

Considerations When Verifying the Circumstances of an Auditor Change with the Former Audit Firm

- When the stock exchange and the lead underwriter securities company verify the circumstances of an auditor change with the former audit firm, they should give due consideration to the position of the former audit firm and keep the following points in mind to ensure the smooth conduct of meetings and other communications.
 - ✓ Prior to meeting with the former audit firm, the stock exchange and the lead underwriter securities company should verify the circumstances of the auditor change based on information obtained from the company preparing for listing and the successor audit firm. In particular, after obtaining the necessary permissions, they should obtain from the company preparing for listing materials such as management letters and short review reports submitted by the former audit firm, understand in advance the matters identified by the former audit firm, and confirm that such matters have been appropriately taken over by the successor audit firm.
 - ✓ Meetings and other communications with the former audit firm should be conducted from the perspective of **verifying that there are no inconsistencies between the matters confirmed in advance and the explanations provided by the former audit firm.**

Example: Flow for Verification in Auditor Change Situations

