



MEDIA RELEASE

NEW GUIDE TO HELP INVESTORS GAIN DEEPER INSIGHTS INTO LISTED COMPANIES' FINANCIAL STATEMENTS AND THEIR AUDIT PROCESSES

Singapore, 29 March 2017 – Investors will soon have more insightful information to help them make investment decisions. The Accounting Corporate Regulatory Authority (ACRA), the Institute of Singapore Chartered Accountants (ISCA) and the Securities Investors Association Singapore (SIAS) have jointly produced a guide to help investors better engage company directors, management and auditors. The guide will help investors identify significant risk areas in listed companies' financial statements and understand how these areas are audited.

2 The guide is written with the retail investors in mind. The guide focuses on key matters that auditors of listed companies are now required to provide in their reports, following the adoption of the enhanced auditor reporting standards with effect from 15 December 2016. The upcoming annual general meetings (AGMs) season will see all listed entities in Singapore incorporating the enhanced auditor's report (EAR) for the first time.

3 The guide explains the different types of audit opinions, how unfavourable audit opinions could be identified, and the issues investors should look out for. The guide also includes a list of relevant questions relating to key audit matters that investors could consider raising with directors, management and auditors during AGMs.

4 Commenting on the guide, Mr Kenneth Yap, Chief Executive of ACRA said, "The guide supports our efforts to introduce more transparency and engagement in the marketplace. With deeper insights offered by the enhanced auditor's report and helpful pointers in the guide, investors would be able to engage more meaningfully with company directors and management on accounting and audit matters. Such robust engagements will in turn raise the quality of disclosures in audited financial statements over time."

5 Mr David Gerald, President of SIAS said "With the AGM season approaching, this guide would be an ideal resource to help shareholders as they review the annual report. It provides shareholders with pertinent questions to raise at AGMs in relation to the companies' financial statements and their audit processes."

6 Mr Lee Fook Chiew, Chief Executive Officer of ISCA said "Investors are key users of audited financial statements, including the auditor's report. For investors to benefit from the improved communications by the auditor on an entity's financial performance, it

is vital that they understand and appreciate the content in the enhanced auditor's report. ISCA recognises this and has actively worked with ACRA and SIAS over the past two years to share pertinent aspects of the enhanced auditor's report. We are pleased to have contributed to the development of the guide, which we believe will benefit the investor community."

7 The guide is available free of charge in soft copy version. Members of the public can download a copy of the guide from SIAS' website at www.sias.org.sg/ehar.

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About ACRA

The Accounting and Corporate Regulatory Authority (ACRA) is the national regulator of business entities, public accountants and corporate service providers in Singapore. ACRA also facilitates the development of business entities and the public accountancy profession.

As a regulator and facilitator, ACRA constantly strives to provide a responsive and trusted regulatory environment for businesses, public accountants and corporate service providers and make Singapore the best and trusted place for doing business.

For more information, please visit www.acra.gov.sg.

About SIAS

A charity and Institution of Public Character as of 6 August 2015, the Securities Investors Association Singapore (SIAS) is the largest organised investor lobby group in Asia, with almost 71,000 retail investors as members. It is run by a Management Committee comprising of professionals who are volunteers. It actively promotes Investor Education, Corporate Governance and Transparency and is the champion for Investor rights in Singapore. SIAS has, since year 2000, successfully organised over 1,000 investor education programmes. Thus far, more than 140,000 retail investors have benefited from these programmes, which are offered largely free.

Members are educated on the features of investment products, and the attendant risks involved in each product. Investors are taught to make informed decisions on investing. SIAS is able to provide a variety of investor education programmes to its members and the investing community at large through collaborative arrangements with financial institutions and listed companies interested in investor education as part of its corporate social responsibility agenda.

For more information, visit www.sias.org.sg.

About ISCA

The Institute of Singapore Chartered Accountants (ISCA) is the national accountancy body of Singapore. ISCA's vision is to be a globally recognised professional accountancy body, bringing value to our members, the profession and wider community. There are over 32,000 ISCA members making their stride in businesses across industries in Singapore and around the world.

Established in 1963, ISCA is an advocate of the interests of the profession. Possessing a Global Mindset, with Asian Insights, ISCA leverages its regional expertise, knowledge, and networks with diverse stakeholders to contribute towards Singapore's transformation into a global accountancy hub.

ISCA is the Administrator of the Singapore CA Qualification and the Designated Entity to confer the Chartered Accountant of Singapore - CA (Singapore) - designation.

ISCA is an Associate of Chartered Accountants Worldwide (CAW). CAW brings together 11 chartered accountancy bodies connecting and representing the interests of over 1.6 million members and students globally.

For more information, visit www.isca.org.sg.