

The background features a complex pattern of overlapping, wavy lines in shades of purple and blue. In the upper-left corner, there is a grid of thin, light blue lines that recedes into the distance, creating a sense of depth. The overall effect is a dynamic, layered visual texture.

**HIGHLIGHTS**

## KEY HIGHLIGHTS OF THE AUDIT OVERSIGHT BOARD'S CORE FUNCTIONS IN 2023



### REGISTRATION

#### REINFORCING REGULATORY EXPECTATIONS

- Introduced ***Guidelines on Continuing Obligations for Registered Auditors*** to ensure better monitoring and supervision of registered auditors
- Issued **AOB Alerts to Audit Committees (ACs)** on audit quality related matters to assist the ACs with their oversight responsibilities on auditors
- **Registered** and recognised **34** new individual auditors, **1** new audit firm and **1** new foreign individual auditors
- Strengthened the financial reporting ecosystem through the **AOB's Conversation series with Auditors, ACs and Investors**
- Built capacity and capabilities of AOB-registered auditors by facilitating **targeted training programmes**



### INSPECTION

#### STRENGTHENING THE FOCUS ON RISK-BASED INSPECTIONS

- **Inspected 15** audit firms, **50** partners and **50** audit engagements
- **22** referral cases were closed off



### ENFORCEMENT

#### FOCUSED AND IMPACTFUL ENFORCEMENT OUTCOMES

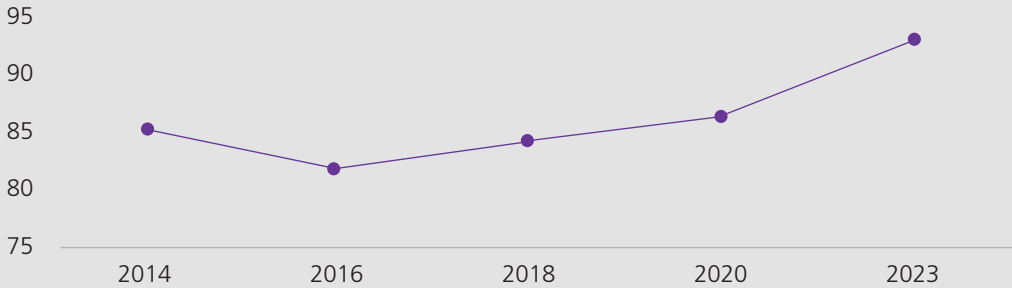
- **Setting the tone for quality through enforcement actions**  
– **3** audit partners were reprimanded, **prohibited** to accept public-interest entities (PIEs) and schedule fund audit clients **and a total of RM75,000** monetary penalty imposed
- **Enhancing transparency in communication** – additional information on enforcement actions provided in the press releases to facilitate better understanding of the breaches and justification of sanctions imposed

## Malaysia Ranked First in the Category of Auditors and Audit Regulators in CG Watch 2023

Malaysia continued to rank first for quality of auditors and audit regulators in the Corporate Governance (CG) Watch 2023 issued by the Asian Corporate Governance Association (ACGA). This marks the third consecutive assessment that Malaysia holds the title, with an increase of six points from the previous score.

### CHART 1

Previous Scores for Auditors and Audit Regulators

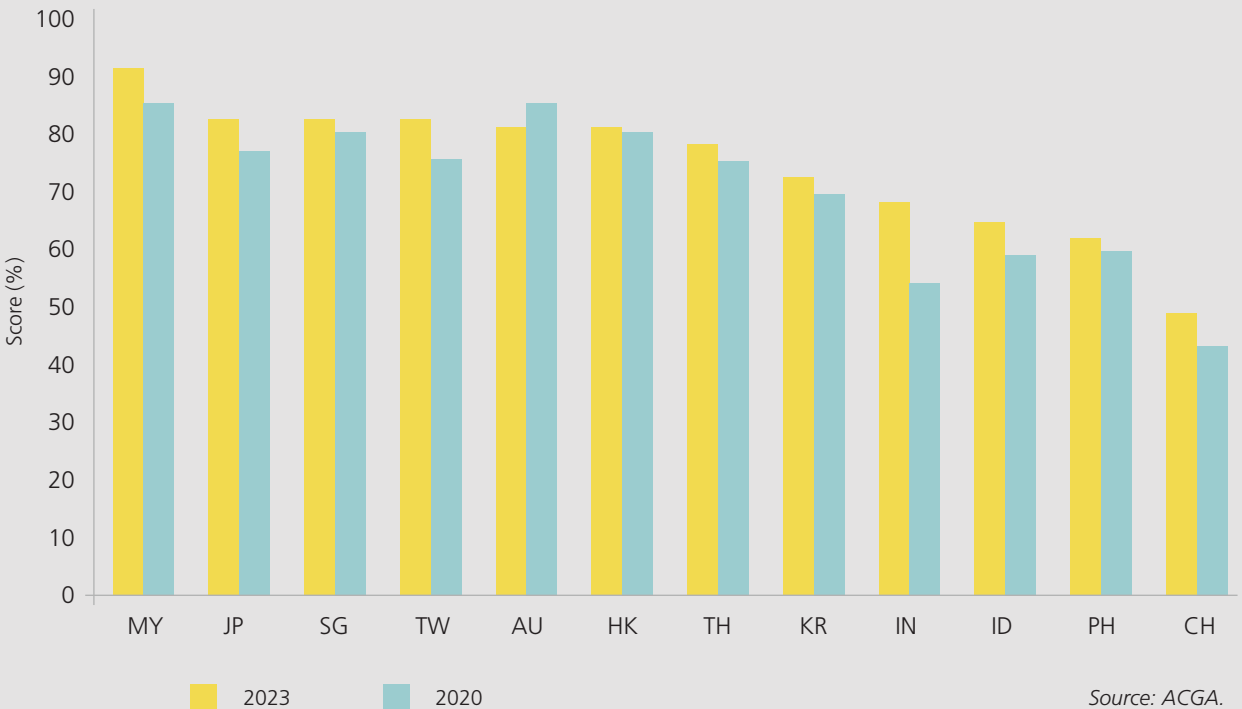


Source: The AOB.

The CG Watch 2023 is the result of a biennial survey by the ACGA and CLSA Ltd of 12 Asian countries including Australia. The countries are assessed on categories such as government and public governance, enforcement, corporate governance rules, investors and auditors as well as audit regulators. Malaysia's score of 92 in the category of auditor and audit regulators was well above the average score of 74 by the 12 regional markets.

### CHART 2

Auditors and audit regulators: Scores by market



Source: ACGA.

The ranking is a recognition of the AOB's efforts and effectiveness of the audit oversight framework in Malaysia.

Profile of the AOB's Registered and Recognised Audit Firms and Individual Auditors as at 31 December 2023



374

Registered individual auditors

13

Recognised individual auditors

41

Registered and recognised audit firms

AUDITED

1,256 <sup>PIEs</sup>

RM1,744 <sup>BILLION</sup>

Public-listed companies (PLCs) market capitalisation



AUDITED

1,339 <sup>SCHEDULE FUNDS</sup>

RM696 <sup>BILLION</sup>

Net asset value (NAV)

