



# TRANSPARENCY REPORT 2024

For the year ended 31 December 2024



Passion Beyond Numbers

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## Connecting globally to achieve our potential

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# FOREWORD

## FROM THE GROUP MANAGING PARTNER

On behalf of UHY Malaysia PLT (UHY Malaysia), we are indeed honoured to present the Firm's Transparency Report for the year ended 31 December 2024. Prepared under the requirements mandated by the Audit Oversight Board (AOB) of the Securities Commission Malaysia (SC), this report is an invaluable avenue for us to communicate with audit committee chairs and members, regulators, and other stakeholders.

The world that we and our clients operate in continues to be complex and volatile, with Trump 2.0 and tariffs as key disruptors, increasing cyber risks amid growing generative AI advancements, and enhancements to corporate reporting. In the face of these economic uncertainties and market changes, there is a greater need for accountability in our engagements and a deeper understanding of the unique challenges facing our clients.

As such, this report provides a comprehensive update on UHY Malaysia's audit quality, risk management, adherence to auditor independence, and commitment to developing a talent-driven organisation amidst the accelerating change in the marketplace.

We encourage all UHY Malaysia stakeholders — including clients and their investors — to continue engaging with us on our strategy as well as any matters covered in this report. Our team is keen to receive feedback on this report and take questions about UHY Malaysia.

Please do not hesitate to contact us at:  
[datukalvin@uhy-my.com](mailto:datukalvin@uhy-my.com),  
[michelle@uhy-my.com](mailto:michelle@uhy-my.com)

### UHY Malaysia's Journey to Sustainability

Sustainability lies at the core of our commitment to creating long-term value for our people, clients, and society. For UHY Malaysia, this has translated into building our capabilities in sustainability advisory and assurance services, and positioning the Firm to meet growing market demands.

We are heartened to see Malaysia increasingly aligned with international sustainability standards for financial disclosures. In February 2024, the Advisory Committee on Sustainability Report (ACSR), under the guidance of the SC, released its first public consultation on a proposed national sustainability framework. This comprehensive initiative supports the adoption of the ISSB standards in Malaysia, particularly IFRS S1 for sustainability-related financial disclosures and IFRS S2 for climate-related disclosures.

The framework also includes assurance mechanisms and capacity-building initiatives, laying the foundation for Malaysia's National Sustainability Reporting Framework (NSRF) launched in September 2024. As a key player in global supply chains, Malaysia's alignment with international sustainability developments is critical to maintaining its competitive edge.

This year, UHY Malaysia intensified training efforts to upskill audit and assurance professionals in sustainability assurance. Our specialists have attended external training on sustainability topics, and we have established a dedicated sustainability reporting quality and risk management function, along with an assurance methodology. These initiatives ensure that we remain at the forefront of delivering high-quality sustainability services.

### Investing in a Rigorous System of Quality Management (SoQM)

In support of the AOB's commitment to high audit quality, we remain focused on audit excellence and strong governance. At UHY Malaysia, quality service means meeting stakeholder expectations while adhering to relevant standards and regulations. This is achieved through investing in a robust System of Quality Management (SoQM) covering leadership, governance, ethics, and people development.

During the year, we implemented an advanced SoQM, addressing areas such as resource management and audit execution. External QM consultants from the United States were also engaged to further strengthen key processes, ensuring our continued commitment to audit excellence.

### Future-ready Assurance Professionals with AI and Data Analytics

Technology is key to enhancing audit efficiency and quality, and at UHY Malaysia we are constantly seeking to leverage on the latest technologies. This year, we explored potential use cases for artificial intelligence (AI) applications, and kickstarted the UHY AI Application series which includes an AI conference and a series of AI webinars. These AI tools, leveraging public data, will strengthen risk assessment skills.

Auditors are also encouraged to use data analytics for trend analysis and secure virtual platforms for confidential exchanges. Additionally, we are strengthening I.T. controls in our audit software. An internal assessment identified areas for improvement, leading to an enhanced I.T. controls framework with periodic assessments, compliance monitoring, and clear communication to leadership.

### Building a Talent-Driven Future

In response to the challenges of recruiting and retaining top talent — particularly the perception of long working hours and competition from overseas opportunities — we have made it our priority to create a talent-driven organisation. Our focus is on fostering impactful career growth opportunities, cultivating a supportive work culture, and promoting a balanced work environment.

More than that, our commitment to our people extends far beyond monetary incentives. We are deeply invested in the professional development of our personnel, supporting their pursuit of professional qualifications and providing clear pathways for career progression. Our commitment extends globally, with 12 employees sponsored to attend international conferences this year, strengthening collaboration and expertise.

At the 24th Malaysia-International HR Awards 2024, organised by the Malaysian Institute of Human Resource Management (MIHRM), UHY Malaysia was honoured with the SME Best Employer (Silver Award). This marks the third time the firm has received this accolade, a testament to our unwavering dedication to our people. Our Firm stood out among numerous competitors for its unique approach of "Empathy in Innovation: Technology with a Human Touch". This recognition reaffirms our dedication to continually raising the bar in creating a workplace that prioritises both professional excellence and employee well-being.

### Acknowledgement

On behalf of the firm, we wish to express heartfelt gratitude to our dedicated and resilient Assurance Superstars. They have been instrumental in UHY Malaysia's ability to meet the growing needs and expectations of stakeholders in the audit profession by consistently delivering thorough and insightful audit and assurance services.

To conclude, we believe this Transparency Report provides an in-depth look at our structure, governance, and our commitment to quality, transparency, and ethical professional conduct, and how this is translated into our service to clients.

We hope readers will find this fourth edition of the UHY Malaysia Transparency Report a beneficial and insightful read.



*Ahven Tee*  
**Datuk Tee Guan Pian PJM**  
 Group Managing Partner  
 UHY Malaysia PLT

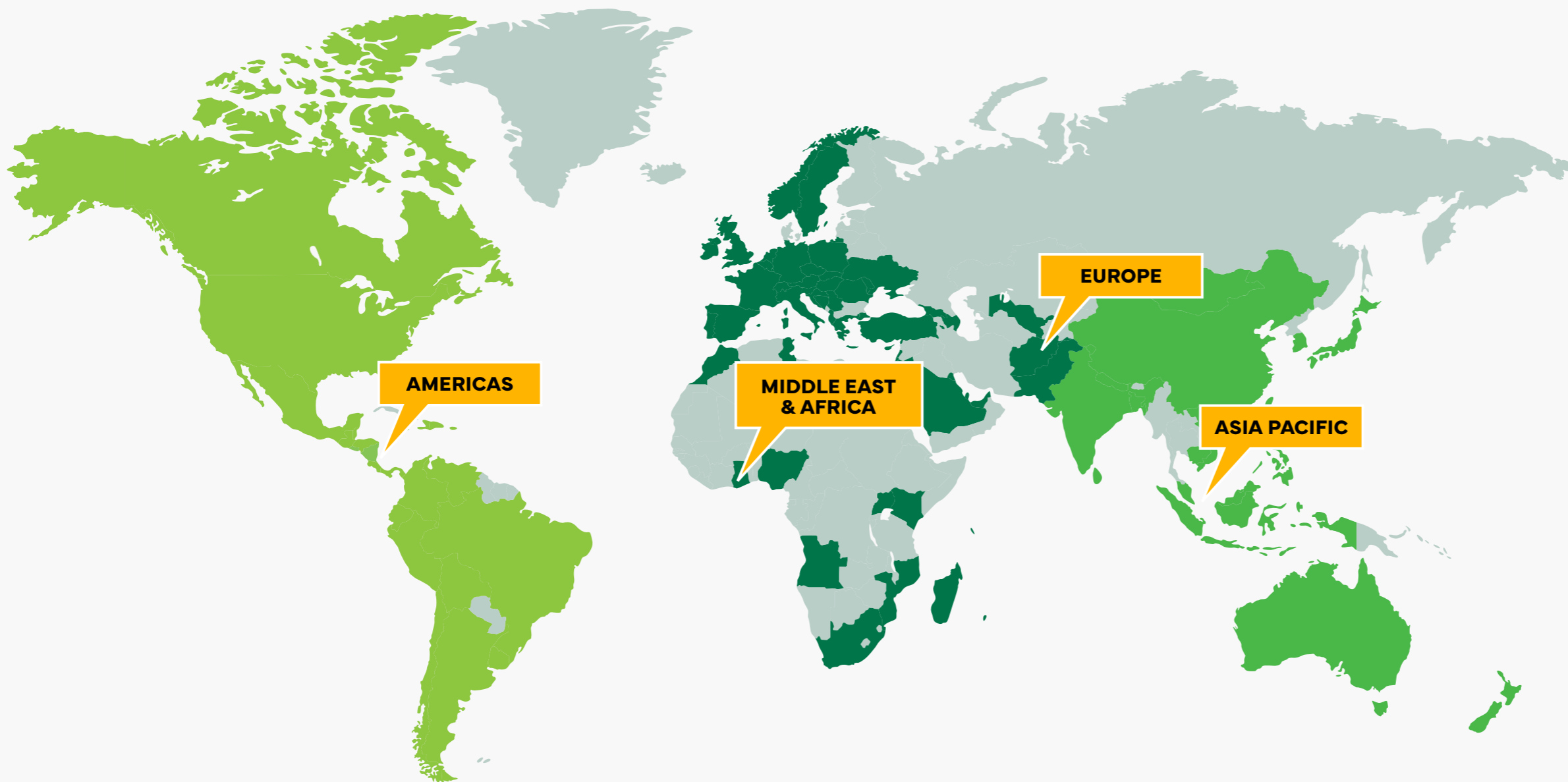


*Michelle Lim*  
**Michelle Lim**  
 Chief Executive Officer, Partner  
 UHY Malaysia PLT

# UHY, URBACH HACKER YOUNG

## UHY, Internationally

UHY Malaysia PLT (UHY Malaysia) is a member of UHY, which was established in 1986 and based in London, United Kingdom. UHY is a network of independent audit, accounting, tax and consulting firms with offices in more than 320 major business centres across almost 100 countries. Our staff members, over 9,700 strong, are proud to be part of the 19th largest international accounting and consultancy network globally. Each member of UHY is a legally separate and independent firm.



The UHY network is a member of the IFAC Forum of Firms, a distinguished initiative among the world's top accounting firms to support the adoption of international auditing standards and promote consistent high-quality standards for cross-border financial reporting and auditing practices globally.



-  **USD 814M**  
TURNOVER
-  **9,761**  
STAFF
-  **96**  
COUNTRIES
-  **324**  
OFFICES
-  **19<sup>TH</sup> \***  
GLOBAL RANKING

*\* UHY ranks globally 19th in the top 25 global networks' table by fee income (including the Big Four)*

### International Network Collaborations

As in previous years, UHY Malaysia continued its active participation in UHY International network activities in 2024. As a key member of UHY International, we are able to contribute to a variety of progressive initiatives spanning from audit quality to quality management.

These network activities also provide opportunities for our talents to shine on the global stage. In particular, the UHY Forum 2024 in Spain brought our young leaders together in an executive knowledge-sharing platform, allowing our Malaysian representatives to hone their leadership and management skills in collaboration with their international peers. The Firm's leadership also attended the 2024 UHY Annual Conference in London to share expertise and enhance global working ties with the network leaders.

The Firm also provided significant contribution to the UHY Asia Pacific Regional Meeting 2024, an annual event that promotes conversations on emerging prospects and professional updates in the Asia Pacific region. This included facilitating the audit session at the regional meeting, and conducting a session to explore the challenges and opportunities pertaining to public interest entities (PIE) audits.



In addition to audit-focused discussions, the Firm also played a key role in supporting sessions on AI and its impact on the accounting and auditing profession. These sessions examined how AI and data analytics can enhance accuracy and efficiency in accounting practices, the role of technology in improving auditing processes and financial reporting accuracy, as well as career insights for young professionals interested in AI, machine learning, and data analytics.

At the ASEAN level, notable progress was made at the UHY ASEAN Regional Peer Review Working Group, as the group established a peer review structure and identified qualified reviewers from participating member firms. The working group remains committed to leveraging regional expertise to enhance audit quality.

Throughout 2024, our key leaders played integral roles in advancing UHY International's strategic quality initiatives. Our senior personnel made significant contributions through their active engagement in several network-wide programmes including the Membership Quality Working Group, Audit Special Interest Group, and the Environmental, Social, and Governance (ESG) Special Interest Group.



**Our sustained participation in UHY International's collaborative platforms reflects our Firm's unwavering dedication to professional growth. UHY Malaysia continues to strengthen its position within the global network while upholding the highest standards of quality and transparency.**



### UHY Malaysia PLT (UHY Malaysia)



4 OFFICES

30 PARTNERS & DIRECTORS

>200 PERSONNEL



UHY Malaysia is a member of Urbach Hacker Young International Limited, and has grown to become an integral part of the international UHY network of legally independent accounting and consulting firms. Our Audit and Assurance practice, with a presence spanning across four offices in Malaysia and a dedicated team of over 200 audit and advisory professionals, has been at the forefront of the Firm's vibrant growth and success.

Established in 2008 with our first office in Mid Valley City, Kuala Lumpur, where a core team of 20 professionals laid the foundation for what would become one of Malaysia's leading mid-tier professional services firms. Under the visionary leadership of Datuk Alvin Tee and our founding members, we evolved into a trusted advisor for major players in the Malaysian capital market and multinational corporations, expanding both our geographical reach and professional capabilities.

The cornerstone of our practice remains our audit and assurance services, exemplified by our role as statutory auditors for more than 50 public-listed companies. We have gained recognition for our expertise in capital market transactions, having served as Reporting Accountant in over 10 successful Initial Public Offerings (IPOs). This solid track record, combined with our proven ability to handle complex assurance engagements, reinforces our position as a key contributor to Malaysia's financial markets and public interest entities.



Our commitment to excellence has earned the Firm significant industry acclaim, including the Star Outstanding Business Awards (SOBA) from Star Media Group and HR Asia's Best Companies to Work For Award. During the year, our achievements were acknowledged through the SME Best Employer (Silver Award) from the Malaysian Institute of Human Resource Management (MIHRM), underscoring our impact across multiple dimensions of professional service excellence.



# LEGAL STRUCTURE, OWNERSHIP AND GOVERNANCE



## Legal Structure and Ownership

UHY Malaysia PLT (UHY Malaysia) is a limited liability partnership registered in Malaysia with registration number LLP0041391-LCA and a registered audit firm (Audit Firm No. AF1411), and also a member firm of the UHY International network of legally independent accounting and consulting firms. The Firm operates from its offices in Kuala Lumpur, Johor and Penang. Our principal business address is Suite 11.05, Level 11, The Gardens South Tower, Mid Valley City, Lingkaran Syed Putra, 59200 Kuala Lumpur, Wilayah Persekutuan, Malaysia.

A significant milestone was achieved in the Firm's corporate structure with the successful conversion from a traditional partnership to a Limited Liability Partnership (LLP). This transition was completed in December 2024, marking the formal change of our firm's name to "UHY Malaysia PLT". This structural evolution aligns with our commitment to adopting contemporary business practices and enhancing our organisational framework for sustainable growth.

*Information about UHY Malaysia and our relevant affiliation and relationship disclosures are disclosed in Appendix A.*

## Governance and Leadership Structure

### Board of Partners (BOP)

The Board of Partners (BOP) serves as the Firm's highest governing body, exercising critical oversight of our strategic initiatives and championing the pursuit of audit quality within the Firm. The Board's core responsibilities include:

### Partnership Obligations

The BOP carries primary responsibility for managing partnership affairs, including making decisive determinations on Partner appointments and departures. The Board carefully delineates each Partner's scope of rights, responsibilities, benefits and obligations, thereby establishing the foundational framework that guides our partnership structure and ensures its continued vitality.

### Advisory and Oversight Functions

While maintaining its advisory capacity, the Board functions as an essential governance mechanism, ensuring proper checks and balances within our organisational structure. This oversight complements the Country Management Committee's (CMC) executive function, with the Board providing strategic direction and insights that help align operational decisions with our Firm's long-term objectives and core values.

### Collaboration with Country Management Committee (CMC)

The collaborative relationship between the BOP and CMC is central to the Firm's governance structure. The CMC is responsible for the daily operations and benefits from the strategic counsel and checks provided by the Board. This collaborative approach creates a balance between visionary leadership and practical implementation, fostering an environment with effective operational management.

### Country Management Committee (CMC)

The CMC stands as a foundation in our Firm's pursuit of audit excellence, bringing together distinguished audit leaders with comprehensive expertise in assurance work. Chaired by the Acting Managing Partner, this committee unites key professionals from across the Firm's organisational structure, including c-suite executives, committee chairs, engagement partners, and senior audit principals.

Beyond its operational role, the CMC serves as a platform for audit leaders to actively engage in the Firm's management and governance.

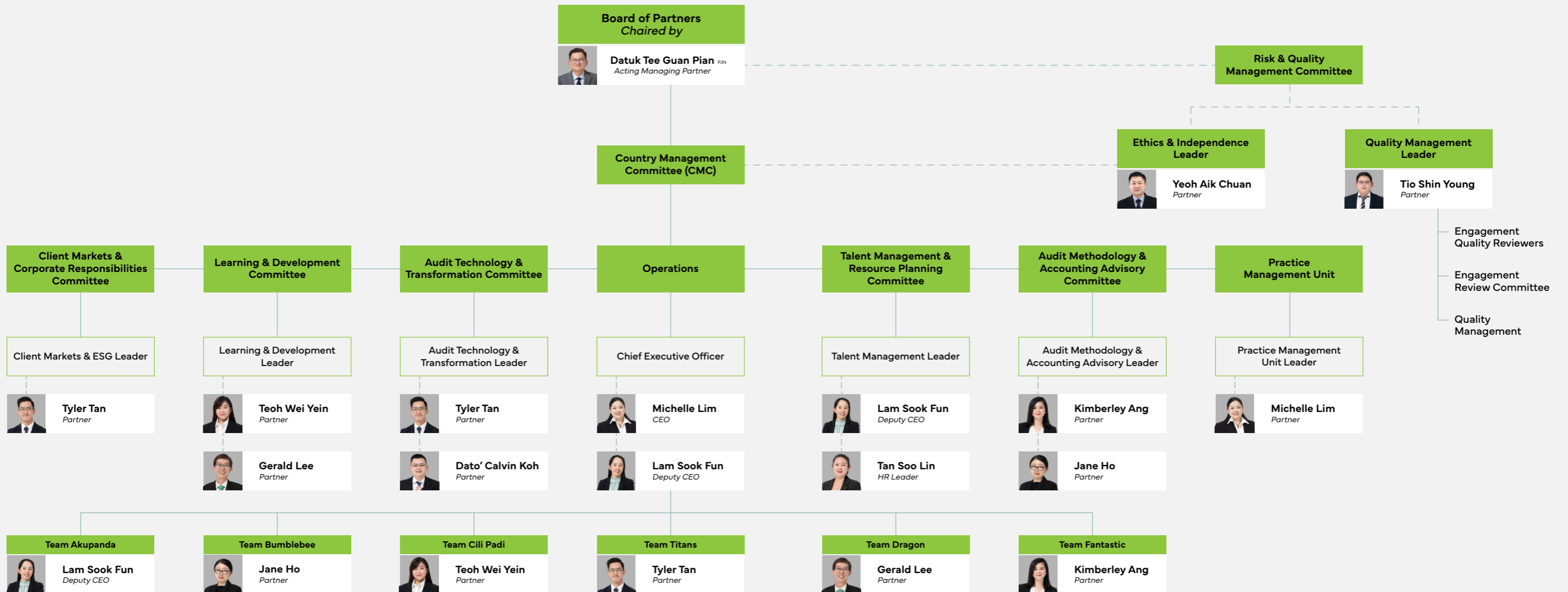
### Risk and Quality Management Committee (RQMC)

Operating autonomously, the RQMC comprises selected senior leaders who oversee our Firm’s comprehensive approach to quality and risk management. The committee maintains independent oversight of crucial areas including service quality and risk management, ethical and independence matters, regulatory compliance, business resilience and contentious matters that arise from assurance engagements.

Within our assurance practice, the RQMC plays an instrumental role in designing and implementing our risk management framework. This encompasses developing robust policies and procedures for risk identification, assessment, and monitoring across all engagements, while ensuring effective risk mitigation strategies are in place to protect both our clients and the Firm.

The leadership and organisational structure of UHY Malaysia as at 31 December 2024 is as follows:

### Organisational Structure of UHY Malaysia



## Audit and Assurance Leadership Team



### Left to Right

#### **Beryl Lim**

*Chief Financial Officer*

#### **Lam Sook Fun**

*Deputy Chief Executive Officer*

#### **Michelle Lim**

*Chief Executive Officer*

#### **Datuk Tee Guan Pian PUN**

*Acting Managing Partner*

#### **Yeoh Aik Chuan**

*Ethics & Independence Leader*

#### **Tio Shin Young**

*Quality Management Leader*

## Functional Committee Leaders



### Left to Right

#### Jane Ho

*Audit Methodology & Accounting Advisory Leader*

#### Tyler Tan

*Client Markets & ESG Leader*

#### Teoh Wei Yein

*Learning & Development Leader*

#### Dato' Calvin Koh

*Audit Technology & Transformation Leader*

#### Kimberley Ang

*Audit Methodology & Accounting Advisory Leader*










#### Gerald Lee

*Learning & Development Leader*

#### Tan Soo Lin

*Talent Management Leader*

### UHY Malaysia Board of Partners

 <p><b>Datuk Tee Guan Pian</b> PJJN ACA, BFP (ICAEW, UK), FCPA (Aust.), C.A.(M), CPA(M), ATII</p>	 <p><b>Yeoh Aik Chuan</b> C.A.(M), CPA(M)</p>
 <p><b>Michelle Lim</b> C.A.(M), FCCA</p>	 <p><b>Tio Shin Young</b> C.A.(M), FCCA</p>
 <p><b>Jane Ho</b> C.A.(M), FCCA</p>	 <p><b>Teoh Bee Sin</b> C.A.(M), FCPA (Aust.), ATII</p>
 <p><b>Kimberley Ang</b> C.A.(M), FCCA</p>	 <p><b>Teoh Wei Yein</b> C.A.(M), ACCA</p>
 <p><b>Tyler Tan</b> C.A.(M), FCCA</p>	 <p><b>Dato' Calvin Koh</b> CA (M), CPA (Aust), ASEAN CPA, B.BUS (AUST), ACTIM</p>
 <p><b>Gerald Lee</b> C.A.(M), CPA (Aust.)</p>	

#### Basis of Partner Remuneration

The remuneration of Partners at UHY Malaysia is meticulously evaluated, considering numerous factors including professional and academic qualifications. Our assessment framework incorporates a set of metrics that balances financial and non-financial performance indicators, weighing factors such as technical proficiency, audit quality metrics, service line performance, and contributions at both regional and national levels.

To safeguard our commitment to independence and professional objectivity, our remuneration structure explicitly prohibits compensation based on cross-selling non-audit services to audit clients. Conversely, contributions to enhancing audit quality are explicitly included in the criteria for assessing and remunerating our Partners.

## OUR COMMITMENT TO AUDIT QUALITY

### Our Commitment to Audit Quality

At UHY Malaysia, the pursuit of audit quality is more than a commitment — it is embedded in our firm’s ethos and culture, and is the cornerstone of our professional practice. This unwavering commitment to audit quality continues to drive every aspect of our service delivery and professional engagements.

Our quality management framework, which is crucial to us delivering quality audits, has been further enhanced through the implementation of *International Standards on Quality Management 1 (ISQM 1): Quality Management for Firms that Perform Audits or Reviews of Historical Financial Statements, or Other Assurance and Related Services Engagements*. This integration has strengthened our already robust System of Quality Management (SoQM), elevating our capabilities to deliver consistent, high-quality assurance services.

Central to our System of Quality Management is a comprehensive accountability structure led by our Country Management Committee, ensuring that every facet of our operations is geared towards maintaining audit quality.



### Audit Excellence Programme (AE Programme)

Our AE Programme introduces a strategic framework that systematically elevates audit quality across all the Firm’s operations. Under the RQMC’s oversight, this initiative follows a structured methodology encompassing three critical phases: ‘Plan, Perform, Conclude.’



This systematic approach ensures consistent delivery of high-quality audit services throughout every engagement lifecycle.



### The AE Programme is reinforced by seven key enhancements to the Firm’s audit process:

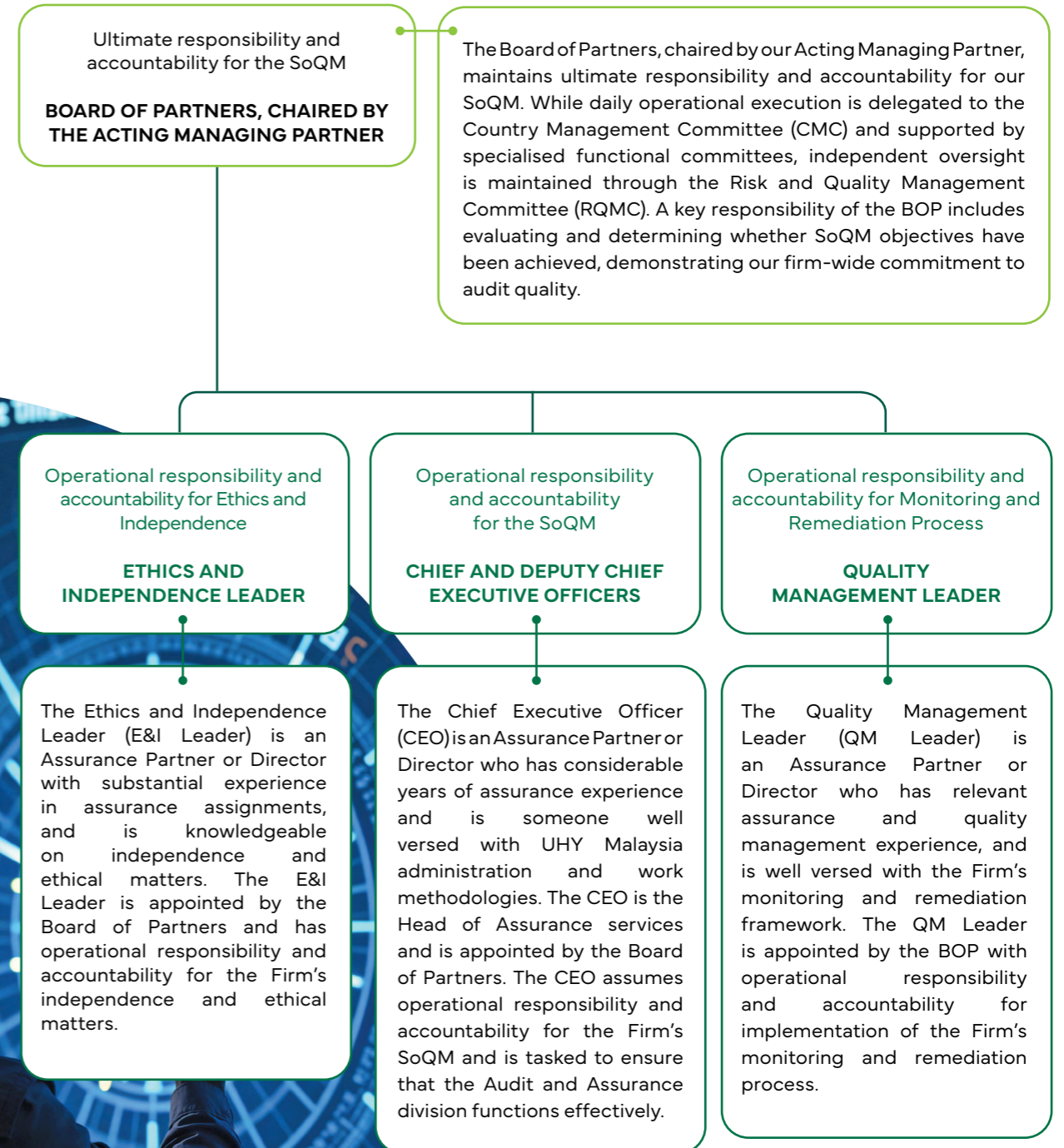
- 1 Demonstrate professional scepticism.
- 2 Understand business process flows.
- 3 Enhance audit processes and documentation.
- 4 Strengthen collaboration with internal and external specialists.
- 5 Supervise and review component auditor workflow.
- 6 Enhance expertise on audit tools.
- 7 Understand client entity and business environment.



## UHY'S 7 Key ENHANCEMENTS

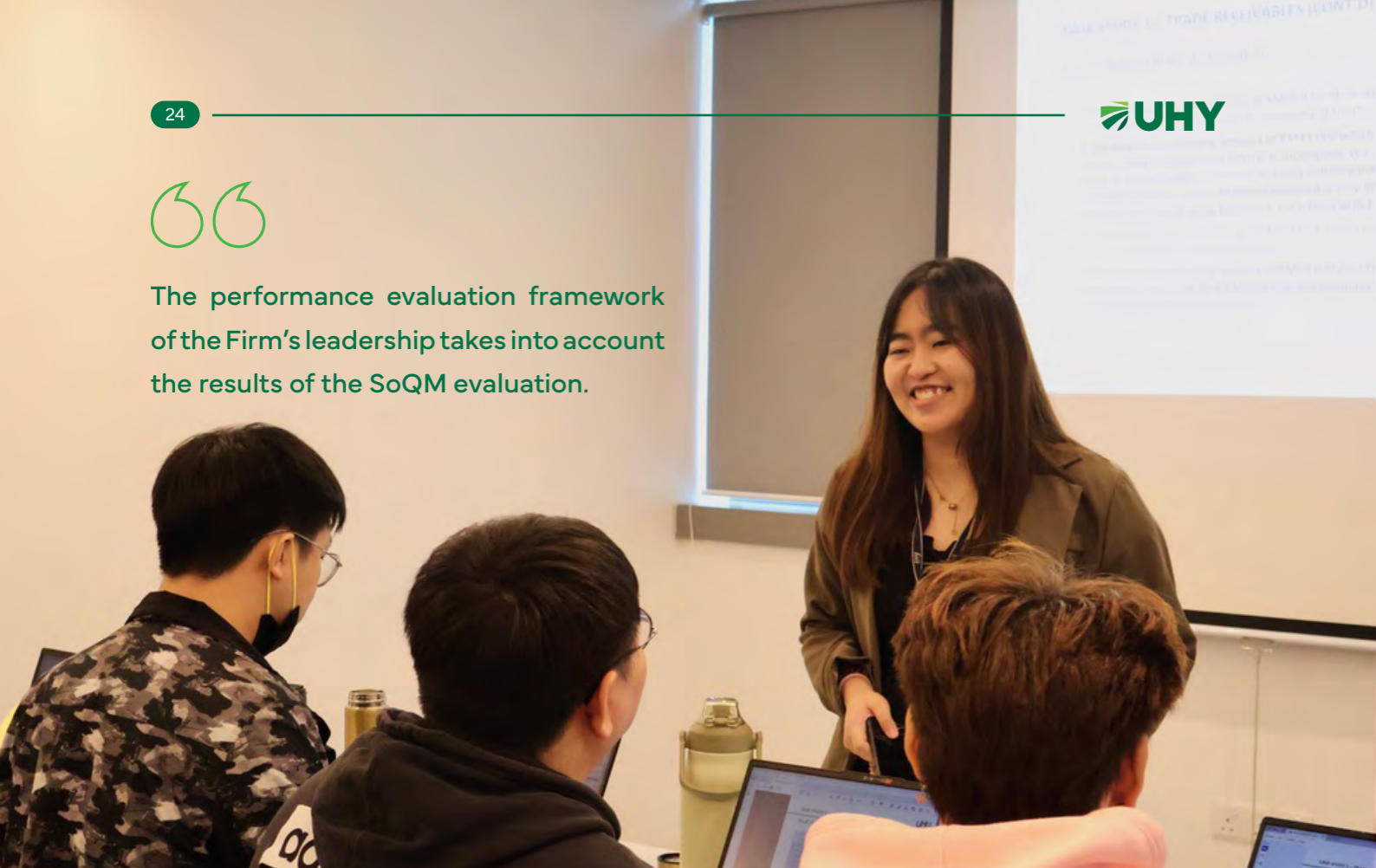
### Leadership Responsibilities for Quality Within the Firm

In alignment with ISQM 1 requirements, our Firm maintains a clear structure of roles and responsibility for the System of Quality Management (SoQM). This framework encompasses the design, implementation and operational aspects of our audit practice. At UHY Malaysia, we ensure that individuals appointed to quality management roles possess the appropriate experience, knowledge, time, influence and authority to execute their responsibilities effectively. The Firm has assigned the roles and responsibilities of the SoQM as follows:

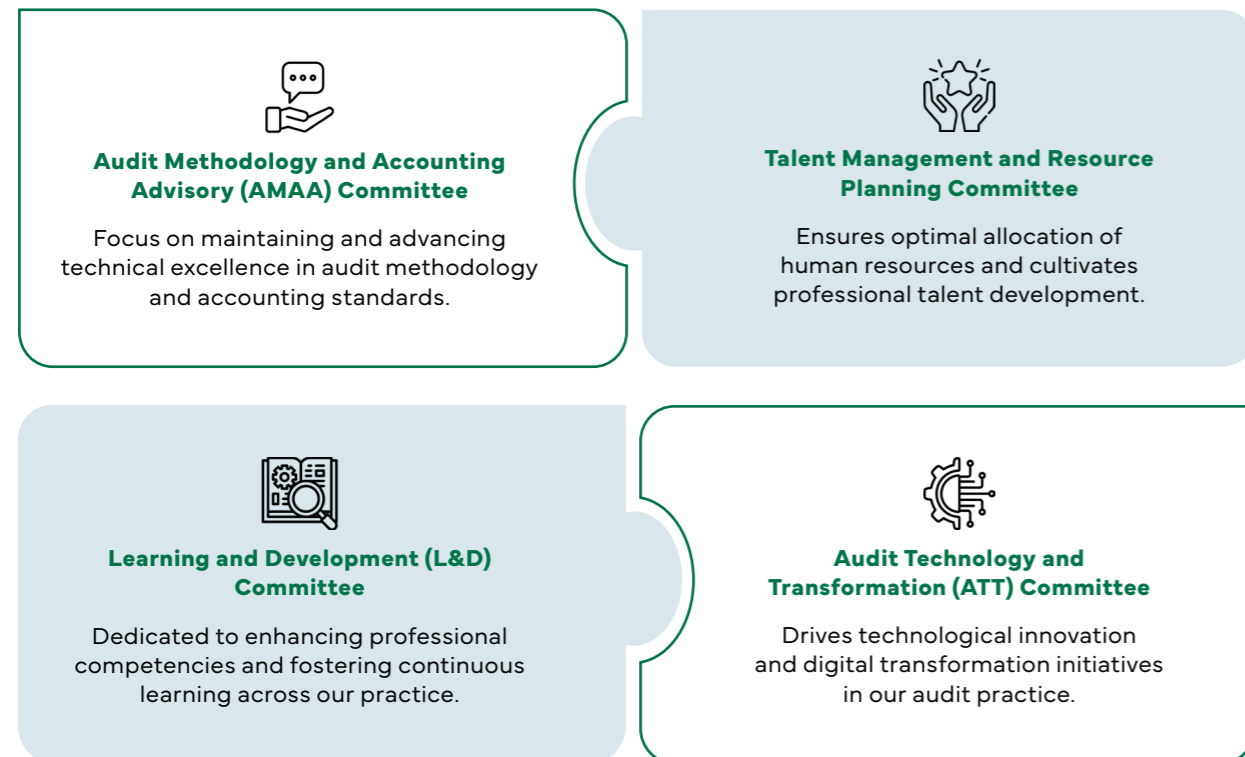




The performance evaluation framework of the Firm's leadership takes into account the results of the SoQM evaluation.



The integration of ISQM standards has catalysed significant enhancements to our leadership framework. To strengthen the coordination and effectiveness of our SoQM, we have established specialised committees focused on distinct aspects of audit quality. This strategic expansion of our quality management structure reaffirms our dedication to continuous improvement and excellence in audit services. Our specialised audit quality committees comprise:



These committees work collaboratively to strengthen our SoQM framework, representing a significant milestone in our journey towards enhancing audit quality.

**Audit Methodology and Accounting Advisory (AMAA) Committee**

The AMAA Committee comprises a diverse team of specialists in assurance, financial reporting, and industry-specific expertise that plays a critical role in upholding the Firm's audit quality. Its responsibilities include providing expert opinions, regulatory support, and consultations on complex audit matters. In 2024, the committee fulfilled its mandate by convening five meetings to deliberate on key technical and regulatory developments.

Beyond assisting individual engagements, the committee proactively identifies and addresses emerging audit quality issues. These efforts are fortified by:

- ▶ Insights from external regulatory reviews and internal quality assessments, ensuring alignment with evolving standards and regulatory expectations.
- ▶ Queries raised by engagement teams, which provide actionable feedback to refine technical practices and address practical challenges.
- ▶ Observations of quality-related trends, identified through multiple sources to maintain a comprehensive approach to quality management.

To support the Firm's compliance and technical excellence, the committee develops and disseminates critical updates and resources, such as:

- ▶ Circulars detailing legislative and regulatory changes impacting audit clients, ensuring adherence to both local and international standards.
- ▶ Tailored guidance on sustainability reporting and Environmental, Social, and Governance (ESG) frameworks, reflecting their growing significance in global business.
- ▶ Summaries and interpretations of significant auditing and accounting pronouncements, equipping engagement teams to confidently navigate evolving requirements.

The committee also prioritises continuous learning and innovation by establishing knowledge-sharing platforms that facilitate collaboration and the exchange of best practices across teams.

**Learning and Development (L&D) Committee**

The Firm recognises the vital importance of ongoing learning and development in advancing the professional development of its staff and to deliver high quality services to our valued clients across all business services lines. In support of this, the L&D Committee actively identifies and provides opportunities for our personnel to enhance their technical and interpersonal skills and competencies. Led by experienced L&D leaders, the committee is responsible for planning and organising effective training initiatives to strengthen our staff's professional development. In 2024, the committee held five meetings to oversee and drive these initiatives.

During the year, the committee collaborated closely with our senior audit personnel to formulate a comprehensive annual training plan tailored to meet the specific needs and demands of our professional staff that include:

- ▶ Accounting and auditing standards
- ▶ Ethics and independence
- ▶ Common findings from internal and external reviews
- ▶ Information technology
- ▶ Industry knowledge



### Talent Management and Resource Planning Committee

The Talent Management and Resource Planning Committee plays a key role in ensuring the effective allocation of resources for engagement performance and internal operations. With a strong focus on recruitment, retention, and workforce planning, the committee strives to cultivate a talented and high-performing workforce. Throughout 2024, six committee meetings were held to strategise and implement key talent initiatives.

The Firm actively participated in numerous recruitment drives to enhance visibility and expand the recruitment pipeline, ensuring engagement in every quarter. Collaboration with educational institutions provided opportunities to connect with aspiring accounting professionals, reinforcing the Firm's position as a preferred employer. Additionally, the achievement of the MIHRM Silver Award further solidified UHY Malaysia's reputation, boosting confidence among both clients and employees.

The Firm also invested in various leadership programmes for high-potential personnel, including participation in global leadership forums and international conferences. Workforce planning efforts were also strengthened through proactive succession planning, ensuring leadership continuity through structured partner pipeline development and specialised coaching programmes. These initiatives reflect our steadfast commitment to building a resilient and future-ready workforce while maintaining a high standard of professional excellence.

### Audit Technology and Transformation (ATT) Committee

The Audit Technology and Transformation (ATT) Committee serves as a driving force in leveraging technology and innovation to elevate the efficiency and effectiveness of our audit processes. The committee is entrusted with ensuring the Firm's technological resources are managed effectively, safeguarded appropriately, and consistently aligned with our operational objectives. During the year, the committee convened five times to oversee the Firm's technological resources and drive digital transformation initiatives.

The ATT Committee spearheaded significant transformative initiatives aimed at modernising and refining our audit methodologies and tools. Noteworthy initiatives include:

- ▶ **Guidance and Training Initiatives:** A key priority was increasing staff readiness for technological advancements. Training sessions on tools such as Speeda (business intelligence platform) were conducted to ensure staff could effectively utilise these resources. The committee also developed policies on emerging technologies, including the ethical and effective use of Generative AI in audit engagements.
- ▶ **Periodic Review of Technological Resources:** The ATT Committee enhanced the internal review procedures of the Firm's audit software, focusing on compliance to our policies and procedures. These reviews identified opportunities to enhance data security and ensure the confidentiality of client information.

By integrating advanced technologies into the Firm's audit framework, the committee has enabled our teams to deliver exceptional services that uphold the highest standards of quality and innovation.

### Engagement Performance

UHY Malaysia's audit methodology provides a structured, risk-based approach that ensures consistent, high-quality engagement performance. The Audit Methodology and Accounting Advisory (AMAA) Committee plays a pivotal role in aligning our audit procedures with international best practices, ensuring our methodological framework remains robust and current.



**The approach is characterised by a systematic process to plan, perform, supervise, review, document, conclude, and communicate our deliverables, with a critical emphasis on the risk assessment.**

Our fundamental objective remains forming professional, evidence-based opinions on audited financial statements, underpinned by a rigorous and systematic approach to audit execution. Key features of our methodology include:

1. Risk-based Approach
  - ▶ Comprehensive understanding of client entity and its business environment
  - ▶ Targeted risk assessment to identify potential material misstatements
  - ▶ Gathering of sufficient and appropriate audit evidence
  - ▶ Heightened monitoring for high-risk engagements
2. Continuous Methodology Enhancement
  - ▶ Regular updates to audit guidelines ensuring compliance with professional standards
  - ▶ Comprehensive audit manual accessible to all audit personnel

During the year, we implemented a comprehensive suite of methodological enhancements to elevate our audit operations. The initiatives focused on strategic areas such as developing specialised audit guidelines for legal specialist involvement, strengthening group audit documentation, and improving technological risk assessment frameworks. Critical improvements identified through regular inspections conducted by the Audit Oversight Board (AOB) are prioritised by introducing firm-wide training programmes and enhancements to engagement quality review processes.

Key methodological advancements included refining our approach to understanding I.T. general controls, collaborating with internal specialists on complex accounting estimations, and introducing more robust monitoring mechanisms for engagements involving multi-location audits and complex technological environments. The Audit Methodology and Accounting Advisory (AMAA) Committee played a pivotal role in consistently deliberating auditing and accounting updates, communicating enhanced audit milestones, and driving strategic improvements in our recruitment and retention initiatives.

These targeted initiatives underscore our commitment to maintaining rigorous, forward-looking audit practices that adapt to evolving regulatory and technological landscapes, ultimately delivering high-quality assurance services to our clients.



# AUDIT TEAM OF THE YEAR UHY



## COMMITMENT TO OUR PEOPLE

### Talent Management

Our people are the cornerstone of UHY Malaysia's success, and we acknowledge their pivotal role in the Firm's progress and their unwavering commitment to delivering quality outcomes. The leadership remains wholeheartedly dedicated to investing in our talent to maintain UHY Malaysia's position as a leading professional services firm and ensuring continuous quality enhancement in our audit practice.

Our comprehensive talent management framework encompasses structured training programmes and professional development initiatives designed to nurture our audit professionals at every stage of their careers. Through rigorous recruitment processes, we identify and attract individuals who demonstrate not only technical proficiency but also embody the qualities essential for success in the auditing profession.

All our Engagement Partners bring extensive professional experience to their roles and are responsible for keeping up to date with technical knowledge pertaining to the standards, procedures and regulations related to their service area. This commitment to staying abreast of evolving standards, procedures, and regulations ensures the leadership team continues to guide our practice with expertise and insight.

**We maintain a robust performance evaluation system that emphasise on audit quality, reflecting the Firm's unwavering commitment to delivering exceptional service.**

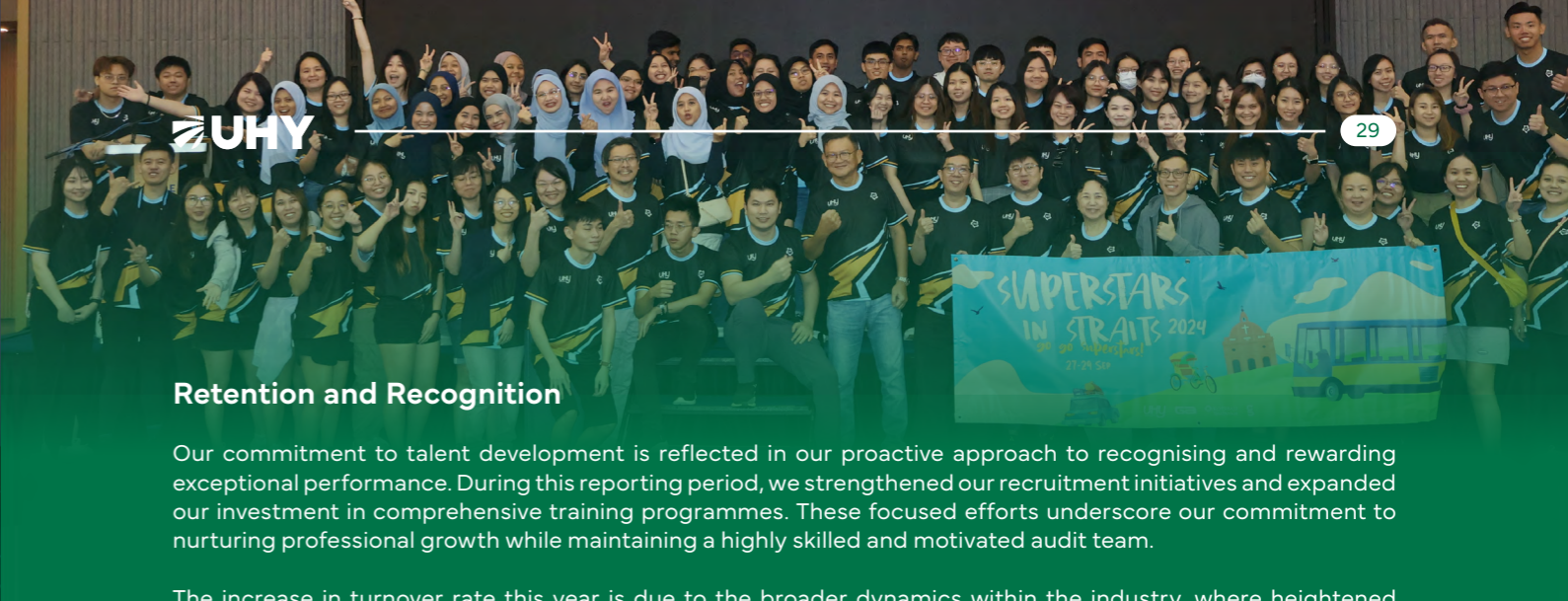
In 2024, we reinforced our commitment to talent through enhanced employee benefits and strategic recruitment initiatives. While strengthening our ties with industry organisations and academic institutions, we simultaneously improved our employee welfare framework through expanded medical coverage, increased professional qualification support, and introduced comprehensive professional subscription benefits.

Our dedication to talent management excellence also gained industry recognition with the SME Best Employer (Silver Award) from the Malaysian Institute of Human Resource Management (MIHRM). These coordinated efforts in recruitment and retention, alongside external recognition of our practices, demonstrate our determination to supporting the continuous professional development of our people.

### Partners Pipeline Programme

At UHY Malaysia, we continually foster a culture of professional advancement through our Partners Pipeline Development Programme, creating clear pathways to partnership for exceptional talent within our firm. This structured initiative identifies and develops high-potential senior audit personnel who demonstrate the capability and commitment to assume future partnership roles.

The programme employs a systematic approach to leadership development, where candidates are identified through rigorous performance evaluations and strategic recommendations from the leadership. Participants receive tailored training, access to resources, and mentorship aimed at equipping them with the necessary skills and knowledge required to excel as partners.



### Retention and Recognition

Our commitment to talent development is reflected in our proactive approach to recognising and rewarding exceptional performance. During this reporting period, we strengthened our recruitment initiatives and expanded our investment in comprehensive training programmes. These focused efforts underscore our commitment to nurturing professional growth while maintaining a highly skilled and motivated audit team.

The increase in turnover rate this year is due to the broader dynamics within the industry, where heightened demand for skilled professionals has inevitably led to greater mobility and increased career opportunities. We recognise that a strong foundation in professional development naturally enhances our employees' marketability. Nevertheless, we remain focused on fostering an environment that supports long-term career growth of our people and engagement within the Firm.

The Firm's performance appraisal system operates on multiple levels, combining annual reviews with engagement-specific assessments. Our appraisal framework focuses on multiple key areas:

- ▶ Quality Management – Evaluating professional standards adherence and regulatory compliance
- ▶ Employee Development – Assessing leadership and mentoring capabilities
- ▶ Audit Excellence – Measuring technical proficiency and methodology application
- ▶ Engagement-based Performance – Examining project management effectiveness and client service delivery

This comprehensive framework enables precise evaluation of individual contributions while promoting continuous professional development.



#### Quality Excellence Awards

The Quality Excellence Awards celebrate the exceptional contributions of our talents in advancing and upholding the Firm's service quality. The nomination process is thorough, involving a detailed assessment of nominees, followed by an additional layer of evaluation and final approval by the Firm's leadership. Additionally, two new awards were also introduced to further celebrate the exceptional impact of our team:

- ▶ UHY Impact Award: A heartfelt "Thank you" to employees who have made a significant impact throughout the year.
- ▶ UHY Legacy Builder Award: Recognising individuals whose contributions have left an enduring legacy at UHY Malaysia.

These awards are a testament to our appreciation of the hard work, dedication, and innovation demonstrated by our personnel. They reflect our ongoing efforts to create an environment where employees feel valued and inspired to excel. Our commitment to being an employer of choice has once again been recognised on a prestigious platform.



**At UHY Malaysia, we strive to be one of the best accounting firms to work for, as we continue to attract and retain the best talents in the industry.**



#### Team Building Events

During the year, the Firm organised retreats to Malacca, and Bangkok, Thailand, as part of our team-building initiatives. Beyond serving as opportunities for recognition and celebration, these retreats incorporated sessions focused on leadership and communication skills. Our teams participated in collaborative activities designed to enhance cross-functional communication, fostering stronger team cohesion and alignment. These sessions also reinforced our collective commitment to delivering high-quality professional work while strengthening relationships across different teams.



## Learning and Development

At UHY Malaysia, we recognise that continuous learning and development are integral to our mission, and underscores our dedication to fostering the professional growth and excellence of our personnel. Ongoing learning is vital in our field, and the Firm remains fully committed to:

- ▶ Ensuring all personnel are informed about available learning and development resources.
- ▶ Maintaining effective communication to facilitate access to relevant resources tailored to individual learning needs.
- ▶ Promoting a consistent and structured approach to learning and development within the Firm.
- ▶ Providing clear guidance on pursuing further professional growth and training opportunities.

The Learning and Development (L&D) Committee plays a pivotal role in supporting our audit teams by ensuring all relevant personnel receive adequate continuing professional education. This enables them to maintain their technical expertise and professional skills.

Our annual firmwide training programme, which focuses on audit and financial reporting, forms a key part of this initiative. Attendance at these Continuing Professional Development (CPD) sessions is mandatory and closely monitored. The training programme is designed to be highly practical, leveraging live case studies wherever possible to enhance applicability. Throughout the year, the Firm's training plan covered a range of topics, including:

- ▶ MFRS 9: Financial Instruments
- ▶ MFRS 15: Revenue from Contract with Customers
- ▶ MFRS 16: Leases
- ▶ MFRS 136: Impairment of Assets
- ▶ ISA 600 (Revised) – Special Considerations: Audits of Group Financial Statements (Including the Work of Component Auditors)
- ▶ ISA 540 (Revised) – Auditing Accounting Estimates and Related Disclosures
- ▶ Going Concern Assessment
- ▶ Understanding General Controls for Information Technology
- ▶ Common Findings of Internal and External Reviews
- ▶ Refresher on Ethics and Quality Management

Training sessions at UHY Malaysia are delivered through a blend of in-person and virtual formats, incorporating interactive case studies to ensure effective comprehension among participants. These case studies, developed in collaboration with the AMAA Committee, address priority areas from both technical and non-technical perspectives.

During the year, the Firm conducted a total of 121 hours of firm-wide training sessions as part of its annual training programme, reflecting our strong commitment to enhancing the technical competencies and capabilities of our audit personnel.



## Development of UHY Malaysia Specialists

Under the strategic direction of the AMAA Committee, the UHY Malaysia Specialists programme represents our commitment to developing specialised industry knowledge within our audit teams, enabling them to deliver greater value to clients operating within the targeted industries. This initiative combines rigorous technical training with practical industry exposure to create professionals possessing both comprehensive knowledge and practical insights in the Property Development and Construction (PDC) sector.

Our PDC specialists undergo comprehensive development that encompasses:

- ▶ In-depth industry-specific training
- ▶ Practical application of specialised knowledge
- ▶ Development of training and coaching capabilities
- ▶ Ongoing engagement with industry developments

## Professional Development of Audit Personnel

Our firm maintains rigorous professional development standards, requiring all Engagement Partners and qualified professionals to fulfil comprehensive Continuing Professional Development (CPD) requirements on an annual basis. Through training needs assessment and customised training plans, we ensure each professional's development aligns with their roles and responsibilities.



**Our audit personnel are required to complete a minimum of 48 hours of structured learning annually, and 144 hours over a three-year period. To ensure compliance, all personnel are responsible to submit an annual confirmation of their training hours to the Firm.**



**The UHY Malaysia Specialist programme develops targeted expertise among our professionals, empowering them to provide advanced, sector-specific solutions while upholding the highest standard of audit quality.**

Developed through a collaborative approach, our training curriculum involves:

- ▶ Learning and Development Committee oversight
- ▶ Feedback from Engagement Partners and senior audit personnel
- ▶ Analysis of regulatory changes and updates to auditing and financial reporting standards
- ▶ Integration of practice review findings

This collaborative process ensures our firmwide training programme remains current and relevant, addressing emerging industry needs while strengthening core competencies. Training attendance is actively monitored across all levels to ensure maximum effectiveness and participation.



### Health and Wellbeing at UHY

Maintaining good mental health and overall wellbeing remain fundamental priorities in our workplace culture. Recognising that professional demands can sometimes impact personal wellness, we have implemented a comprehensive framework to support our team members' mental and physical health. Our approach encompasses educational resources, open communication channels, and practical support systems designed to create an environment where mental health awareness and self-care are actively encouraged.

In 2024, we significantly enhanced our employee welfare framework through several key initiatives. This involved expansion of our benefits package to include improved medical coverage, increased support for professional qualification examinations, and enhanced allowances for professional memberships.

Our commitment to holistic wellbeing was further demonstrated through the introduction of organised outdoor activities including firm-wide hiking and trail running events, as well as regular badminton sessions. These activities serve multiple purposes: promoting physical health, fostering team cohesion, and creating opportunities for meaningful connections among colleagues outside the professional environment.

Through these comprehensive initiatives, we strive for a workplace environment where our personnel feel the Firm's support in prioritising both their professional growth and personal wellbeing, fostering a culture of mutual support and understanding.



# INDEPENDENCE AND ETHICS

### Relevant Ethical Requirements

At UHY Malaysia, auditor independence and ethical conduct are fundamental principles that undergird our professional practice. Our steadfast adherence to these precepts is crucial to building trust and confidence among our stakeholders in the Firm and the professional services we provide. Our leadership actively monitors compliance with ethical policies and procedures, ensuring all personnel operate with integrity and adhere to our Code of Business Conduct.

In alignment with MIA By-Laws and ISQM requirements, we maintain a comprehensive framework for ethical standards through the Firm's Quality Management Manual. Relevant ethical requirements are introduced to staff during onboarding and reinforced through annual ethics training sessions. The following ethical requirements are listed in the Firm's Quality Management Manual:



Our commitment to maintaining independence is demonstrated through our robust rotation regime for our Engagement Partners, Engagement Quality Reviewers, and key audit personnel. This system specifically addresses familiarity threats and promotes professional scepticism, particularly for the statutory audit of Public Interest Entities (PIEs). Through this policy, we aim to ensure the integrity and objectivity of our audit engagements. As at 31 December 2024, UHY Malaysia was not involved in any litigation matter.



### Independence Procedures

Our firm maintains rigorous independence procedures that operate at both engagement and firm-wide levels. To ensure continuous compliance, Engagement Partners and professional staff are required to formally declare their independence at multiple checkpoints, including:

- ▶ Prior to audit commencement
- ▶ Upon audit completion
- ▶ Through annual firm-level declarations

Ethical requirements and regulation related policies encompass guidelines for relationships with audited entities, rotation procedures for key audit partners and senior audit personnel, fee structure, provision of non-audit services, and disclosure of financial interests by our personnel to mitigate potential self-interest threats and uphold objectivity in client interactions. These processes are reinforced through annual reviews of independence declarations, to ensure that we maintain objectivity and professional scepticism throughout all client engagements.

### Acceptance and Continuance of Client Relationships

The Firm maintains a structured framework of policies and procedures governing the acceptance of new engagements and continuation of existing client relationships, ensuring clarity and consistency in the process. For Public Interest Entity (PIE) audit engagements, our client acceptance protocol requires a multi-tiered approval process that is reviewed and approved by an Engagement Partner, which then needs the final approval of the Acting Managing Partner. Upon successful client acceptance or new engagement confirmation with existing clients, we formalise our professional relationship through engagement letters which sets out the scope of services, professional responsibilities, client obligations and terms of engagement.

Our acceptance and continuance evaluation process requires Engagement Partners to conduct thorough assessments considering multiple factors, with particular emphasis on independence and ethical considerations, professional competence alignment, and resource availability.

During the year, the Firm initiated various enhancements on our client acceptance process that included:

- ▶ Establishing comprehensive guidelines focused on background screening processes specifically for PIEs and its directors.
- ▶ Refining the internal procedures of international relationship checks for PIEs with international operations.
- ▶ Implementing training programme and formal communication outlining the enhanced client acceptance requirements to all audit personnel.

### Anti-Money Laundering (AML) Controls

UHY Malaysia maintains rigorous anti-money laundering controls aligned with regulatory requirements established by Bank Negara Malaysia (BNM), the designated authority overseeing the Anti-Money Laundering, Anti-Terrorism Financing, and Proceeds of Unlawful Activities Act 2001 (AMLA). Our policies are reviewed on a periodic basis to maintain ongoing alignment with BNM requirements.

In 2024, the Firm underwent a joint examination by the Malaysian Institute of Accountants (MIA) and BNM to assess AMLA compliance. The review encompassed comprehensive evaluation of our reporting obligations under Part IV of the AMLA, compliance with regulatory instruments, and adherence to the Policy Document on Anti-Money Laundering, Countering Financing of Terrorism, Countering Proliferation Financing (AML/CFT/CPF) and Targeted Financial Sanctions for Designated Non-Financial Businesses and Professions and Non-Bank Financial Institutions issued on 5 February 2024. The external review concluded with no findings noted, validating the effectiveness of our AML/CFT/CPF framework and controls.

# AUDIT QUALITY AND MONITORING

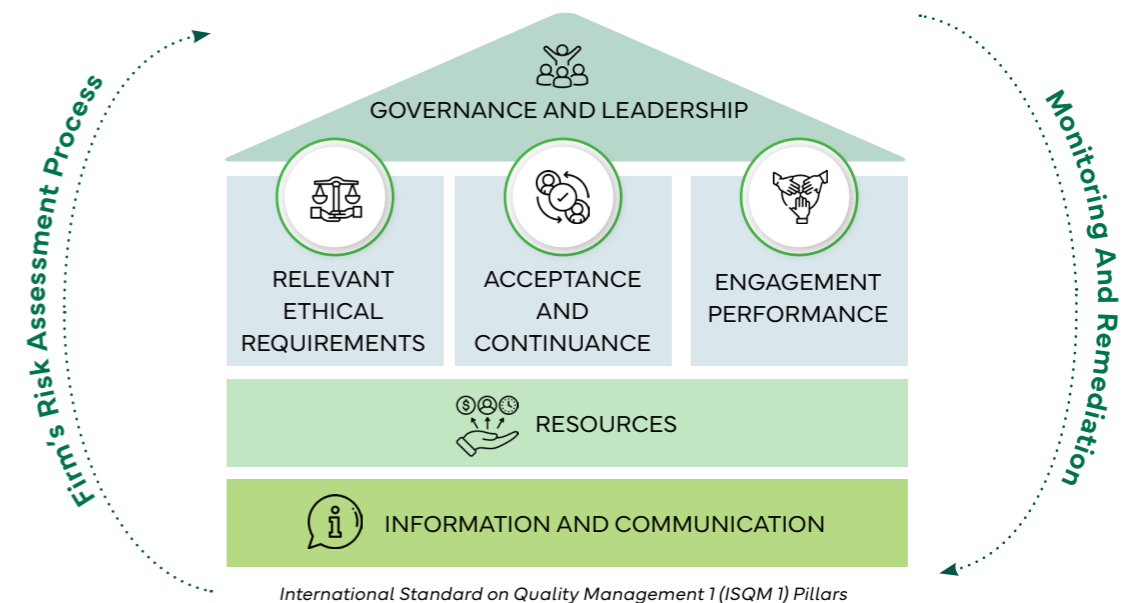
## System of Quality Management (SoQM)

### International Standard on Quality Management 1 (ISQM 1)

UHY Malaysia has established a comprehensive quality management system critical to delivering high-quality audit services that reinforce stakeholder and public confidence in the Firm. Since 15 December 2022, we have operated under the International Standard on Quality Management 1 (ISQM 1), which superseded the International Standard on Quality Control 1 (ISQC 1). This enhanced standard implements a risk-based approach to quality management across all audit, assurance, and related services engagements.

Our System of Quality Management (SoQM) is structured around eight fundamental components:

- ▶ Firm’s Risk Assessment Process
- ▶ Governance and Leadership
- ▶ Relevant Ethical Requirements
- ▶ Acceptance and Continuance of Client Relationships
- ▶ Engagement Performance
- ▶ Resources
- ▶ Information and Communication
- ▶ Monitoring and Remediation Process





In 2024, we further strengthened our SoQM through several key initiatives:

- ▶ Maintaining a dedicated ISQM 1 team with direct reporting lines to the Board of Partners
- ▶ Operating within an established ISQM 1 responsibility framework that spans strategic, process, and operational levels
- ▶ Establishing and monitoring quality objectives while implementing responses to identified risks
- ▶ Conducting comprehensive ISQM refresher training programmes
- ▶ Performing periodic reviews of processes and control mechanisms
- ▶ Engaging an independent subject matter expert to conduct a targeted review on our SoQM

Our commitment to audit quality is reinforced through an ongoing monitoring and remediation process. This structured framework enables us to evaluate the effectiveness of our quality management system, identify areas for enhancement, implement timely improvements, and ensure alignment with the Firm's quality objectives.

**International Standard on Quality Management 2 (ISQM 2)**

The International Standard on Quality Management 2 (ISQM 2) Engagement Quality Reviews has been operational since 15 December 2022, establishing comprehensive requirements for engagement quality review processes. ISQM 2 mandates specific policies and procedures governing the engagement quality reviewer's eligibility, appointment criteria, and documentation requirements.

Our engagement quality review framework applies to:

- ▶ Audits of financial statements of listed entities including other public-interest entities as defined in local legislation
- ▶ Audits or other engagements for which an engagement quality review is required by law or regulation; and
- ▶ Audits or other engagements for which the firm determines that an engagement quality review is an appropriate response to address one or more quality risk(s)



**The objective of the Firm, through appointing an eligible engagement quality reviewer, is to perform an objective evaluation of the significant judgments made by the engagement team and the conclusions reached thereon.**

In 2024, we strengthened our ISQM 2 compliance through the following targeted initiatives:



**Monitoring**

Our firm maintains a comprehensive monitoring and remediation framework that integrates systematic monitoring, stakeholder engagement, and continuous enhancement initiatives through internal and external channels. In compliance with both ISQM 1 requirements and our internal quality standards, we conduct annual monitoring of our audit work processes and documentation. Throughout the reporting period, we bolstered our monitoring and remediation framework with particular focus on five critical aspects:

Our engagement quality review framework applies to:

1. Strategic design and implementation of System of Quality Management (SoQM) monitoring processes
2. Systematic identification and evaluation of findings to determine if deficiencies exist
3. Comprehensive deficiency assessment, incorporating both root cause analysis and impact evaluation
4. Designing, implementing and monitoring targeted remediation actions
5. Holistic evaluation of SoQM effectiveness and stakeholder communication



**Our robust monitoring and remediation framework drives continuous improvement by systematically evaluating findings, conducting root cause analyses, and implementing proactive action plans to enhance engagement performance and SoQM operations.**

As an active participant in the UHY International network, our firm maintains representation on the Membership Quality Working Group (MQWG). This strategic committee, which reports directly to the UHY International Board, plays a pivotal role in shaping and overseeing network-wide quality standards. Through our involvement, we are actively contributing to the development and improvement of UHY International's quality monitoring framework.

During the year, the Firm also engaged an external independent subject matter expert to conduct a targeted review of our ISQM implementation. This external evaluation focused on the Firm's risk register for compliance with ISQM 1, with a particular emphasis on quality risk responses, policies, and procedures in areas identified as high risk. The review analysis culminated in several recommendations, and the Firm has proactively undertaken initiatives to enhance its risk register and implement practices aimed at addressing the recommendations.

### Engagement Review Committee (ERC)

The Engagement Review Committee (ERC) is one of our audit excellence initiatives which exemplifies our innovative approach to maintaining audit quality. The ERC distinguishes itself through its real-time “ERC coaching review”, facilitating immediate, interactive dialogue between the ERC and engagement teams. This approach enables constructive discussions of observations and improvement opportunities while audit engagement is in progress, maximising the immediate application of insights. The ERC coaching review’s effectiveness is underpinned by the expertise of our Partners and Principals, who serve as ERC coaches, bringing their extensive experience to the review process.

### Internal Practice Review

The Internal Practice Review programme serves as an internal monitoring and remediation machinery, incorporating a robust monitoring and remediation process to assess both engagement performance and SoQM effectiveness. This rigorous evaluation framework examines:

- ▶ Our compliance with professional standards, regulatory and legal requirements
- ▶ Whether the Firm’s SoQM has been appropriately designed and effectively implemented
- ▶ Whether our policies and procedures are appropriately applied, so that reports issued by the Firm or engagement partners are appropriate in the circumstances

Our firm-level review encompasses detailed examination of operational controls aligned with ISQM 1 and ISQM 2 requirements. Key findings are consolidated and communicated to the BOP and relevant key management personnel to facilitate quality enhancement initiatives. Key focus areas of our review process during the reporting period included:

- ▶ Ensuring the Firm’s policies and procedures are aligned with professional standards, regulatory expectations and legal requirements
- ▶ Obtaining written confirmations of compliance with independence policies and procedures
- ▶ Strengthening professional development through a comprehensive training regime designed to enhance the competencies and capabilities of our personnel
- ▶ Evaluating the acceptance and continuation of client relationships and engagements to maintain alignment with the Firm’s quality objectives
- ▶ Conducting rigorous assessments to identify necessary corrective actions and system enhancements, reinforcing a culture of continuous improvement
- ▶ Communicating identified areas for audit quality enhancement to relevant personnel, fostering transparency and accountability
- ▶ Assigning follow-up actions to designated personnel to ensure timely implementation and effective operation of the Firm’s policies and procedures.

At the engagement level, reviews on completed audit engagements are performed to ensure adherence to established policies and procedures. Our review methodology incorporates a risk-based sampling approach for completed audit engagements, where all Engagement Partners are subjected to an engagement-level review within a three-year rotation cycle. Result of the reviews is one of the benchmarks for a partner’s performance evaluation, reinforcing our commitment to audit quality.

Ratings of internal engagement reviews are classified as either Compliant (A), Improvements Required (B) or Non-Compliant (C). Reviews rated Grade A depict compliant reviews with findings that are of recommendation in nature, while Grade B depict deficiencies noted from the review with improvements required, and Grade C depict reviews with findings of major deficiencies noted. There were no engagements reviewed in 2024 that were classified as Non-Compliant (C).

Ratings	2024	2023	2022
(A) Compliant	2	7	3
(B) Improvements Required	-	-	-
(C) Non-Compliant	-	-	-
Total Engagements Selected	2	7	3

### Annual Evaluation of Firm System of Quality Management

Pursuant to ISQM 1, the Firm is required to evaluate its SoQM on an annual basis and make a conclusion on its effectiveness. The evaluation generally involves:

- ▶ A review of monitoring activities performed during the year, and the deficiencies and relevant remedial action taken
- ▶ A consideration of the results from external monitoring inspections
- ▶ Evaluation of the severity and pervasiveness of identified deficiencies and their effect on quality objectives of the Firm’s SoQM
- ▶ Consideration on effectiveness of remedial action taken
- ▶ Consideration if identified deficiencies have been rectified

The Board of Partners, which is ultimately responsible for the Firm’s SoQM, concluded as of 15 December 2024 the SoQM provides the Firm with reasonable assurance that the system’s objectives are being achieved.

### UHY International Quality Review

As an independent member of the UHY International network, the Firm undergoes annual compliance reporting under the UHY Audit Member Quality Expectations (AMQE) Programme. This process requires the Firm to report key aspects of its quality management framework to UHY International, including the results of its annual firm-level review and confirmation of continued compliance with ISQM 1 and international auditing standards.

As a member of the Forum of Firms, the Firm benefits from UHY International’s monitoring and oversight, ensuring that our audit practices are aligned with global quality standards. The completed AMQE Programme during the year reaffirmed our compliance with ISQM 1 and UHY International requirements. In regard to engagement-level reviews, the Firm was not selected for an engagement review by the network during the reporting period.

### Regulatory Monitoring

UHY Malaysia, an audit firm registered with the Malaysian Institute of Accountants (MIA), is subject to external monitoring by various external professional and regulatory bodies. The Securities Commission Malaysia Act 1993 (SCMA) establishes a framework to enable the Audit Oversight Board (AOB) of the Securities Commission Malaysia to govern the registration of statutory auditors of public interest entities (PIEs). In addition to our internal monitoring process, we are subject to monitoring by the AOB and the US Public Company Accounting Oversight Board (PCAOB).

During the year, the AOB conducted a regular inspection on the Firm in July 2024. The scope of AOB regular inspections generally involve firm-level review and a sample selection of its PIE audit engagements. A total of three engagements were selected for review by AOB, of which one engagement reviewed had no findings while the remaining two PIE audit engagements had at least one finding. There have not been any actions taken by the authorities or regulators on the Firm or its audit partners during the year.

For engagements where high priority observations were noted, we have conducted comprehensive root cause analysis. This analytical approach enables us to identify fundamental factors contributing to inspection findings, develop targeted remediation measures, and implement sustainable solutions that address underlying challenges.

External oversight by the AOB plays an instrumental role in improving our audit quality. The inspection process provides valuable independent perspectives that complement our internal monitoring mechanisms. We conduct comprehensive evaluations of the observations raised during the inspection to identify opportunities for enhancing audit quality and strengthening our SoQM.

# ENVIRONMENTAL, SOCIAL, AND GOVERNANCE (ESG)

With growing emphasis from stakeholders and institutional investors, ESG considerations have become a key focus in capital markets. The scrutiny on public listed companies' ESG credentials has intensified, driven by evolving regulatory requirements and the increasing importance of responsible investing.

## Strengthening Our ESG Capabilities and Contribution

Recognising the increasing focus on ESG in regulatory frameworks and capital markets, we have invested in upskilling our team to better support clients in navigating sustainability reporting requirements. The National Sustainability Reporting Framework (NSRF), launched by the Finance Minister II on 24 September 2024, supports capacity building and implementation through PACE (Policy, Assumptions, Calculators, and Education).

As part of this initiative, our key professionals successfully completed the Global Reporting Initiative (GRI) Professional Certification Programme, which was partially sponsored by the Audit Oversight Board (AOB) under the NSRF. This programme, significantly subsidised by the AOB, provided comprehensive training in key areas such as Bursa Malaysia's Sustainability Reporting Framework, alignment with ISSB (International Sustainability Standards Board) standards, and best practices for material disclosures. These competencies position us to better assist clients in meeting regulatory expectations, climate-related disclosures, and stakeholder demands for transparency.

At the international level, we continued our active participation in UHY International's ESG Working Group, contributing to significant discussions on the future of sustainability assurance and reporting. Key outcomes include:

- ▶ The finalisation of ISSA 5000, an International Standard on Sustainability Assurance, enhancing the credibility of ESG assurance engagements globally.
- ▶ Collaborative efforts to align ESG assurance methodologies across the UHY network.
- ▶ The development of a global sustainability report, reinforcing transparency and consistency in ESG reporting.

Through these initiatives, our Firm remains committed to embedding sustainability principles into our operations and advisory services. We aim to empower our clients to align with global ESG standards while fostering long-term business resilience and environmental stewardship.

# APPENDIX A: AFFILIATED ENTITIES

UHY Malaysia PLT (UHY Malaysia) is affiliated with several incorporated entities in Malaysia that form part of UHY in Malaysia. These affiliates provide synergistic services that include tax compliance and advisory, risk advisory, financial advisory and internal shared services as separate legal entities:

- |                                      |   |
|--------------------------------------|---|
| 1. UHY Advisory (KL) Sdn. Bhd.       | 7. UHY Malaysia China Business Advisory Sdn. Bhd. |
| 2. UHY Tax Advisory Sdn. Bhd.        | 8. UHY Insolvency Services                        |
| 3. UHY Governance Sdn. Bhd.          | 9. UHY (MM2H) Sdn. Bhd.                           |
| 4. UHY Trust Int'l Limited           | 10. UHY GST Consulting Sdn. Bhd.                  |
| 5. UHY Consulting Services Sdn. Bhd. | 11. UHY ERM Debt Recoveries Sdn. Bhd.             |
| 6. UHY FLVS Sdn. Bhd.                |   |

## Disclosure of Other Ownership Information

The ownership structure of partners with equity share in the partnership consists of:

Range of Equity Share Held (%)	Number of Partners
10% and below	1
11% to 20%	1
71% to 80%	1

The equity partners wish to highlight the Board of Partners' proactive role in overseeing succession planning and ensuring the long-term sustainability of the Firm. This commitment is reinforced through a structured framework for the admission and promotion of both equity and non-equity partners. The framework also fosters a culture of mentorship, encouraging current partners to guide their successors in developing essential skills and professional acumen.

As outlined in earlier sections of this report, the Firm's governance structure has been carefully designed and implemented to mitigate potential conflicts between ownership, financial interests, and the professional ethical standards to which all our professionals are held accountable.

## Disclosure of Family Relationships

There are no family relationships between Partners undertaking leadership roles or holding substantial equity in UHY Malaysia with other Partners of UHY Malaysia.

## APPENDIX B:

### AUDIT QUALITY INDICATORS (AQIs)

The UHY Malaysia leadership uses a mix of indicators or AQIs to track how well the Firm's leadership strategies and enhancements are being implemented, in support of the overall performance of its system of quality management.

AQI	INDICATOR	FY 2024	FY 2023	FY 2022	
Workload of PIE audit partners	Average number of PIEs per partner	6	6	6	
	Average number of entities related to PIEs per partner	77	83	79	
	Average number of non-PIEs per partner	37	38	40	
Auditor independence	Proportion of fee income derived from audit clients segregated into:*				
	Statutory audit services	82%	78%	85%	
	Other assurance services	11%	14%	5%	
	Non-audit practice	7%	8%	10%	
	Proportion of fee income between:				
	Audit practice	81%	72%	62%	
	Non-audit practice	19%	28%	38%	
Capacity and competence of the audit practice	Headcount of the audit personnel:				
	Partners	10	11	11	
	Managerial staff	32	35	18	
	Non-managerial staff	107	126	107	
		Total	149	172	136
	Percentage of audit personnel with professional qualifications:				
	With professional qualifications and/or MIA membership	19%	18%	19%	
	Pursuing professional qualifications and/or MIA membership	62%	68%	60%	
	Without professional qualifications and/or MIA membership	19%	14%	21%	
	Turnover rate for audit personnel	39%	20%	34%	
	Average years of experience of audit personnel:				
	Partners	19.4	16.5	15.5	
	Managerial staff	8.5	8.0	10.4	
	Non-managerial staff	1.7	1.6	1.6	
	Audit Staff Role	Percentage of audit staff with years of experience in the assigned role as at 31 December 2024			
		< 1 year	1 – 3 years	3 – 5 years	> 5 years
	Partner	10%	20%	30%	40%
Managerial staff	19%	34%	6%	41%	
Non-managerial staff	43%	48%	4%	5%	
Average	36%	43%	6%	15%	

AQI	INDICATOR	FY 2024	FY 2023	FY 2022
Audit engagement supervision	Staff to partner ratio	13.9	14.6	11.4
	Staff to manager ratio	3.3	3.6	5.9
Audit firm's investment to uphold audit quality	Average hours of training provided by the audit firm to audit personnel: **			
	Partners	119	138	82
	Managerial staff	86	142	62
	Non-managerial staff	74	82	67
	Headcount of quality control functions (training, risk management, technical functions)***	16	17	16
	Ratio of quality control staff to audit staff	9	10	9
Internal and external monitoring reviews****	Number of engagements subjected to internal review by the local firm*****	2	7	3

\*There is no instance where the total fees from a PIE audit client and its related entities represent more than 15% of the total fees received by UHY.

\*\*Training information is provided based on calendar year.

\*\*\*Includes 13 (FY23: 13, FY22: 12) personnel who have other roles within the Firm, such as being involved in audit engagements and other firm-wide risk responsibilities that complement their position in the Firm's quality management function.

\*\*\*\* Results of external monitoring reviews are discussed in the Audit Quality and Monitoring section.

\*\*\*\*\* The grading system is categorised into 3 grades, namely Grade A, B and C. Grade A rating depicts reviews with minor findings (findings that are of recommendation for improvements in nature), whilst grade B is for reviews with normal findings (findings of deficiencies noted), and grade C for reviews with major findings (findings of major deficiencies noted).



## APPENDIX C:

### LIST OF PUBLIC INTEREST ENTITIES (PIEs)

The following are a list of public interest entities in Malaysia (as defined by Schedule 1, Securities Commission Malaysia Act (1993) audited by UHY Malaysia PLT (UHY Malaysia) as at 31 December 2024:

1	ADVANCE INFORMATION MARKETING BERHAD	30	LBI CAPITAL BERHAD
2	ADVANCECON HOLDINGS BERHAD	31	LBS BINA GROUP BERHAD
3	AHB HOLDINGS BERHAD	32	LIEN HOE CORPORATION BERHAD
4	AJIYA BERHAD	33	MGB BERHAD
5	ARK RESOURCES HOLDINGS BERHAD	34	MIECO CHIPBOARD BERHAD
6	ASIAN PAC HOLDINGS BERHAD	35	MPIRE GLOBAL BERHAD
7	CABNET HOLDINGS BERHAD	36	MULTI-USAGE HOLDINGS BERHAD
8	CHIN HIN GROUP BERHAD	37	NEXTGREEN GLOBAL BERHAD
9	CHIN HIN GROUP PROPERTY BERHAD	38	PESONA METRO HOLDINGS BERHAD
10	COUNTRY HEIGHTS HOLDINGS BERHAD	39	PUC BERHAD
11	CUSCAPI BERHAD	40	REKATECH CAPITAL BERHAD
12	DESTINI BERHAD	41	SCC HOLDINGS BERHAD
13	DIGISTAR CORPORATION BERHAD	42	SECUREMETRIC BERHAD
14	DPS RESOURCES BERHAD	43	SIGNATURE INTERNATIONAL BERHAD
15	EDEN INC. BERHAD	44	SIK CHEONG BERHAD
16	EDUSPEC HOLDINGS BERHAD	45	SIN-KUNG LOGISTICS BERHAD
17	EG INDUSTRIES BERHAD	46	SOUTH MALAYSIA INDUSTRIES BERHAD
18	FIAMMA HOLDINGS BERHAD	47	SYCAL VENTURES BERHAD
19	G CAPITAL BERHAD	48	TA WIN HOLDINGS BERHAD
20	HEXTAR RETAIL BERHAD	49	TRI-MODE SYSTEM (M) BERHAD
21	HO HUP CONSTRUCTION COMPANY BERHAD	50	TWL HOLDINGS BERHAD
22	ICONIC WORLDWIDE BERHAD	51	UCREST BERHAD
23	IDEAL CAPITAL BERHAD	52	UNI WALL APS HOLDINGS BERHAD
24	IFCA MSC BERHAD	53	UNIMECH GROUP BERHAD
25	IVORY PROPERTIES GROUP BERHAD	54	VIZIONE HOLDINGS BERHAD
26	JAKS RESOURCES BERHAD	55	WATTA HOLDING BERHAD
27	JIANKUN INTERNATIONAL BERHAD	56	WINSTAR CAPITAL BERHAD
28	KEY ASIC BERHAD	57	XOX NETWORKS BERHAD
29	KJTS GROUP BERHAD	58	XOX TECHNOLOGY BERHAD

## GLOSSARY

ACSR	Advisory Committee on Sustainability Report	
AE	Audit Excellence	
AI	Artificial Intelligence	
AMAA	Audit Methodology and Accounting Advisory	
AMLA	Anti-Money Laundering, Anti-Terrorism Financing, and Proceeds of Unlawful Activities Act 2001	
AML/CFT/CPF	Anti-Money Laundering, Countering Financing of Terrorism, and Countering Proliferation Financing	
AMQE	Audit Member Quality Expectations	
AOB	Audit Oversight Board	
AQI	Audit Quality Indicators	
ASEAN	Association of Southeast Asian Nations	
ATT	Audit Technology and Transformation	A
BNM	Bank Negara Malaysia	
BOP	Board of Partners	B
CEO	Chief Executive Officer	
CMC	Country Management Committee	
CPD	Continuing Professional Development	C
E&I	Ethics and Independence	
ERC	Engagement Review Committee	
ESG	Environmental, Social, And Governance	E
GRI	Global Reporting Initiative	G
IFAC	International Federation of Accountants	
IPO	Initial Public Offerings	
ISA	International Standard on Auditing	
ISQC	International Standard on Quality Control	
ISQM	International Standard on Quality Management	
ISSA	International Standard on Sustainability Assurance	
ISSB	International Sustainability Standards Board	
IT	Information Technology	I
L&D	Learning and Development	
LLP	Limited Liability Partnership	L
MFRS	Malaysian Financial Reporting Standards	
MIA	Malaysian Institute of Accountants	
MIHRM	Malaysian Institute of Human Resource Management	
MQWG	Membership Quality Working Group	M
NSRF	National Sustainability Reporting Framework	N
PCAOB	Public Company Accounting Oversight Board	
PDC	Property Development and Construction	
PIE	Public Interest Entities	P
QM	Quality Management	Q
ROI	Return on Investment	
RQMC	Risk and Quality Management Committee	R
SC	Securities Commission Malaysia	
SCMA	Securities Commission Malaysia Act	
SOBA	Star Outstanding Business Awards	
SoQM	System of Quality Management	S
UHY	Urbach Hacker Young	U



## Group Offices in Malaysia

### KUALA LUMPUR

Suite 11.05, Level 11,  
The Gardens South Tower,  
Mid Valley City,  
Lingkaran Syed Putra,  
59200 Kuala Lumpur.

Tel: +60 (3) 2279 3088  
Fax: +60 (3) 2279 3099  
Email: uhy-kl@uhy-my.com

### PENANG

51-16-D,  
Menara BHL Bank,  
Jalan Sultan Ahmad Shah,  
10050 George Town,  
Penang, Malaysia.

Tel: +60 (4) 291 9872  
Email: uhy.pg@uhy-my.com

### JOHOR BAHRU


Lot 19.01, Level 19,  
Public Bank Tower,  
19, Jalan Wong Ah Fook,  
80000 Johor Bahru,  
Johor, Malaysia.

Tel: +60 (7) 222 2828  
Fax: +60 (7) 222 2829  
Email: uhy-jb@uhy-my.com


### ASSOCIATE, PENANG

UHY TAC,  
51-11-F, Menara BHL Bank,  
Jalan Sultan Ahmad Shah,  
10050 George Town,  
Penang, Malaysia.

Tel: +60 (4) 2100 100  
Fax: +60 (4) 2100 101  
Email: uhy-pg@uhy-my.com

 LinkedIn  
@uhy-malaysia

 Facebook  
@UHYMalaysia

 Instagram  
@life.at.uhy





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