for record purposes.*



FEDERATION OF INVESTMENT MANAGERS MALAYSIA
(Registration No: 199301017839 (272577-P))
(Incorporated in Malaysia)

PROXY FORM

I/We, _____
(FULL NAME IN BLOCK LETTERS)
(NRIC NO./PASSPORT NO./REGISTRATION NO.)

of _____
(COMPANY NAME IN BLOCK LETTERS)

being the **Authorised Representative** of the Member (being a Member of Federation of Investment Managers Malaysia (FIMM)) HEREBY APPOINT the ***Chairman of the Meeting** (*delete if not applicable*) or the following:

FULL NAME (IN BLOCK LETTERS)	
NRIC/PASSPORT NO. (IN BLOCK LETTERS)	
CONTACT NO.	
E-MAIL ADDRESS	
COMPANY NAME & ADDRESS (IN BLOCK LETTERS)	

(being a person entitled to vote at a general meeting of FIMM in accordance with and subject to *FIMM's Articles of Association (Constitution)*) as my proxy to vote on my behalf at the Thirty-Second Annual General Meeting (32nd AGM) of FIMM to be held in hybrid mode at the Boardroom of FIMM, Unit No. 19-06-01, 6th Floor, Wisma Capital A, No. 19, Lorong Dungun, Damansara Heights, 50490 Kuala Lumpur, Wilayah Persekutuan, Malaysia and virtually by way of electronic means via the MICROSOFT TEAMS Virtual Conferencing on Thursday, 25 June 2026 at 10.00 a.m. and/or at any adjournment thereof of that meeting.

This form is to be used in favour of/against the following resolution:

Resolution	For	Against
	(Please mark 'X')	
Ordinary Resolution 1 To re-appoint Messrs Ernst & Young PLT as Auditors of FIMM to hold office until the conclusion of the next Annual General Meeting (“AGM”) of FIMM and to authorise the Directors to fix their remuneration.		
Ordinary Resolution 2 To re-appoint En. Ahmad Tajuddin bin Abdul Carrim as a member of the Board of FIMM and to hold office until the conclusion of the next AGM of FIMM pursuant to Article 29(c) of FIMM’s Article of Association.		
Ordinary Resolution 3 To approve the estimated payment of up to RM769,000.00 for allowances and meeting attendance fees to be paid to the Directors from 26 June 2026 until the conclusion of the next AGM in 2027.		

Signed this _____ day of _____ 2026.

 (Signature)

Name:

Notes:

- The 32nd AGM of FIMM will be held on a hybrid mode whereby Member(s) or proxy(ies) are given an option, either:
 - (a) to attend physically at the Main Venue (“Physical Attendance”); OR
 - (b) to attend virtually using the MICROSOFT TEAMS software application (“Virtual Attendance”).

Please refer to the Administrative Guide set out in Appendix A of the Notice of the 32nd AGM for the full guide to Physical Attendance and Virtual Attendance.
- A Member of FIMM entitled to attend and vote at this meeting is entitled to appoint a proxy to attend and vote in his/her stead.
- A proxy appointed to attend and vote at the 32nd AGM of FIMM shall be either: (a) Chairman of the Meeting or (b) any other person who is also an Authorised Representative of a Member of FIMM.
- If you wish to appoint any person other than the Chairman of the Meeting as proxy, please insert the full name of the proxy (in block letters) in the space provided and delete the words “the Chairman of the Meeting”.

5. The instrument appointing a proxy shall be in writing under the hand of the appointer or of his attorney duly authorised in writing. The Board of Directors may, but shall not be bound to, require evidence of the authority of the appointer or his attorney.
6. The instrument appointing a proxy may specify the manner in which the proxy is to vote in respect of a particular resolution and, where an instrument of proxy so provides, the proxy is not entitled to vote on the resolution except as specified in the instrument.
7. Please indicate with an "X" in the spaces provided to cast your vote. Any alteration to the instrument appointing a proxy must be initialised.
8. The instrument appointing a proxy and the power of attorney or other authority, if any, under which it is signed, or a certified true copy of that power or authority shall be deposited at the Registered Office of FIMM at Level 7, Menara Milenium, Jalan Damanlela, Pusat Bandar Damansara, Damansara Heights, 50490 Kuala Lumpur (Attn: Ms. Cathy Chew / Mr. Lim Ming Wei) or emailed to the following persons:
 - (i) Ms. Cathy Chew at cathy.chew@sshbs.com.my
 - (ii) Mr. Lim Ming Wei at ming.wei.lim@sshbs.com.my

no less than forty-eight (48) hours before the time appointed for holding the meeting or at any adjournment thereof.

9. For Members who have submitted proxy forms appointing proxies, the proxy appointment can be revoked should the Member's Authorised Representative decide to personally attend and participate in the 32nd AGM.
10. If you have any enquiries prior to the 32nd AGM, you may contact the following FIMM officers via email:

	Name	Position/Department	Contact Email
a)	Mr. Sheikh Faiz Sheikh Ibrahim	Manager, Secretarial	sheikhfaiz@fimm.com.my
b)	Ms. Asha Balakrishnan	Senior Manager, Legal & Regulatory Affairs	asha@fimm.com.my
c)	Ms. Taqiah Hani Muhamad Idris	Senior Executive, Secretarial	taqiah.hani@fimm.com.my

Last date and time for lodging this instrument: Tuesday, 23 June 2026 at 10.00 a.m.

APPENDIX A

Administrative Guide for Members' participation at the 32nd AGM

1. Physical Attendance

All Member(s) or proxy(ies) who wish to attend and participate at the 32nd AGM physically are required to register for the meeting at the Main Venue.

Registration will start at 9.00 a.m. on Thursday, 25 June 2026 at the Meeting Venue and will end at a time as announced by the Chairman of the Meeting. You are encouraged to be punctual.

Virtual Attendance

For Member(s) or proxy(ies) who wish to attend and participate at the 32nd AGM remotely, the meeting will be conducted using MICROSOFT TEAMS software application.

Member(s) or proxy(ies) are advised to ensure that the laptop or electronic device is equipped with the latest version of Microsoft Teams application, together with the necessary audio and visual capabilities to support participation in the meeting.

Member(s) or proxy(ies) are encouraged to log in at least fifteen (15) minutes prior to the commencement of the meeting for verification as well as audio and video testing.

Participation and Voting

2. Members who wish to participate and vote at the 32nd AGM must revert with your reply slip (inclusive of your email address and mobile number) to FIMM via email (sheikhfaiz@fimm.com.my) by **10.00 a.m. on 23 June 2026**.
3. Upon receiving and verifying such document, FIMM will respond to your participation request (either physical or virtual) accordingly.
4. A separate email containing the Microsoft Teams meeting link will be sent to all confirmed virtual participants at least twenty-four (24) hours prior to the commencement of the 32nd AGM on 25 June 2026.
5. Virtual participants may submit questions during the 32nd AGM via the "Chat" feature in the Microsoft Teams application. Physical participants may raise and pose their questions directly during the meeting.
6. Where voting is conducted by a show of hands in accordance with the *Article 29A(1) of FIMM's Constitution*, virtual participants shall indicate their vote by using the "Raise Hand" function in the Microsoft Teams application.
7. Virtual participants must ensure that the "Raise Hand" icon is selected clearly and remains active for a sufficient period to allow verification.

Enquiry

8. If you have any enquiries, you may contact the following officers via email:

	Name	Position/Department	Contact Email
a)	Mr. Sheikh Faiz Sheikh Ibrahim	Manager, Secretarial	sheikhfaiz@fimm.com.my
b)	Ms. Asha Balakrishnan	Senior Manager, Legal & Regulatory Affairs	asha@fimm.com.my
c)	Ms. Taqiah Hani Muhamad Idris	Senior Executive, Secretarial	taqiah.hani@fimm.com.my

PROXY FORM

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The Company Secretaries

FEDERATION OF INVESTMENT MANAGERS MALAYSIA

Registration No. 199301017839 (272577-P)

Level 7, Menara Milenium, Jalan Damanlela
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