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Baker Tilly Cyprus Transparency Report

1 January 2025 -31 March 2026

Now, for tomorrow

mha | An independent member of bakertilly INTERNATIONAL

Contents

Foreword

The period from 1 January 2025 to 31 March 2026 was one of careful preparation and strategic planning for our Firm, culminating in the successful completion of our merger with MHA on 11 August 2025.

Background to the Transparency Report

This Transparency Report is in respect of Baker Tilly Cyprus and covers the period from 1 January 2025 to 31 March 2026, due to the change in our financial year end from 31 December to 31 March. This change has resulted from the merger of Baker Tilly South East Europe with MHA, which is a UK based audit and accounting firm listed on the Alternative Investment Market ("AIM") in the UK.

Further to the merger of Baker Tilly South East Europe with MHA on 11 August 2025, we undertook a comprehensive programme of planning aimed at strengthening our governance, enhancing audit quality, and aligning with best practice in anticipation of operating as part of a listed entity n UK.

As the first firm in the region to merge with an AIM-listed group, Baker Tilly South East Europe sets a new benchmark in leadership and expansion. This move accelerates our presence across the world's top financial markets and strengthens our capabilities in audit, tax, advisory, legal, and corporate services, positioning us at the forefront of global professional services.

Through the merger, we have grown our expertise through specialized recruitment and enhanced our methodologies and training to drive improvements. We successfully adopted the relevant technological resources used by MHA and enhanced our audit platform moving to a cloud-based solution.

We remain committed to transparency and to serving the public interest in all that we do. This report outlines how we discharged our responsibilities during the 15-month period ended 31 March 2026, and how our focus on audit quality and independence remains central to our long-term strategy.

Looking ahead, the merger that took place in August 2025 mark a new chapter for our Firm. We are confident that the groundwork laid during this reporting period provides a strong platform for the future one built on integrity, resilience, and trust.

In this Transparency Report, Baker Tilly Cyprus is referred to as "the Firm", "we", "our", or "its". The Firm is part of the Baker Tilly South East Europe (BTSEE) network.

Baker Tilly South East Europe is an accounting and advisory group that offers assurance, tax, and advisory services across all sectors of the industry, operating under a unified structure, directed by a central management team, operating through 7 offices in 5 countries by 12 Partners, 24 directors and more than 300 professionals.

Baker Tilly South East Europe is an independent member of Baker Tilly International and holds practice rights to provide professional services using the "Baker Tilly" trade name in five countries – Cyprus, Greece, Romania, Bulgaria, and Moldova.

Baker Tilly South East Europe has established five separate country-holding companies, all registered in Cyprus (one for each country that it operates in), and each country-holding company holds local operational companies in the relevant country of operation.

Baker Tilly South East Europe Alliance (the Alliance) is a regional alliance of independently owned local accounting and professional service firms with similar client service goals. The Alliance presents an opportunity to access the resources of Baker Tilly South East Europe and to expand services to their clients without jeopardizing their existing relationships or their autonomy. In the wake of a changing business landscape, the Alliance was developed to provide member firms with an alternative strategy for gaining competitive advantage. With 9 member firms, the Alliance (Appendix- 2) represents all key locations and includes a comprehensive range of services.

This Transparency Report has been prepared solely in respect of the activities of Baker Tilly Cyprus. It does not cover any of its subsidiaries or other firms within the Baker Tilly International network, or of Baker Tilly South East Europe network.

We are Baker Tilly South East Europe.

Independent member of Baker Tilly International and provider of audit, tax, consulting and advisory services.

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Staff	Partners	Offices

Executive summary

This Transparency Report sets out how Baker Tilly Cyprus has discharged its responsibilities as a statutory audit firm and Public Interest Entity (PIE) auditor for the period ended 31 March 2026, in accordance with the requirements of EU Regulation 537/2014 and the provisions of the Auditors' Law of Cyprus.

The report provides insight into the Firm's governance, risk management, audit quality systems, and public interest responsibilities, and reflects the continued evolution of Baker Tilly Cyprus as a leading national audit provider within a global network.

2025 was a transformative year for Baker Tilly South East Europe. On 11 August 2025, we completed our strategic merger with MHA, the UK-based member firm of the Baker Tilly International Network. This merger marks a significant milestone in our development. It integrates our operations more closely with MHA's established platform, strengthens our presence across Europe, and enhances our ability to deliver seamless services to our clients.

This merger builds on our long-standing membership in the Baker Tilly International network and positions the combined group for accelerated expansion, deeper sector capabilities, and greater resources to invest in technology, talent, and quality infrastructure. As Baker Tilly South East Europe, we remain fully committed to upholding the highest standards of professional excellence, ethics, and independence that have defined our Fiirm for over 25 years in the region.

Audit Quality and Professional Standards

Audit quality remains the cornerstone of the Firm's professional responsibilities and a central element of our strategy.

The Firm's audit quality strategy is designed to ensure that engagements are performed in accordance with the applicable professional standards, regulatory requirements, and ethical principles, while maintaining a strong focus on independence, professional scepticism and technical excellence.

During the period, the Firm completed a strategic merger with MHA. This development represents an important milestone in the Firm's growth and enhances our ability to deliver high-quality audit and assurance services through access to broader technical expertise, strengthened methodologies, and expanded professional, technological and intellectual resources across the network. As part of the integration process, the Firm is in the process of adopting enhanced quality management policies, methodologies, and training programmes aligned with the MHA's established standards and best practices.

The Firm continues to invest in the development of its professionals through training, technical support, and internal quality monitoring. Insights from internal inspections, network reveiws, and regulatory feedback are incorporated into our continuous improvement processes.

Through continuous investment in technology, professional development, and quality monitoring, the Firm seeks to maintain a strong culture of quality and accountability and to ensure that our audit work consistently meets the expectations of regulators, stakeholders, and the public interest.

Ethics and Independence

Ethical behaviour and independence are embedded in the Firm's ethical culture and form a key component of our System of Quality Management. The Firm's ethical culture is supported by the Firm's Ethics & Independence Committee, chaired by the Ethics Partner, and a comprehensive set of policies aligned with the International Code of Ethics for Professional Accountants and the applicable EU and local ethical requirements.

The Firm maintains policies and procedures designed to identify, evaluate, and manage potential threats to independence in accordance with the requirements of the Code and applicable regulatory requirements. The Ethics Partner works closely with the Ethics Committee to ensure that the Firm's policies remain aligned with evolving professional standards and regulatory expectations.

Through these structures and procedures, the Firm seeks to maintain a strong ethical culture and to safeguard the independence and objectivity of its professionals in the performance of their duties in the public interest.

People, Inclusion, and Growth

Our goal is to ensure a clear, consistent, and people-first approach. We are committed to building one cohesive culture across all regions, underpinned by transparency, trust, and effective systems. Growth has been accompanied by continued investment in recruitment, training, inclusion, and career progression. Ultimately, we aim to cultivate a unified culture that supports engagement, retention, and reinforces our one Firm approach. The Firm continues to support both graduate and school-leaver pathways and remains committed to improving diversity, wellbeing, and access to the profession.

Risk Management and Mitigation

Risk management is integral to our governance framework and underpins our strategic direction, operational effectiveness, audit quality, and public interest responsibilities. As the discipline evolves from a compliance-oriented function to a strategic enabler, Baker Tilly South East Europe is proactively embedding a strong risk-aware culture across the Firm. This approach not only strengthens our resilience but also supports sustainable growth and innovation, ensuring we remain well-positioned to navigate an increasingly complex risk landscape.

Conclusion

Transparency and accountability are core to our values. This Transparency Report demonstrates our ongoing commitment to the public interest, to professional excellence, and to building a Firm that is resilient, inclusive, and forward-looking. Throughout the period we continued to uphold the highest standards of audit quality and professional ethics. Our system of quality management remained robust, supported by ongoing investment in our people, technology, and methodologies aligned with Baker Tilly International's Global Focus approach. We successfully completed internal and external quality reviews, with no significant findings that impacted our ability to serve public interest entities and other clients effectively.

We remain committed to delivering high-quality, independent audits that serve stakeholders, the capital markets, and society with integrity and purpose. We have exhibited steady growth in our core services despite broader market challenges. This stability, combined with the strategic benefits of MHA integration, provides a strong foundation for future development. The year ahead will see the Firm embed the reforms introduced post-merger, strengthen the firm's system of quality management, accelerate audit quality improvements, and continue building trust through transparency and accountability.

CLeadership Messages

Marios A. Klitou,
Group CEO

I am pleased to introduce our Transparency Report, Driven, which provides an overview of our legal structure, governance framework, audit quality initiatives, and ongoing commitment to public interest responsibilities.

The Driven theme of this report reflects not only our aspirations as a firm in the MHA Group which is newly listed in the UK, but also the determination and focus we applied during the past year as the firm expanded and in laying the groundwork for sustainable, high-quality audit that supports the Firm's growth.

This report covers the 15-month period from 1 January 2025 to 31 March 2026. It sets out the foundations laid in anticipation of the milestones that we aim to achieve in the coming years, including strengthened quality management systems. Enhanced technological capabilities, and continued expansion across South East Europe.

Sustained Growth and Strategic Expansion

The period to 31 March 2026 was a defining period for Baker Tilly South East Europe. During the period, our firm completed its integration into MHA, marking an important milestone in our regional strategy. This step significantly strengthened our governance framework, enhanced our technical and professional capabilities, and further reinforced our commitment to delivering high-quality services across our markets.

The expansion of our network has enabled us to better serve an increasingly complex and international client base, while maintaining a strong focus on public interest responsibilities. Our regional footprint, combined with access to broader technical expertise and global best practices, positions us well to support clients navigating regulatory change, economic uncertainty, and growth opportunities.

As we continue to build scale and depth across South East Europe, our focus remains on sustainable growth — growth that is underpinned by quality, integrity, and long-term value creation for clients, people, and the wider economy.

Audit Quality and Governance

Audit quality remains central to our firm's purpose and to the trust placed in us by stakeholders. Throughout the period, we continued to invest in strengthening our audit methodology, quality management systems, and professional judgment processes, ensuring full alignment with international standards and regulatory expectations. The integration into the MHA network has further enhanced our quality framework, providing access to additional technical resources, specialist expertise, and independent oversight. This has supported continuous improvement across our audit practice and reinforced a culture where professional skepticism, independence, and consistency are paramount. Strong governance underpins high-quality outcomes. Our governance structures continue to evolve to reflect the scale and complexity of our firm, ensuring effective oversight, clear accountability, and robust risk management across the region.

Culture and Oversight

Our people and our culture remain at the heart of Baker Tilly South East Europe. Over the period, we have placed significant emphasis on strengthening our leadership, oversight, and internal control environment, ensuring that our values are consistently reflected in how we operate.

We have continued to enhance our governance and oversight arrangements, including the development of our leadership framework and the reinforcement of ethical standards across the firm. These efforts support a culture that encourages openness, collaboration, and professional excellence, while providing the necessary challenge and independence expected of a leading professional services firm. As our firm grows, maintaining a strong, values-driven culture remains a priority.

We are committed to investing in our people, developing future leaders, and ensuring that our organizational culture continues to support high standards of quality and integrity.

Looking Ahead

The coming period will present both opportunities and challenges. The regulatory environment continues to evolve, client expectations are rising, and economic conditions remain uncertain. Against this backdrop, our strategy is clear: to continue strengthening audit quality, enhancing governance, and investing in our people and technology.

We are confident that the foundations we have put in place — through strong governance, disciplined growth, and a clear commitment to quality — position Baker Tilly South East Europe well for the future. As Group CEO I remain grateful to our partners, staff, and stakeholders for their continued trust and commitment.

We look ahead with confidence, focused on delivering long-term value while upholding the highest professional and ethical standards.

Moisis Aristidou
Head of Audit and Assurance and Ethics and Independence Partner

"Audit quality is at the core of our Assurance practice, driven by a consistent, risk-focused approach and a strong system of quality management".

As Head of Assurance of Baker Tilly South East Europe, I am pleased to present our update on our audit quality for the period from 1 January 2025 to 31 March 2026.

In a landscape shaped by evolving regulatory requirements and increasing stakeholder expectations, we recognize that audit quality is fundamental to maintaining public trust. Our focus throughout the period has remained clear: to enhance consistency, strengthen our audit approach, and support our teams in delivering high-quality audits across the Firm.

We have continued to invest in our audit methodology, tools, and processes to ensure a robust and consistent approach to audit execution. This includes strengthening supervision and review procedures, enhancing documentation standards, and providing targeted training to support our professionals in addressing increasingly complex audit areas. Our approach remains risk-focused and aligned with applicable professional standards.

Quality management remains a key priority. We maintain ongoing monitoring and evaluation processes to assess the effectiveness of our system of quality management, identify areas for improvement, and implement timely remediation actions where required. This continuous cycle supports our objective of embedding audit quality into all aspects of our work. We also recognize the importance of clear accountability and strong engagement from leadership in driving quality outcomes. By reinforcing a culture where quality is a shared responsibility, we ensure that ethical considerations, professional skepticism, and technical excellence are consistently applied.

Looking Ahead

As Baker Tilly South East Europe continues to develop, we remain focused on further enhancing our audit quality framework. We will continue to invest in our people, technology, and processes, while strengthening our quality management systems and monitoring activities. Audit quality is a continuous journey. We are committed to ongoing improvement, maintaining high standards, and reinforcing the trust placed in us by our clients, regulators, and the wider public.

As the Ethics and Independence Partner of Baker Tilly South East Europe, I am pleased to present our update on our approach to ethics and independence during the 15-month period ending 31 March 2026.

Our role is to ensure full compliance with the IESBA Code of Ethics (the Code), while upholding the principles that shape the culture, behaviour, and integrity of our people. We are fully conscious of the responsibilities that arise from the Code and remain committed to embedding these standards consistently across all aspects of our work and operations.

The Ethics function works closely with leadership and our teams to support consistent, well-informed decision-making. Through the implementation of clear policies and procedures, regular training, and ongoing monitoring, we ensure that independence requirements are understood and applied in practice. We also provide timely guidance on complex or emerging matters, helping our professionals navigate ethical considerations with confidence.

We maintain a proactive approach to identifying, assessing, and addressing potential risks to independence and ethical compliance. This includes continuous review of our systems and processes, as well as reinforcing a culture where ethical considerations are an integral part of everyday business decisions. Our objective is not only to meet regulatory requirements, but to embed ethical thinking into the way we operate as a firm. We recognise the importance of maintaining strong ethical foundations. We remain committed to acting with integrity, safeguarding our independence, and upholding the trust placed in us by our clients, regulators, and the wider public.

As part of the merger process, ethics and independence reviews were performed within the MHA Group, including consideration of potential conflicts. No breaches of ethics or independence requirements were identified

Looking ahead

As Baker Tilly South East Europe continues to evolve, we remain focused on further strengthening our ethics and independence framework. We will continue to enhance our policies, training, and monitoring processes, while supporting our people in navigating increasingly complex ethical considerations. Our priority is to ensure that the principles of the IESBA Code remain fully embedded in our culture, reinforcing trust and maintaining the highest standards of professional conduct.

D About us

Purpose

Baker Tilly South East Europe exists to serve the public interest by delivering high-quality, independent audit and assurance services that foster trust in financial reporting. The Firm's purpose is grounded in its role as a responsible, professional services provider committed to upholding integrity, transparency, and ethical standards in everything it does.

This purpose is not only relevant to regulatory compliance or technical accuracy, it also informs the Firm's broader contribution to its stakeholders, colleagues, and society. It is reflected in the way the Firm governs itself, the expectations it places on its people, and the accountability it accepts as an auditor of public interest entities and other significant organizations.

In a period of significant transition marked by corporate growth, organisational restructuring, and becoming part of a publicly listed group the clarity of purpose has served as an anchor. It has guided decision-making, reinforced the importance of audit quality, and ensured a consistent focus on long-term value creation.

As the Firm grows, our commitment to this purpose strengthens. Delivering consistently high standards, maintaining independence, and supporting a culture that values integrity and challenge will remain central to our future direction.

Culture and Values

The culture at Baker Tilly South East Europe is founded on our Code of Conduct and on a clear set of values that guide behaviours, shape leadership, and support the delivery of high quality services. Our STAR values (Service, Teamwork, Attitude, and Relationships) fosterintegrity and are embedded in the Firm's governance, performance management, and day-to-day decision-making.

The Firm's culture is not static; it is continuously reinforced through leadership tone, communication, and the systems that reward and support expected behaviours. As the business has grown—both organically and through mergers—ensuring the consistency of that culture across new offices and jurisdictions has been a key area of focus. A structured approach to onboarding, leadership engagement, and cultural integration has been vital in maintaining shared expectations and aligning new teams with the Firm's standards.

Our merger into a listed group structure has heightened the importance of cultural integrity. Public ownership brings with it increased scrutiny, and a responsibility to demonstrate that actions and decisions are guided by more than commercial imperatives. In this context, the Firm has continued to prioritise a culture of transparency, ethical leadership, and professional excellence.

Accountability and challenge are also core to the Firm's internal culture. Senior leadership is expected to model appropriate behaviours, and employees are encouraged to speak up and raise concerns without fear of reprisal.

Baker Tilly South East Europe recognises that a strong, inclusive, and ethical culture is not only the foundation for audit quality—it is also essential to long-term resilience and public trust.

Reward and Recognition

Baker Tilly's approach to reward and recognition is designed to attract, retain, and motivate high-performing individuals while aligning incentives with the Firm's values, culture, and commitment to audit quality.

The framework seeks to reward not only technical competence and commercial contribution, but also integrity, collaboration, leadership behaviour, and the promotion of a strong ethical environment. During the period the firm rolled out role profiles for all levels of staff which set out clear expectations of performance and behaviours for each role, including commitments to quality and technical excellence.

The Firm operates a structured performance management process, underpinned by the new role profiles, regular feedback, clear objectives, and competency-based assessments.

Individuals' contributions are recognised both formally —through progression, bonuses, and promotion— and informally, through internal recognition schemes and local initiatives.

Reward outcomes are determined taking into consideration key performance indicators, client service outcomes, people metrics, and leadership behaviours. For senior individuals involved in audit, the Firm also considers the results of internal and external file reviews, adherence to professional standards, and contributions to the wider audit strategy.

Recognition of non-financial contributions—such as mentoring, inclusion efforts, and technical leadership—is a growing priority. The Firm is continuing to develop mechanisms to ensure these contributions are appropriately valued and visible in career development.

Pay equity, transparency, and fairness remain core principles of the reward strategy. The Firm continues to review pay and progression data to ensure that outcomes are consistent with its commitments to diversity, inclusion, and equal opportunity.

Reward and recognition play a vital role in reinforcing the behaviours and standards the Firm expects of its people, and will remain closely aligned with its quality, ethics, and governance objectives as the business continues to evolve.

People and Culture

More Than A Number

At Baker Tilly South East Europe, people are more than a number – they are part of something bigger. From the start, it has always been about people. Our culture is at the heart of who we are, guided by our values and driven by our ambition to grow together.

That's how we create a better tomorrow for our colleagues and stakeholders. When new colleagues join our teams, they experience fulfilling careers and are truly celebrated as individuals. Through it all, they will work with a variety of clients and have the support they need to leave their mark, no matter what path they choose.

What makes us special is our belief in our people, their ideas, contributions, and unique perspectives. It's not about title, background, or where they've been, it's about where we can go together.

We're a people-first business. That's why we attract and keep amazing people who collaborate and support one another to be the best they can be. No matter which office/ region people call home, they'll find the same welcoming and friendly atmosphere. Our regular people feedback surveys ensure our commitments to our culture and high standards are reaffirmed by external frameworks and the views of our people.

Our key drivers to help us attain this include:

People first – we want to continue to invest in our people to unleash their full potential, ensuring our key talent is retained.

Leading with ambition - growth and scale – through our merger and acquisition strategy and organic business development initiatives, we focus on scalability, and enhancement plans to support these changes.

All in - new policies, process and adoption – integrating new firms under the MHA banner means new software, AI and automation, and additional policies and process necessary to support the transformation and cultural alignment.

Synergy and alignment of our culture and people – onboarding new businesses/teams and individuals to the firm, require a specific and individual cultural change plan. This underpins our integration success and will continue to drive the way we integrate future mergers and acquisitions.

Standardisation and quality – We always look to harmonising our business to ensure standardisation and quality outcomes across all our People processes and practices.

STAR Values

Our people first approach and STAR values of Service, Teamwork, Attitude and Relationships help us create a successful working environment and underpin how our people and clients experience the Firm. They are integral to ensuring our people are engaged and motivated in their everyday working life.

Service

Teamwork

Attitude

Relationships

Talent Acquisition

We adopt a forward thinking and integrated approach to talent acquisition, designed to meet both immediate business needs and support the long-term development of future leaders. Our recruitment strategy is firmly aligned with the Firm's quality and ethics objectives, ensuring that all hires, regardless of level, demonstrate the technical expertise required to operate in a regulated environment and the behaviours and mindset expected of professionals serving the public interest.

We take a strategic and data-informed approach to workforce planning, working closely with service lines and regional leaders to anticipate future demand and ensure that recruitment activity supports sustainable growth. This includes embedding skills mapping, resource forecasting, and succession planning into our hiring processes to ensure a steady pipeline of diverse, high-quality talent.

We continue to invest in our employer brand, candidate experience, and outreach channels to attract talent aligned with our values of service, teamwork, attitude, and relationships. We have refined our messaging to reflect the meaningful and purpose-driven careers available in the Firm, particularly highlighting the impact our people make for clients and communities. Our recruitment campaigns reflect our commitment to accessibility, inclusion, and social mobility, and we regularly review our attraction and selection methods to minimize bias and ensure fairness.

From initial outreach to onboarding, we aim to build a reputation for professionalism, flexibility, and support. We recognize that candidates are assessing us as much as we are them, and we are proud to receive consistently positive feedback about the transparency, responsiveness, and care shown throughout the process. Talent acquisition is not only about filling roles but about creating a firmwide culture where the right people can thrive both now and in the future.

Graduate and Non-Graduate Trainee Recruitment

We maintain an early careers programme that offers a range of structured pathways for both graduates and school leavers. These programmes are designed to build technical competence and to nurture commercial awareness, ethical judgment, and a strong understanding of client needs in a regulated and constantly evolving profession. We view our early talent as the future of the firm, and we are committed to equipping them with the tools, experiences, and support they need to thrive.

Recognising the importance of social mobility and inclusion, the Firm has significantly expanded its entry routes beyond the traditional graduate model. This includes a growing range of apprenticeship programmes, work experience opportunities, and work-based learning models that offer meaningful access to careers in the accounting profession.

These routes are designed to attract individuals from a variety of educational, socioeconomic, and regional backgrounds, reinforcing our commitment to removing barriers and creating opportunities for all.

Our early careers experience is underpinned by high-quality training and development. New joiners benefit from a comprehensive induction programme, structured learning plans, and rotational placements that expose them to a wide variety of client types, sectors, and service lines. This breadth of experience ensures they develop into well-rounded professionals with an understanding of the Firm's multidisciplinary offering. Mentoring from experienced colleagues, regular feedback, and support from line managers are all integral to helping our early talent build confidence, resilience, and a strong sense of belonging.

We also focus on creating a positive and inclusive culture from day one. Our early careers cohorts are encouraged to get involved in firmwide initiatives, wellbeing programmes, and local office life. We want our people to feel connected and supported, and to see a clear pathway for growth, whether they joined us from university, college, or another route entirely.

Early careers talent is central to the Firm's long-term success, and we are proud to offer routes that are flexible, inclusive, and aligned to the evolving expectations of future professionals.

Diversity, Inclusion, Belonging and Societal Impact (DIBS)

The Firm is committed to creating a working environment that values difference, promotes inclusion, and supports a sense of belonging. A dedicated DIBS strategy guides activity across recruitment, progression, training, and engagement. Key actions include inclusive recruitment practices, targeted outreach, leadership training on bias and allyship, and employee-led networks. The Firm monitors progress using internal data and regularly reviews its D&I objectives at Board level.

Diversity, inclusion, belonging, and societal impact are central to Baker Tilly's talent strategy and organisational culture. Our DIBS framework is not a standalone initiative but a core thread running through every stage of the employee experience, from attraction and recruitment through to development, progression, engagement, and retention.
It is designed to ensure that all colleagues, regardless of background, feel respected, valued, and supported in building a meaningful and long-term career at Baker Tilly.

The strategy is underpinned by data-informed decision-making and is driven by collaboration between executive leadership, regional teams, and our employee-led network groups. This ensures both strategic oversight and authentic lived experience influence how we design and deliver our inclusion commitments. We also provide tailored support to help individuals from all backgrounds navigate their careers confidently, including mentoring schemes, sponsorship opportunities and access to development resources.

We continue to review and improve our recruitment processes, workplace adjustments, and ongoing support to ensure every individual has equal access to opportunity and development.

We regularly seek feedback from colleagues through our engagement surveys, listening sessions, and informal conversations, using what we learn to shape policy, processes and communications. This responsiveness ensures that our DIBS strategy is not only values-led but also effective in practice.

Baker Tilly South East Europe is committed to building a firm where diversity is elebrated, inclusion is expected, and everyone has the opportunity to belong and thrive. We believe our ability to serve clients and society is strengthened when we reflect the diversity of the communities in which we live and work.

Corporate Social Responsibility

Baker Tilly is committed to being a responsible business that positively contributes to society and the environment. Our CSR agenda encourages all offices to support local communities through volunteering days, support for charities and not-for-profits, and fundraising efforts.

Environmental sustainability is also a growing area of focus. We continue to engage teams in internal campaigns around waste reduction, energy efficiency, and sustainable travel. The Firm is exploring formal frameworks to better measure its environmental footprint and evaluate the wider social impact of its operations and policies.

Appraisals, Professional Development, and Training

A structured appraisal process is in place, with mid-year and annual reviews supported by clear performance frameworks. Feedback is gathered from peers, managers, and clients where appropriate. Development plans are aligned with both technical growth and behavioural competencies. The Firm places particular emphasis on audit quality, leadership capability, and ethical judgement.

Our performance management approach underpins our vision and commitment to establishing a culture of consistency in our people-related practices, ensuring all staff at Baker Tilly are treated fairly and equitably. By maintaining clear and transparent guidelines around our appraisals, professional development and training, we strive to create an exceptional employee experience where everyone knows what is expected of them and can trust that decisions are made fairly and consistently.

Baker Tilly South East Europe is committed to maintaining the highest standards of professional competence through a structured policy on continuing education. We ensure that all statutory auditors and other professionals involved in the statutory audits participate in ongoing professional development activities that comply with the requirements of the relevant professional bodies and applicable local regulations in the jurisdictions that we operate.

This commitment to consistency not only fosters a sense of trust and respect among our colleagues but also serves as the golden thread that weaves together our Firm values, driving the Firm's success and growth. Through this, we create a high performing workplace environment where every individual feels valued and empowered, contributing to our constant drive on audit quality, leadership capability and ethical judgement.

Summary of Core Training Conducted

We have a comprehensive Learning and Development core programme that is designed to cover the technical and professional needs of all our staff.

Training, delivered through workshops, virtual classrooms, and digital platforms, is assigned to staff based on their level and service line throughout the period with new starters receiving structured induction training. Compliance with core learning is reviewed during the six-month appraisal process or followed up directly to ensure our staff are committed to attaining and retaining high standards when it comes to technical competence, quality, and soft skills.

Core programmes run in 2025-2026

Technical skills

- Global Focus Cloud Training
- Internal Monitoring Reviews
- IFRS 17 for Insurance Companies
- BTI Quality Improvement Review Findings
- Datasniper
- Global Focus Audit Methodology
- Public Interest Entity Audits
- Engagement Quality Reviews
- Audit Report Templates
- ACCA/ICPAC Monitoring Review Findings

Professional Skills

- Learning Paths: Employees were assigned structured learning paths aligned with their job level and professional development needs.
- Each path combined mandatory and developmental training modules, including ethics and professional conduct, organizational culture series, emotional intelligence, teamwork and collaboration, as well as effective communication skills.
- The objective was to ensure a consistent baseline of knowledge across the organization while also supporting the progressive development of soft skills required for each career stage.

Other Training

- Ethics and Independence Updates
- Cybersecurity and Data Privacy
- Annual AML Updates
- Quality Management Policies & Procedures (ISQM)
- Introduction to Cloud Bridge
- Risk Training

Key to the success of our learning and development function is our Learning Platform (LMS). With a library of over 2000 courses this serves as a one-stop-shop for our people to access both live and prerecorded content and enables the firm to monitor completion of mandatory training.

Managing Growth

The integration following the merger with MHA has been supported by structured induction and cultural alignment activities. The People Team of MHA has worked closely with the local leadership of Baker Tilly to embed Firm-wide values,
systems, and performance expectations. This includes consistent communication on behavioural standards, quality policies, and opportunities for cross-office collaboration.

Our goal is always to ensure a clear, consistent, and people-first approach. We are committed to building one cohesive culture across all territories, underpinned by transparency, trust, and effective systems.

Gender Pay Gap

The Firm remains committed to reducing its gender pay gap and. Action plans focus on increasing female representation in senior roles, supporting returners from family leave, and ensuring gender-neutral promotion criteria. The Firm continues to analyse pay, bonus, and progression data to monitor trends and identify areas for targeted improvement.

Partner Remuneration

Partner remuneration is based on a combination of financial performance, audit quality, leadership behaviours, and contribution to the wider Firm. Audit partners are assessed not only on client delivery but also on quality outcomes, risk management, compliance with independence requirements, and contribution to the training and mentoring of others. Decisions on profit allocation are monitored, moderated and reviewed to ensure fairness, transparency, and alignment with the Firm's strategic objectives and public interest responsibilities.

Partners are remunerated based on three components:

1. Salary Income: A monthly salary income is provided reflecting the partner's role and responsibilities
2. Performance Income: A salary bonus is provided reflecting the assessment of each partner.
3. Equity Income: Dividend payments reflecting each Partners share in the profits of the company.

At the cornerstone of our framework is quality. To ensure that quality standards are met in all professional services including Audit, relevant criteria have been embedded in the Firm's performance evaluation and reward procedures. In cases where quality standards are met, this is recognized through the various performance evaluation mechanisms of the Firm; in turn, the Partners are rewarded. In cases of failure to do so, this is reflected on the performance ratings and the Partner's rewards.

Factors beyond quality which are also taken into consideration for the Partners' performance evaluation, and which in turn affect their remuneration, include complying with relevant legislation and professional standards, adhering to the Firm's internal policies and procedures, acting in line with our risk principles, demonstrating active involvement in safeguarding and promoting our Firm, as well as managing people effectively.

Governance

Governance Structure

The governance structure of Baker Tilly South East Europe has been deliberately designed to uphold the principles of accountability, transparency, and audit quality. Our governance framework operates across multiple tiers, ensuring that decisions relating to quality, risk, ethics, and strategic direction are subject to appropriate oversight, challenge, and independent input.

Governance

The Governance structure of Baker Tilly South East Europe is made up of three main bodies: the Regional Board, the Partners' Council and the local Country Management Boards.

Regional Board / Management Board

The Regional Board (or "Management Board") focuses on strategic and high-value commercial matters, bank financing, mergers and acquisitions, entry into investments, transactions affecting control of BTSEE and material changes to business scope of Baker Tilly South East Europe. It is comprised of Rakesh Shaunak, Marios A. Klitou and Savvas Klitou and meets quarterly.

The Management Board is the central decision-making body responsible for setting the strategic direction of Baker Tilly South East Europe, overseeing its operational performance, and ensuring compliance with regulatory and governance obligations.

Partners' Council

The Partners' Council focuses on enhancement of BTSEE group's coordination,strategic alignment and consistency across the five jurisdictions of BTSEE, and isa unified management forum to discuss operational, financial and strategicmatters affecting all BTSEE. Meetings are held monthly or upon request ofPartners. It is comprised of all Partners of BTSEE region.

Country Management Boards

Each (local) Country Management Board is comprised of the country's Partners(for Cyprus and Bulgaria), the country's COO and the country's designated responsible Partner (for Romania and Moldova being Andreas Papagavriel, for Bulgaria being Andreas Pittakas and for Greece being Marios Klitou). It is focused on enhancing coordination within countries, alignment across service lines and their leaders and discussions of local financial or other matters relating to such country. Meetings are held monthly per country, or more frequently if and as requested per country.

BTSEE Regional Committees

As part of the governance framework of Baker Tilly South East Europe, several regional committees support the leadership in overseeing key operational, professional and compliance matters across the network. These committees include experienced representatives from member firms in the region and support the operational responsibilities of the related elements of the SoQM.

Ethics & Independence Committee:

The Ethics & Independence Committee supports the regional leadership in promoting a strong culture of integrity and compliance with applicable ethical and independence requirements. The Committee oversees consistent implementation of the network's ethics and independence policies which are aligned with the IESBA Code of Ethics and relevant regulatory requirements, including those arising under the applicable EU Regulations.

The responsibilities of the Committee include monitoring independence compliance processes across the region, providing guidance on complex ethics and independence matters, and addressing significant ethics consultations and to help ensure that member firms maintain high standards of professional integrity and auditor independence.

Risk Committee:

The Risk Committee supports the regional leadership in overseeing risk management matters across the network. The Committee is responsible to review and address risk related matters and plays a key role in decisions on the acceptance and continuance of engagements and client relationships, helping to ensure that member firms undertake work that is consistent with the Network's professional standards, the risk management framework, and applicable regulatory requirements.

AML Committee:

The AML Committee supports the member firms in their compliance with applicable anti-money laundering and counter-terrorist financing regulations. The Committeepromotes consistent AML policies and procedures across the region, monitors regulatory developments and provides guidance and support to member firms on AML compliance matters, including client due diligence and reporting obligations.

Training Committee:

The Training Committee coordinates regional training initiatives aimed at supporting the professional development of staff across member firms. The Committee is also responsible to prepare annual training plans and to monitor the compliances of the employees related to IES 7 and IES 8.

Technical Committee:

The Technical Committee provides consultations to the employees on technical matters such as audit methodology, application of auditing and reporting standards, complex audit judgments, difficult and contentious issues, etc.

Human Resources Committee:

The HR Committee supports the member firms on human resources matters, including talent acquisition, development, performance management, and people-related policies. The committee also supports initiatives aimed at strengthening the development and retention of professionals across the region.

Complaints Committee:

Complaints submitted by clients, employees or other stakeholders are reviewed by the Complaints Committee. The Firm ensures that the complaints are handled in a timely, confidential, and objective manner, and that any findings are considered within the Firm's quality management and improvement processes.

Disciplinary Committee:

Breaches to professional standards, regulations, or internal policies are reported to the Disciplinary Committee that reviews the cases and determines appropriate actions based on the severity of the matter.

F Audit Quality

Regulatory Framework

Baker Tilly Cyprus operates within a robust regulatory framework that governs its responsibilities as a statutory audit Firm, including those related to Public Interest Entities (PIEs).

The framework reflects a combination of international, EU and national legislations, professional standards, and oversight by regulatory bodies. It underpins the Firm's approach to audit quality, independence, governance, and public accountability. The Firm is subject to supervision by the local regulators , including audit quality inspections from the Institute of Certified Public Accountants of Cyprus (ICPAC) and the Cyprus Public Audits Oversight Board (CyPAOB).

Statutory audit work is conducted in accordance with the International Standards on Auditing, issued by the International Auditing and Assurance Standards Board (IAASB) and applicable EU and local regulations.

For PIE audits, Baker Tilly Cyprus is registered with the Cyprus Public Audits Oversight Board as a PIE Registered Auditor and maintains appropriate systems to manage ethical threats, independence considerations, and audit committee reporting obligations.

The Firm's audit work is also shaped by the principles and rules of its membership of MHA Baker Tilly International, through which shared tools, audit methodology, and professional guidance are provided. This global affiliation ensures that the firm can deliver audits of international businesses in a consistent, cross-border manner, while maintaining compliance with local and EU regulations.

Our regulatory obligations are further supported by its adherence to the:

1. EU & Local Regulations
2. IESBA Code of Ethics
3. Quality Management Standards

The Firm's governance and quality management systems are structured to respond to this regulatory environment, including through the involvement of our, internal quality monitoring, external inspection readiness, and leadership accountability.

Leadership Responsibilities for Quality within the Firm

The responsibility for audit quality at Baker Tilly South East Europe is embedded at all levels of leadership, underpinned by clear governance structures and reinforced through individual accountability. Quality is a strategic priority for the Firm, with oversight from senior leadership and specialist governance bodies.

Ultimate responsibility for audit quality rests with the Board of Directors, which sets the tone from the top and ensures that quality considerations are integrated into the Firm's strategy, operations, and resource planning. For the year ended 31 December 2025, the overall operating responsibility remained with the CEO of the Firm. From 1 January 2026 onwards, the overall operational responsibility of the System of Quality Management of the Firm has been assigned to the Regional Head of Audit Quality of Baker Tilly South East Europe.

The Board and the CEO receive regular updates from the Regional Head of Audit Quality and those with other operating responsibilities that contribute to maintaining appropriate oversight and challenge.

The Head of Audit holds executive responsibility for driving the audit quality agenda across the Firm. This includes leading the implementation of quality initiatives and overseeing the audit strategy The Head of Audit plays a key role in coordinating activity across offices and ensuring consistency in methodology, execution, and quality control.

The Public Interest Committee of MHA operates as a senior governance body overseeing public interest matters, including audit quality of its member firms.

The Audit Council of MHA then brings together leaders from across the audit functions of its member firms and audit technical specialists to oversee quality performance and to manage the day-to-day management of quality initiatives and delivery.

Specific roles within the quality leadership structure of BTSEE include:

- The Ethics Partner, responsible for ethical and independence matters in accordance with the IESBA Code of Ethics and other EU & local regulations.
- The Regional Head of Audit Quality , who is responsible for the Monitoring & Remediation activities;
- The Quality Compliance Partner, who is responsible for the annual evaluation of the System of Quality Management on behalf of the Board of Directors.

The Firm has established an Accountability Framework for Engagement Leaders that emphasizes the responsibility of Engagement Leaders for quality outcomes of the engagements for which they are responsible. The Framework includes matters such as the relevant compliance requirements, accountability for quality, quality monitoring, performance evaluation, and consequences of breaches.

Leadership accountability for quality is also reflected in the Firm's appraisal and reward structures. Senior audit professionals, including partners, are evaluated on quality-related metrics, including internal and external file review results, ethical compliance, completion of training and contributions to mentoring.

Audit Methodology

Our audit methodology is designed to support consistent, high-quality audits in compliance with International Standards on Auditing, the applicable EU and local regulations, the IESBA Code of Ethics and the Firm's internal policies and procedures. The methodology is risk-based and scalable, enabling teams to tailor their approach to the size, complexity, and nature of each engagement.

The methodology places emphasis on:

- **Risk assessment** and the design of responsive audit procedures
- **Professional scepticism** and critical evaluation of evidence
- **Clear documentation** of audit judgements and conclusions
- **Continuous engagement** with technical guidance and ethical standards
- **Robust quality control** at all stages of the audit lifecycle

The Firm's audit methodology and guidance is updated regularly to reflect changes in auditing standards, regulatory expectations, and emerging risk areas. All methodological changes are reviewed and approved and are communicated through technical updates, training sessions, and audit alerts.

During 2025, Baker Tilly South East Europe rolled out the Global Focus Cloud audit methodology.

Global Focus Cloud

The Firm's preparation for the rollout of Global Focus Cloud, Baker Tilly International's new cloud-based audit platform, developed by Caseware, was a significant project during the period and was successfully delivered. All engagements with year ends after 15 December 2025 transitioned to Global Focus Cloud, unless specific exceptions had been agreed.

As part of Baker Tilly South East Europe's preparation for the transition to the global Focus Cloud, specialists from BTSEE and MHA Audit and IT departments were involved in system testing, training material development, training delivery and methodology alignment. Engagement teams were supported by Baker Tilly South East Europe and Baker Tilly International through a phased rollout and structured onboarding process.

Global Focus Cloud provides a more intuitive, collaborative, standardised, and integrated environment for audit planning, execution and completion. Global Focus Cloud has been designed to embed quality into each stage of the audit, including:

- Automated risk assessment prompts
- Real-time quality checks and sign-offs
- Improved transparency in documentation trails
- Enhanced review functionality for file managers and RI sign-off

As a Cloud based system, updates to the software and the Firm's audit methodology can be made on a timely basis, supporting our audit teams in keeping up to date with the latest developments.

Before the roll out of the Global Focus Cloud in Baker Tilly South East Europe, the Firm undertook an assessment of the software and methodology on whether it needs to be supplemented based on the additional requirement of the applicable EU and local regulations, especially for Public Interest Entity audits. Based on this assessment, the Firm developed additional working templates to be used for relevant engagements.

Training sessions were conducted for all employees of Baker Tilly South East Europe on the new Global Focus Cloud with the support from Baker Tilly International Technical Team and MHA.

Intellectual and Technological Resources

Apart from the human resources used in the performance and review of the audit engagements undertaken by the Firm, Baker Tilly South East Europe uses a variety of intellectual and technological resources to support our engagement teams in performing high-quality audits. Our intellectual resources consist primarily of our audit methodology, internal policies and procedures, technical guidance, and collective expertise of our personnel. These resources are regularly updated to reflect developments in auditing standards, financial reporting frameworks, regulatory requirements,, and emerging risks.

Other than the audit software and electronic working paper systems to document audit work, the engagement teams also utilize, where appropriate, data analytics tools that enhances our ability to analyze large volumes of financial data and identify unusual trends, patterns, or anomalies that may require further audit investigation.

Quality Processes

The Firm has several processes in place to support and maintain audit quality. These are detailed below.

Onboarding, client acceptance procedures and continuance of audit engagements

Baker Tilly South East Europe maintains robust procedures for the onboarding, acceptance, and annual re-evaluation of continuance of audit clients. These procedures are designed to ensure that all engagements meet the Firm's ethical standards, risk appetite, AML and public interest responsibilities, and that appropriate safeguards are in place before work is undertaken or continued.

The procedures include an assessment of the Firm's ability to meet the terms of the engagement, to deliver a quality engagement and address any potential reputational risks, ethical independence issues and conflicts of interest. These requirements are reflected in the completion of the Risk Questionnaires (applicable for both new and existing clients) in our Risk Tool which highlights issues to discuss further or at a higher level.

The acceptance and continuance assessments consider, amongst others,:

1. The risks associated with the engagement due to size, complexity and public interest
2. Independence and conflict checks, including assessment of financial, business, employment, and personal relationships and the level of non-audit services provided or expected to be provided
3. Ethical risks, including the nature of the engagement, client reputation, sector sensitivities, and services previously provided
4. Evaluation of management integrity and governance
5. The Firm's competence, capacity, and resourcing to deliver the engagement

Ethics & Independence Compliance Procedures

The Firm has established policies and procedures designed to ensure compliance with applicable independence requirements, including those set out in the EU Audit Regulation 537/2014, the EU Audit Directive 2006/43/EC, and the International Code of Ethics issued by the IESBA. All partners are staff confirm their compliance with the Firm's independence policies at least annually. For PIE audit engagements, additional independence confirmations are received from all relevant personnel, including the auditors' experts and EQ Reviewers.

Engagement Quality Reviews

The Firm performs Engagement Quality Reviews (EQ Reviews) where such reviews are required by professional standards, regulatory requirements, or Firm policies. The Firm's policies establish criteria for determining which engagements require an EQ Review. Such engagements typically include audits of Public Interest Entities, engagements assessed as having higher risk, and other engagements based on factors such as complexity, public interest considerations, or regulatory expectations. EQ Reviewers are appointed by the Regional Head of Audit Quality from a pool of partners and senior professionals who meet the Firm's eligibility criteria, including appropriate technical expertise, relevant industry experience, and sufficient time, authority and objectivity to perform the role.

As per the requirements of EU Regulation 537/2014 and applicable local regulations, the appointed EQ Reviewers of EU PIE audit engagements are statutory auditors. In addition to the statutory EQ reviewers, the Firm appoints an additional Regional EQ reviewer for its PIE audit engagements. Regional EQ Reviewers are experienced and independent senior professionals from the Baker Tilly South East Europe (BTSEE) network. This review contributes further to the quality of the Firm's engagements through additional industry expertise, specialist knowledge and an additional level of objectivity.

Differences of Opinion

When differences of opinion arise during the course of an engagement, the matter is addressed through consultation with appropriate personnel of the Firm, which includes the Technical Committee or other partners with relevant expertise. When the differences are not resolved through internal consultations, the Firm may also seek external professional advice. The audit reports are not signed unless all differences in opinion are satisfactorily resolved.

Use of Experts

Where the nature or complexity of an audit engagement requires specific expertise beyond that ordinarily possessed by the engagement team, the Firm involves competent and independent technical specialists to assist in performing certain audit procedures. The use of such specialists enables the Firm to enhance the quality and robustness of its audit work in areas involving complex technical judgments.

Approval of non-standard Audit Reports

Non-standard reports issued by the Firm, in certain cases, are required to be approved by the Technical Committee prior to the report being signed and issued. This includes all audit reports with a disclaimer of opinion or an adverse opinion and for PIE audit engagements, all modifications and going concern uncertainties included in the audit reports.

Technical Support and Guidance

The Technical Committee provides consultations to the audit engagement teams on difficult or contentious issues or on other complex matters. The Technical Team adopts a proactive approach in monitoring technical queries and providing timely technical support to the engagement teams. The Technical Committee ensures that a sufficient audit trail and record of the technical consultations are appropriately maintained and retained.

Quality Monitoring and Improvement

Baker Tilly South East Europe operates a comprehensive quality monitoring and improvement programme that supports continuous improvement, regulatory compliance, and alignment with the Firm's Quality Objectives.

Monitoring activities are performed by the Audit Quality Department and are designed to provide assurance over both engagement-level quality and the effectiveness of the Firm's system of quality management. The monitoring and improvement framework encompasses the following key elements:

Internal Cold File Reviews

The Firm performs internal monitoring procedures designed to evaluate the compliance with applicable professional standards and other regulatory requirements. As part of this process, the Firm performs annual review of a risk-based sample of completed audit engagements of all Engagement Leaders and existing engagement managers.

These reviews are conducted by experienced professionals who are independent of the engagement teams. The reviews assess compliance with auditing standards, the audit methodology, the Firm's policies and procedures, and the appropriateness of key judgments and conclusions reached by the engagement team. In addition to the annual monitoring programme, the Firm performs ongoing cold reviews of completed engagements during the relevant period as per the quality monitoring plan.

The reviews focus on higher-risk engagements, audits of Public Interest Entities, or other engagements where additional monitoring is considered appropriate.

Findings from the monitoring activities are communicated to the engagement partners and Firm leadership. Where necessary, remedial actions are implemented, including additional training, in accordance with the Firm's System of Quality Management and the requirements of ISQM 1.

Real-Time Support and Targeted Reviews

For selected PIE audit engagements and other complex or high-risk audits, engagement teams receive real-time support from the Audit Quality Department. Targeted reviews may be performed for engagements involving complex auditing or accounting matters, first-year PIE audit engagements, or for other engagements selected as part of the Firm's quality monitoring programme.

Direct real-time support is aimed at improving audit quality across the audit engagements scoped in, as well as at identifying emerging and recurring issues and best practices that can then be shared across the audit practice in order to devise Firm-wide responses, like methodologies or training, and improve the consistency of approach and the quality of all the audit engagements performed by the Firm.

These review procedures complement, but do not replace, the formal Engagement Quality review processes performed under ISQM 2.

Root Cause Analysis (RCA)

Findings from internal and external reviews are subject to root cause analysis, which is coordinated through the Audit Quality Department. RCA outcomes inform action plans, which may include targeted training, changes in methodology, or process improvement initiatives. RCA is performed on both negative and positive outcomes.

Monitoring of the ISQM System

Our monitoring activities are designed to ensure effective monitoring of the quality objectives and controls. Alongside internal inspections of audit engagements, monitoring includes review of effectiveness of engagement quality reviews, training completion, CPD activities, IES 8 compliance for Engagement Leaders, consultation data, archiving compliances and personal independence compliance testing.

Findings from monitoring activities are regularly reported to the CEO and the Board of Directors. Improvement action plans are tracked for completion, and learning outcomes are disseminated across the Firm to reinforce quality standards.

The monitoring and improvement programme is underpinned by a philosophy of continuous improvement, not compliance alone. The aim is to create a feedback-rich environment where audit quality risks are identified early, responded to effectively, and used to drive better performance across all levels of the audit function.

External Audit Inspections

Baker Tilly South East Europe is subject to independent inspections by the relevant local regulatory bodies of its member firms and the Baker Tilly International network. These reviews evaluate the Firm's systems, documentation, professional judgement, and compliance with ethical and auditing standards.

Quality Improvement Review

Baker Tilly International (BTI) Network has implemented a Quality Improvement Framework (the QI Framework) to ensure that all member firms provide services that meet the highest standards of quality and professionalism. As required by the QI Framework, the Quality Improvement Team at the Global Office performs Quality Improvement Reviews of all member firms every 1-3 years. The review covers, amongst others, the ISQM implementation of the Firm, the quality assurance activities, and the use of audit methodology. The results of the last Quality Improvement Review (QIR) are provided in Slide 32.

Local Regulatory Inspections

The Cyprus Audit Regulators, the Institute of Certified Public Accountants of Cyprus (ICPAC) and the Cyprus Public Audit Oversight Board (CyPAOB) conducts periodic inspections of the audit firms registered in Cyprus.

Whenever required, the Firm endeavours to respond promptly and constructively to regulatory inspection findings.

In response to external reviews, the Firm undertakes:

1. Detailed internal investigations and root cause analysis
2. Development of remediation plans
3. Partner and team-specific interventions, including mentoring, technical coaching, and in-flight file inspections
4. Ongoing tracking of action plans and escalations where necessary

Network Monitoring Programme

As a member of the Baker Tilly International Network (BTI) the Firm is subject to cyclical independent quality reviews. Baker Tilly Cyprus received a network review in 2025 which looked at two audit engagements. Each file that was reviewed was graded in four areas:

	ISQM	File 1
Acceptance procedures		Grade I
Audit planning		Grade 2
Audit fieldwork		Grade I
Audit completion		Grade 2
Overall grade	**Grade I**	**Grade I**

Grade	Assessment of the quality of individual audit engagement files	Assessment of the quality of each section of an engagement file
1	Only minor improvement required	Only minor improvement required
2	Some weaknesses identified in isolated areas	Some weaknesses identified
3	Either: More widespread weaknesses identified; or Multiple gaps found in evidence or documentation.	Either: More widespread weaknesses identified; or Multiple gaps found in evidence or documentation.
4	Either: An incorrect audit opinion was given: or A single significant weakness was identified that calls into question the evidence obtained or the opinion given; or An extensive number of weaknesses were identified in multiple areas of the file.	Either: A significant lack of documented work in the section; or Multiple instances where the information on the file does not address the requirements of the applicable standards.

Internal Monitoring Programme

The internal monitoring programme complements external and network inspections and is designed to proactively identify risks, share good practice, and reinforce methodology.

Key components include:

1. Cold file reviews conducted post-sign-off
2. Hot file reviews for new Responsible Individuals
3. Targeted reviews
4. Independence and ethics compliance reviews
5. Checks on recurrence of prior year findings

Review findings are categorised and reported using a standardised quality grading framework. Results are used in performance evaluations and Firm-wide learning agendas.

Cold File Review internal inspection results

The results relate to the annual cold review process that was carried out for the engagements whose reports were signed during the period from 1 Jul 2024 until 30 June 2025.

File Grade	2025 (No / %)	2024 (No / %)	2023 (No / %)
1 – Good	9 (43 %)	8 (32 %)	13 (33 %)
2 - Limited improvements required	4 (19 %)	8 (32 %)	14 (35 %)
3 - Improvements required in multiple areas	8 (38 %)	9 (36 %)	10 (25 %)
4 - Significant improvements required in multiple areas and/or lack of sufficient appropriate audit evidence	0 (00 %)	0 (00 %)	3 (08 %)
	24 (100%)	**25 (100%)**	**40 (100%)**

Conclusions on internal inspections

The last internal inspection results of Baker Tilly Cyprus had 100% of the files receiving a passing grade (Grades 1-3). However, the Firm acknowledges the need for further improvement. All monitoring review results, whether internal or external, are taken seriously and action plans are devised to remediate all deficiencies identified.

All Engagement Leaders of the Firm were selected for internal reviews, and all of them received a passing grade for all the engagements inspected. To provide further support and drive improvement in quality, the Firm follows a policy of additional monitoring (i.e. hot file reviews and targeted reviews) for the Engagement Leaders whose engagements are found to have significant weaknesses.

We are committed to embedding a culture of continuous improvement by way of investment in the technical resource and support available to teams, improving the quality of audit-related training, recruitment and retention of talent and further enforcing our ongoing quality reviews to drive change. The Firm continues to strengthen the link between monitoring outcomes and engagement support, ensuring that review feedback leads to practical change and development.

As part of the Firm's SoQM, findings identified through the annual internal inspections are subject to a structured root cause analysis. During the last Internal Inspection Cycle, the Firm performed RCA procedures for all significant findings identified. The RCA outcomes form the basis of the Firm's strategic direction to improve audit quality.

Measuring and Reporting Progress

The Firm has established processes to measure and evaluate the effectiveness of remediation actions. These processes for part of the Firm's SoQM and are designed to ensure that corrective actions address the underlying root cause of identified deficiencies and lead to sustainable improvements in audit quality of the Firm.

Progress is measured through a combination of qualitative and quantitative indicators. These include the results of subsequent internal inspections, the frequency and nature of recurring findings, the timely completion of engagement documentation and archiving, and feedback obtained through engagement quality reviews and monitoring procedures. The Firm also evaluates whether previously identified issues reoccur in subsequent engagements.

The implementation of remedial actions is monitored, and their effectiveness is evaluated and reported to the CEO and the Board of Directors.

The development of Audit Quality Indicators provides more real-time insight into audit quality performance at both engagement and team levels, helping to identify trends and proactively manage risk.

Baker Tilly South East Europe remains committed to continuous improvement and will continue to refine its monitoring, measurement and reporting processes to support the consistent delivery of high-quality audits in accordance with applicable professional standards and regulatory requirements.

System of Quality Management (SoQM)

The Firm maintains a System of Quality Management designed to provide reasonable assurance that the Firm and its personnel fullfil their responsibilities in accordance with applicable professional standards and regulatory requirements, and that audit reports issued by the Firm are appropriate in the circumstances.

The Firm's SoQM includes policies and procedures covering key components such as:

1. Governance & leadership responsibilities for quality
2. Relevant ethical requirements, including independence
3. Acceptance & continuance of client relationships and specific engagements
4. Engagement performance, including supervision, review, and consultation
5. Human, technological and intellectual resources
6. Information and communication processes
7. Monitoring and remediation activities
8. Compliance with applicable local and EU regulations
9. Compliance with Network requirements

Client Feedback

The Firm recognizes the importance of obtaining feedback from clients as part of its commitment to maintaining high standards of audit quality and professional service. Client feedback provides valuable insight into how our services are delivered and helps identify opportunities for continuous improvement.

Feedback is obtained through a variety of mechanisms, including client satisfaction surveys, direct discussions between engagement leaders and client management, and informal feedback received during the course of the engagements. Matters identified that require improvement are addressed through appropriate corrective actions.

The Firm encourages an open and constructive dialogue with its clients and remains committed to using client feedback as an important component in strengthening its system of quality management and enhancing the overall effectiveness of its services.

Use of Network and Regulatory Findings to Enhance Audit Quality

The Firm is committed to continuous improvement of its System of Quality Management and considers the findings arising from the inspections performed on other firms by the International Network and/or the local regulators. The Firm receives periodic communications from the Network and/or the local audit regulators summarising the results of the monitoring reviews performed across other network member firms and/or other local audit firms. These communications highlight common deficiencies, recurring findings, and examples of best practice identified during the quality reviews. The Regional Head of Quality reviews these findings and assesses their relevance to its own audit engagements and internal policies. Where appropriate, enhancements are made in the relevant areas, and the findings are communicated to the relevant employees of the Firm through internal training sessions.

Statement on the effectiveness of our System of Quality Management (SoQM)

Pursuant to the requirements of ISQM 1, the Firm has designed, implemented, and operates a System of Quality Management (SoQM) taillored to its nature, circumstances, and the engagements it performs as a member firm of Baker Tilly South East Europe, MHA and Baker Tillly International. This evaluation assesses whether the SoQM provides the Firm with reasonable assurance that:

- The Firm and its personnel fulfill their responsibilities in accordance with professional standards and applicable legal and regulatory requirements, and conduct engagements in accordance with such standards and requirements; and
- Engagement reports issued by the Firm or engagement leaders are appropriate in their circumstances.

The Board of Directors, with the assistance of the Quality Compliance Partner and the Head of Audit Quality completed the annual evaluation of the SoQM for Baker Tilly Cyprus as of 31 December 2025. Based on the result of the evaluation, the Firm has concluded that the System of Quality Management provides reasonable assurance that the objectives of the SoQM are being achieved. We remain committed to the continuous improvement of our quality management system and take timely remedial actions on any matters identified through internal or external monitoring reviews.

External Investigations and Findings

Baler Tilly South East Europe takes seriously all matters arising from external regulatory findings and investigations. The Firm is committed to full cooperation with regulatory bodies, transparency in its disclosures, and continuous improvement based on the lessons learned.

Local Regulatory Oversight

Baker Tilly Cyprus is subject to external oversight by the relevant regulatory authorities responsible for the supervision of statutory audi tors and audit firms in Cyprus, including the ICPAC and CyPAOB. These bodies conduct periodic inspections and monitor compliance with applicable auditing standards, ethical requirements, and continuing professional development obligations. We fully cooperate with these regulatory authorities and implements internal policies and procedures to ensure ongoing compliance with the requirements of the applicable EU and local regulations. Through this regulatory oversight and our internal system of quality management, we aim to maintain high standards of audit quality and professional integrity.

The last inspections of ICPAC and CyPAOB were conducted in 2021 and 2023 respectively. All recommendations of the regulators have been considered for future engagements. A root cause analysis was performed for all significant findings, and action plans were devised to address the identified deficiencies. The next inspection visit of CyPAOB is expected in 2026.

Baker Tilly International

Baker Tilly International (BTI) Network has implemented a Quality Improvement Framework (the QI Framework) to ensure that all member firms provide services meeting the highest standards of quality and professionalism.

As required by the QI Framework, the Quality Improvement team at Global Office performs QI reviews of all member firms every 1-3 years.

Baker Tilly Cyprus was subject to Baker Tilly International Quality Improvement Review in 2025. The review covered, amongst others, the ISQM 1 implementation of the Firm, internal & external quality assurance activities, and the use of audit methodology. The review concluded that the Firm has good policies and procedures with regards to quality management across all offices, and these are well documented in our quality control documents. The Firm received an overall rating of 1 (on a scale of 1-4, 1 being the best) in ISQM 1. The two audit engagements selected for review received a rating of 1 and 2 respectively. The detailed results are presented in Slide 32.

Remedial Actions

Where external inspections or reviews identify findings or recommendations, the Firm performs a structured evaluation of those findings and a root cause analysis where appropriate. The Firm takes all findings of external monitoring reviews seriously and considers them an important element in strengthening our SoQM.

Based on the root cause analysis results, we design and implement remedial actions, for both individual audits as well as the SoQM as a whole. The implementation timeframe is decided by evaluating the severity and pervasiveness of the identified deficiencies, and the impact of those deficiencies, individually and in aggregate, on our SoQM. The Regional Head of Quality monitors the effective implementation of the remedial actions through ongoing and periodic monitoring activities.

Audit quality and ethical conduct remain at the forefront of our public interest responsibilities and under intense regulatory scrutiny, particularly for auditors of public interest entities. The Firm recognises the need for increased vigilance and continuous improvement in such matters.

Baker Tilly South East Europe maintains an open and constructive relationship with regulators and seeks to demonstrate continuous progress in response to external expectations and findings. The Firm welcomes challenge where it supports the profession's integrity and the delivery of reliable, independent audits in the public interest.

Ethical Principles

Ethical conduct is fundamental to the relevant entities within BTSEE, through their role as professional services Firm and a registered statutory auditors. The Firm's ethical framework is built on the principles set out in the Handbook of the International Code of Ethics for Professional Accountants (IESBA) and the ICPAC Code of Ethics.

The core ethical principles are:

Integrity – being straightforward and honest in all professional and business relationships

Objectivity – avoiding bias, conflict of interest, or undue influence of others

Professional Competence and Due Care – maintaining professional knowledge and acting diligently

Confidentiality – respecting the confidentiality of information acquired during the course of work

Professional Behaviour – complying with relevant laws and regulations and avoiding conduct that discredits the profession

These principles underpin the Firm's policies, behaviour, and decision-making processes. They are embedded into onboarding, client acceptance, training, and audit methodology, and reinforced through leadership messaging and Firm-wide culture initiatives.

The Firm views ethics not as a set of standalone rules but as an integral part of its values and its duty to the public interest. The importance of ethical judgement, personal accountability, and challenge is continually emphasised to all staff and partners across the Firm.

The Firm's Ethics Policies

We maintain a comprehensive set of ethics policies designed to support consistent, compliant, and high-quality decision-making across all professional activities. These policies apply to all partners and staff and are aligned with the IESBA and ICPAC Code of Ethics of the International Federation of Accountants (IFAC).

Key components of the Firm's ethics policies include:

1. Personal and financial relationships
2. Gifts, hospitality, and anti-bribery controls
3. Audit independence requirements, including rotation and long association rules
4. Non-audit service safeguards and approval processes
5. Conflicts of interest and confidentiality
6. Client onboarding and continuance assessments
7. Whistleblowing and speaking up procedures

Leadership Responsibility

The Board of Directors has appointed Mr. Moisis Aristidou as the Ethics Partner of Baker Tilly South East Europe, who is responsible for the implementation of the ethical policies and procedures and to ensure their compliance with the applicable regulations, including the IESBA and ICPAC Code of Ethics and the requirements of the Baker Tilly International Network.

The polices are supported by:

- A Regional Ethics Committee, chaired by the Ethics Partner, comprising senior members across the region.
- Ethics consultation procedures
- Procedures on resolving differences of opinion on ethical matters
- Integration with quality monitoring and risk management functions, to ensure ethical matters are embedded within the broader governance system

The Firm is committed to ensuring that its ethics policies remain practical, accessible, and fully understood by its people. Regular communication and training are used to support this objective, and the Ethics Committee plays an active role in encouraging a culture of openness, challenge, and responsibility.

Compliance with BTI Network Requirements

As a member firm of MHA and the Baker Tilly International (BTI) Network, Baker Tilly South East Europe adheres to the independence policies and guidance issued by the BTI Network. The Firm maintains systems and tools designed to support compliance with independence requirements, including processes for monitoring financial interests, tracking restricted entities, and global conflict checks.

Ethics Training and Consultation

Ethics training is a core component of BTSEE's professional development programme and a critical tool in embedding a culture of integrity, objectivity, and public interest responsibility. All partners and staff are required to complete regular ethics training appropriate to their role, seniority, and regulatory responsibilities.

The Firm's ethics training framework is built around four objectives:

1. Reinforcing awareness of the code of Ethics
2. Providing practical guidance on identifying, documenting and responding to ethical threats
3. Promoting a culture of challenge, escalation, and consultation
4. Supporting the ethical judgement required in complex and real-time situations

During the period ended 31 March 2026, the Firm delivered a comprehensive ethics training programme for all audit staff and partners.

In addition to formal training, the Firm encourages informal learning through regular communications, ethics updates, and peer-to-peer knowledge sharing. Staff are encouraged to raise questions and share ethical challenges through safe and structured channels, including direct contact with the Ethics Partner or consultations with the Ethics committee.

The Firm recognises that strong ethical awareness r equires not only knowledge of rules, but the confid ence to apply judgement in uncertain situations. Ethi cs training is therefore designed not just to inform, but to empower individuals to act responsibly and uphold the Firm's standards.

Completion of core ethics training is mandatory and tracked centrally and forms part of the Firm's comp liance monitoring and appraisal processes.

Ethics Consultation:

Baker Tilly South East Europe has established th e Ethics and Independence Committee, which provides ethics consultation services to all personnel across the network. Employees are encouraged to consult the committee on any ethical matters or actual or potential threats to independence.

Our consultation policy ensures that all requests for consultation are documented, responded to in a timely manner, and that the conclusions reached are properly implemented. In cases of differences of opinion on ethics and independence issues, the matter is escalated to the Board of Directors, which takes the final decision after careful evaluation.

This process supports a strong culture of ethical decision-making and reinforces compliance with the IESBA Code of Ethics and applicable regulatory requirements and forms an integral part of our System of Quality Management and helps uphold the highest standards of integrity, objectivity, and public interest.

Conflicts of Interest, Financial, Business, Employment, and Personal Relationships

Baker Tilly South East Europe applies strict policies to prevent and manage conflicts of interest and relationships that could impair, or be perceived to impair, the independence or objectivity of its partners and staff. These policies are designed in accordance with the Handbook of the International Code of Ethics for Professional Accountants (IESBA).

Conflicts of Interest

Before accepting certain audit engagements, the Firm conducts a formal conflict check across its client and engagement database regionally, as well as internationally based on the guidelines of Baker Tilly International. If a potential conflict is identified, the Ethics Committee assesses whether the conflict can be managed through appropriate safeguards, or if the engagement must be declined.

Where a conflict is deemed unmanageable or prohibited the Firm will not proceed with the engagement. Clear and ethical client selection is essential to maintaining public confidence in the Firm's independence, objectivity, and professionalism. Our approach ensures that no audit is accepted or retained unless it meets the Firm's legal, ethical, and quality standards.

Financial Interests

Partners and staff are prohibited from holding any direct or material indirect financial interest in audit clients or its management, or in entities closely connected to them. This applies to personal holdings, those of immediate family members, and collective investment vehicles. Compliance is monitored through annual declarations, periodic reminders, and ad hoc reporting obligations.

All partners and staff are required to declare any new financial relationships that may affect independence or create a perceived conflict.

Business Relationships

The Firm maintains policies and procedures designed to identify, evaluate, and appropriately manage business relationships that may give rise to threats of independence or conflicts of interest. Before entering a business relationship with an audit or assurance client of the Firm, assessment and approval from the Ethics and Independence Committee must be obtained. Where potential relationships are identified, appropriate safeguards are implemented or the relationship is not permitted. These policies form part of the System of Quality Management of the Firm.

Employment and Personal Relationships

Partners and staff must declare any family, personal, or former employment connections with audit clients. This includes:

- Immediate family members employed by the client
- Recent employment with the audit client by the auditor or team members
- Close personal relationships (including with client management or directors)

Where such relationships exist, the individual will be removed from the engagement, and further safeguards may be considered or implemented as necessary. The Firm also monitors situations where former members of the Firm join audit clients in key positions.

Annual independence confirmations are required from all partners and audit staff. These declarations are reviewed by the Firm's ethics and independence committee.

By maintaining rigorous controls around relationships and conflicts, Baker Tilly South East Europe safeguards the independence and integrity of its audits, ensuring that public interest responsibilities are upheld.

Long Association with Engagements

Baker Tilly South East Europe as adopted robust policies to manage the risks associated with long association between key audit personnel and audit clients, in accordance with the IESBA Code of Ethics, the applicable provisions of the EU and local Regulations, and our internal ethical framework. These policies are designed to safeguard auditor independence, ensure professional scepticism is maintained, and uphold the credibility of the audit process.

Key Provisions

The Firm recognizes that the long association with an audit client may create familiarity or self-interest threats that could impair, or be perceived to impair, the independence, objectivity, and professional scepticism of the auditor. Accordingly, the Firm has established policies and procedures designed to monitor and manage the length of time that the Firm, its partners and senior personnel serve on audit engagements.

When the Firm has served a non-PIE audit client for 10 years, the Firm accepts a reappointment only if it is able to apply appropriate safeguards in place to reduce the threat to independence to an acceptable level. For statutory audits of Public Interest Entities, the Firm complies with the mandatory rotation requirements applicable to the audit firm and key audit partners. Following rotation, such individuals are subject to a mandatory cooling off period during which they are not permitted to participate in the audit engagement or otherwise influence the conduct or the outcome of the audit.

The following requirements apply:

- **Engagement Partners:** A maximum tenure of seven consecu tive years for audits of PIEs, with a three-year cooling-off period.
- **Engagement Quality Reviewers (EQRs):** A seven-year limit on PIE engagements, followed by a three-year cooling-off period.
- **Engagement Managers:** Maximum 15 years for all audit engagements, provided that the Engagement Leader has been rotated at least once.

For non-PIE audits, the engagement leader must be rotated after 10 years. The risk committee reassesses whether the Firm's association with a recurring client remains acceptable.

Safeguards and Oversight

When threats to independence due to long association are identified, the Ethics Committee assesses whether the threats can be managed by applying safeguards such as additional independent reviews. If safeguards are not considered satisfying as to reduce the risks on an acceptable level a decision is made to resign or withdraw from the engagement.

In all cases, the public interest and stakeholder confidence in audit quality and independence are the primary considerations.

The Firm also ensures that rotation policies are incorporated into its engagement planning, resource allocation, and long-term audit team development strategies. Where rotation creates resourcing challenges, particularly in specialised sectors or geographies, the Firm balances continuity with independence by leveraging support from its broader technical and quality teams.

Baker Tilly South East Europe remains committed to managing long association risks proactively and transparently, ensuring that fresh perspectives and professional objectivity are preserved throughout the lifecycle of each audit relationship.

Fees, Bribery, Non-Compliance with Laws & Regulations. and Gifts and Hospitality

Baker Tilly South East Europe applies rigorous procedures to ensure that fee arrangements, responses to non-compliance with laws & regulations, hospitality, and business conduct comply with the IESBA Code of Ethics, the applicable EU and local regulations, and the Firm's internal Ethics policies. These policies are integral to preserving independence, integrity, and public confidence.

Fees

All audit fees are agreed in advance, documented in formal engagement letters, and supported by a clearly defined scope of work. The Firm prohibits contingent fee arrangements for audit services provided to Public Interest Entity audit clients.

Where audit fees are lower than commercially expected, the Engagement Partner ensures that sufficient time and resources have been allocated to meet the required quality and ethical requirements.

Fee dependency is closely monitored, with the following thresholds and procedures applied:

1. **>15% of Firm income (non-PIEs):** Accept only if approved by the Ethics Committee
2. **>30% of the annual fee income generated by the portfolio of the Engagement Leader:** Accept only if approved by the Ethics Committee
3. **PIEs and listed entities:** Not accept/continue if the fees received from them and connected entities are (or are expected to be) more than 15% of the Firm's annual fee income. Also, the fee cap from permissible non-audit services is assessed as per the requirements of the EU regulation.

Overdue fees are also treated as a potential independence threat. If unresolved and material, the Firm assesses whether the audit can continue and apply safeguards or consider withdrawal from the engagement.

Gifts and Hospitality

The Firm maintains a zero-tolerance stance on improper influence through gifts or hospitality. The following are applicable:

1. Provision or acceptance of entertainment or hospitality that could be perceived as inten ded to influence. is prohibited.
2. Provision or acceptance of free holidays is prohibited.
3. All gifts and hospitality must be declared, regardless of whether accepted or declined.
4. Gifts of nominal value (up to Euro 75) may be permitted.
5. All gifts and hospitality must be disclosed and must be approved by the Ethics Committee if required by Firm policy.

Bribery and Corruption Safeguards

The Firm does not offer, promise, give, request, or accept any form of bribe or improper payment, whether directly or indirectly, to or from any person or organization, including public officials, private individuals, clients, suppliers, or competitors.

The Firm does not tolerate any form of facilitation payments, kickbacks, or other improper inducements and does not condemn any behaviour that could be interpreted as an attempt to influence any business decision through the offering of gifts, hospitality, or other benefits. All gifts, fees, and business conduc t are viewed through the lens of public interest an d ethical perception.

All business transactions and relationships are conducted in a transparent and accountable manner. The Firm maintains accurate and complete records of all financial transactions.

Compliance with these rules is monitored and enforced, and breaches are investigated and reported as required by the Firm's ethics policies. This is supported by:

- Mandatory annual training and declarations
- Whistleblowing mechanisms
- Oversight by the Ethics Committee

By maintaining these policies and standards, the Firm reinforces its commitment to independence, ethical leadership, and sustained audit quality.

Non-compliance with Laws and Regulations (NOCLAR)

We are committed to complying with the IESBA Framework for addressing non-complaince with laws and regulations, and to promptly addressing and reporting any instances of non-compliance that come to our attention. We understand that NOCLAR can have serious legal, financial, and reputational consequences, and we take our responsibilities to the public interest and the integrity of the profession seriously.

The Firm has adopted a policy designed to meet the obligations with respect to NOCLAR. We maintain a culture of transparency and accountability and encourage reporting of concerns without fear of retaliation. We ensure that all reports of NOCLAR are taken seriously, and that appropriate action is taken to address any non-compliance.

Insider Trading

The Firm maintains a strict policy to prevent insider trading and market abuse. The Firm is fully committed to complying with applicable laws and regulations and preventing insider trading in all its operations and activities. We take all reasonable steps to ensure that material non-public information obtained during the course of our professional services is safeguarded and not misused for personal benefit or to advantage third parties.

This commitment forms part of our broader ethics and compliance framework. All employees are made aware of the importance of complying with the insider trading policy through relevant training sessions.

Data Privacy, Information Security and Confidentiality

In Baker Tilly South East Europe, we have established robust procedures to maintain client data confidentiality as a cornerstone of our core services. Conditional access has been enhanced though our ISO 27001 ISMS system, and access to confidential information is strictly limited through role based access controls and encrypted document sharing platforms. All staff, including temporary and contract personnel, undergo mandatory Information Security & Data Privacy training and review and confirm adherence to our code of ethics annually.

We have implemented internal monitoring mechanisms to prevent, detect and respond to unauthorized disclosures and incidents, supported by periodic reviews and compliance checks. We are committed to upholding the highest standards of data protection and privacy across all aspects of our operations of all our offices in South East Europe. In 2025, we kept strengthening our regional data privacy protocols to align with both local legislations and the General Data Protection Regulation (GDPR), as we have introduced procedures for the use of artificial intelligence (AI). The local privacy governance framework is reinforced by MHA requirements and guidance provided by MHA.

We have a centralized Data Protection Officer responsible to lead and oversee compliance and coordinate responses to data subject requests. Internal Committees ensure the assessment and onboarding of new suppliers. Privacy impact assessments are embedded in all new service offerings, and staff are annually trained to ensure consistent handling processing of personal data in line with regulatory expectations. Protecting privacy is integral to maintaining the trust of our clients, employees, and stakeholders.

To ensure the confidentiality, integrity and availability of our services and client data, we have implemented a unified information security strategy and management system across our South East Europe Network. We also maintain our ISO 27001 : 2024 certification which includes technical controls for multi-factor authentication, secure VPN access for remote work, and routine vulnerability scans. Our IT infrastructure is continuously monitored, and we partner with certified cybersecurity firms to conduct annual penetration tests, ensuring a proactive approach to threat detection and prevention.

Finally, Baker Tilly South East Europe ensures a high level of personal data protection by applying, when transferring personal data to third countries for which no adequacy decision has been issued by the European Commission, the applicable standard contractual clauses of the European Commission for the transfer of personal data to third countries.

Non-Audit / Additional Services

Baker Tilly South East Europe applies strict controls over the provision of non-audit services to audit clients, in accordance with the IESBA Code of Ethics, the applicable EU and local regulations, BTI requirements and internal risk protocols. These controls are designed to prevent actual or perceived threats to auditor independence, objectivity, and public confidence.

Permitted and Prohibited Services

For audit clients that are Public Interest Entities, the Firm follows the "blacklist" of prohibited non-audit services as per the EU and local regulations. These include, but are not limited to:

- Book-keeping and preparation of accounting records & financial statements
- Internal audit services
- Valuation services
- Legal or recruitment services
- Prohibited tax services
- Services that involve playing any part in the management or decision making of the audited entity
- Payroll services
- Design & implementation of internal control or risk management procedures
- Services related to the financing, capital structure & allocation, and investment strategy of the audited entity

Permitted services to PIEs are only offered when:

- They are not prohibited by regulation
- They are subject to robust threat assessment and safeguards
- They are pre-approved by those charged with governance, typically the audit committee
- All necessary approvals as per the Firm's internal policies have been obtained.

For non-PIE audit clients, the Firm applies a principles-based approach, assessing threats under the five fundamental ethical principles. In all cases, the Firm ensures services are not provided where the self-review threat cannot be mitigated or they impair independence in appearance.

Approval Process

All proposed non-audit services are subject to a pre-approval process, which includes:

- Consultation with the Engagement Partner
- Consultation with the Ethics Committee
- Completion of a documented threat assessment including details of the proposed safeguards to mitigate the threat
- Escalation to the Ethics Council where necessary
- Audit committee approval (for PIEs and listed entities)
- Consultation with the Board of Directors when required

Services are only provided if clear safeguards are in place to eliminate or reduce threats to an acceptable level.

Monitoring and Disclosure

The Firm maintains documentation of the approvals for non-audit services provided to audit clients. The parties involved document all steps of the process, from initial notification to final approval, ensuring transparency and accountability. The documentation must clearly outline the services, approval rationale, and any conditions of approval.

Fees for audit and non-audit services are communicated in our audit deliverables to those charged with governance.

Raker Tilly South East Europe remains committed to ensuring that non-audit services do not compromise audit quality or independence. The Firm's policies prioritise objectivity, transparency, and alignment with public interest responsibilities.

Suggestions, Complaints, Allegations, and Whistleblowing

Baker Tilly South East Europe is committed to maintaining a culture where all individuals feel empowered to raise concerns about unethical, illegal, or improper behaviour without fear of retaliation. The Firm's Speaking Up (Whistleblowing) Policy forms a key part of its wider ethics and quality framework and is designed to support transparency, accountability, and continuous improvement.

Scope of the Policy

The Firm encourages personnel to contribute to the development of the quality management system and recognizes that any suggestions or comments from within the Firm form part of this process. A member of staff has the right to have a suggestion or a comment brought to the attention of the Board of Directors. All complaints are reported to the Complaints Committee of the Firm.

Individuals are encouraged to speak up about a wide range of con cerns, including:

- Threats to audit independence or integrity
- Fraud, bribery, or corruption
- Misconduct
- Regulatory or other internal non-compliance

Reporting Mechanisms

Concerns may be raised through multiple channels:

- Ethical matters can be reported directly to the Ethics Partner or Ethics Committee
- Through the dedicated whistleblowing email address
- Via line managers or functional leadership, when appropriate
- Anonymously, if preferred, through secure reporting tools

The policy ensures that all disclosures are treated sensitively and confidentially. Individuals who raise concerns in good faith are protected from retaliation or disadvantage, in line with the Firm's commitment to a speak-up culture.

Oversight and Response

Reports are logged, assessed, and investigated by the Complaints Committee of the Firm. Investigations are conducted promptly, and outcomes are documented, with follow-up actions taken to mitigate future risk. The results of the investigations are presented to the Board of Directors who decides the conclusion of the Firm on the matter.

Baler Tilly South East Europe believes that a strong speak-up culture is essential to ethical resilience and public trust. Individuals are regularly reminded of the policy through training, onboarding, and intern al communications, reinforcing the message that everyone has a role in safeguarding the Firm's values.

Breaches of Ethical Requirements

We operate a structured and transparent process for identifying, reporting, investigating, and responding to breaches of the IESBA and ICPAC Code of Ethics, and the Firm's internal ethical policies. The approach reflects the seriousness with which the Firm treats any failure to meet its independence and professional conduct obligations.

Identification and Reporting

Breaches may be identified through:

- Self-reporting by engagement teams or individuals
- Internal monitoring activities
- Ethics consultations or whistleblowing reports
- External inspections or regulator communications

All suspected breaches are required to be reported to the relevant engagement leader who then consults with the Ethics Director. A formal log is maintained, and breaches are assessed for severity, cause, and potential impact on audit quality or independence.

Investigation

Each breach is subject to documented investigation, typically involving:

- Review of relevant documentation and timelines
- Interviews or statements from involved parties
- Consideration of systemic or behavioural factors
- Independent challenge where objectivity may be impaired

Corrective Action and Remediation

Corrective actions are proportionate to the nature of the breach and may include:

- Engagement team changes or partner rotation
- Mandatory retraining or targeted coaching
- Revisions to audit work or additional reviews
- Strengthening of internal processes and escalation protocols
- Disciplinary measures where required

Where breaches or independence impairments involve Public Interest Entities (PIEs), they are disclosed to the Audit Committee, and—if required—reported to the local regulators in accordance with legal obligations.

Monitoring and Oversight

The Ethics Partner reports all ethical breaches to the Board of Directors along with the suggestion on how the breach must be addressed. The Board of Directors review the matter and takes the final decision. Differences of opinion with the Ethics Partner are escalated to the Board of Directors to arrive at a final decision based on careful evaluation of the matter.

During the period, the Firm maintained a robust system of ethics and independence monitoring designed to ensure compliance with applicable professional and regulatory requirements, including the IESBA International Code of Ethics for Professional Accountants. As part of this framework, the Ethics and Independence function performed periodic reviews and testing procedures over personnel declarations and independence confirmations to assess their completeness and accuracy.

In addition, monitoring activities included the review of non-assurance services provided to assurance clients to confirm that such services were appropriately evaluated, approved, and consistent with independence requirements. These procedures were performed on a sample basis, with additional focus on higher-risk roles and engagements.

The results of these monitoring activities indicated that the Firm's policies and procedures operated effectively during the period, with no material exceptions identified.

H Sustainability and ESG

BTSEE recognises that environmental, social, and governance (ESG) matters are central to long-term business sustainability, risk management, compliance, and public trust. As a professional services Firm operating in the public interest, we are committed to aligning our own operations with sustainable business practices and to supporting our clients as they navigate the increasingly complex ESG landscape.

BTSEE will be incorporated into the FY25/26 MHA ESG Report, in alignment with MHA's established guidelines and proven ESG practices, and we will provide all required data for Group carbon-footprint accounting while aligning our initiatives with MHA's overarching sustainability targets.

Recruitment practices continue to promote access for underrepresented groups, and our school-leaver and graduate programmes are being expanded in collaboration with outreach partners.

Sustainability and ESG are now key expectations from regulators, investors, employees, and clients. BTSEE is committed to meeting MHA expectations with integrity, and to playing a responsible role in shaping a sustainable future for our profession and the communities to which we serve.

Risk management and mitigation

Risk management remains a fundamental component of BTEEE’s governance framework. It underpins our strategy, operations, audit quality commitments, and public interest responsibilities, while also supporting sustainable growth and innovation. As risk management shifts from a compliance-focused activity to a key strategic advantage, we are reinforcing our position by embedding a strong risk-aware culture across the Firm.

Client and engagement acceptance & continuance (CEAC)

Baker Tilly Southeast Europe's Client Engagement Acceptance and Continuance section of the Risk Manual sets out the policies and procedures which shape the decision whether to accept a new client engagement or a new engagement for an existing client, or to continue an existing client engagement.

These comprehensive policies and procedures are an important part of the Risk Management process and comply with applicable Anti-Money Laundering EU Directives transposed into local legislation as well as local and international guidelines issued by Regulators in all the countries that the Group operates around the region, International Standards on Auditing and the IFAC Code of Ethics for Professional Accountants issued by IESBA. The CEAC procedures are completed prior to signing off the terms of an engagement and prior to performing any other significant activities that would have been performed if the client or engagement was formally accepted or continued.

The CEAC policy applies to all member firms under the umbrella of Baker Tilly SouthEast Europe and is monitored by the Risk Committee. The Risk Committee has structured the Risk Manual as clearly and practically as possible aiming at an effective and efficient process of assessing risk prior to acceptance and managing risk while execution of the engagement. The Manual follows a risk-based approach which is determined by the Group’s risk tolerance as set out by the Board of Directors.

The approach to risk entails significant interaction and coordination with other required processes, namely Anti-Money Laundering and Ethics & Independence to ensure that Group standards are maintained in terms of onboarding clients within the Group’s risk appetite and safeguarding the Firm’s independence at local, regional, and international levels. The devised risk grading questionnaires assess both the client and the engagement.

The overall risk assessment determines whether to accept a client and consequently an engagement or not, ensuring that Baker Tilly has the professional competence to proceed with the client and relevant engagement or decline any clients with overall risk higher than Baker Tilly’s risk tolerance.

Risk management and mitigation

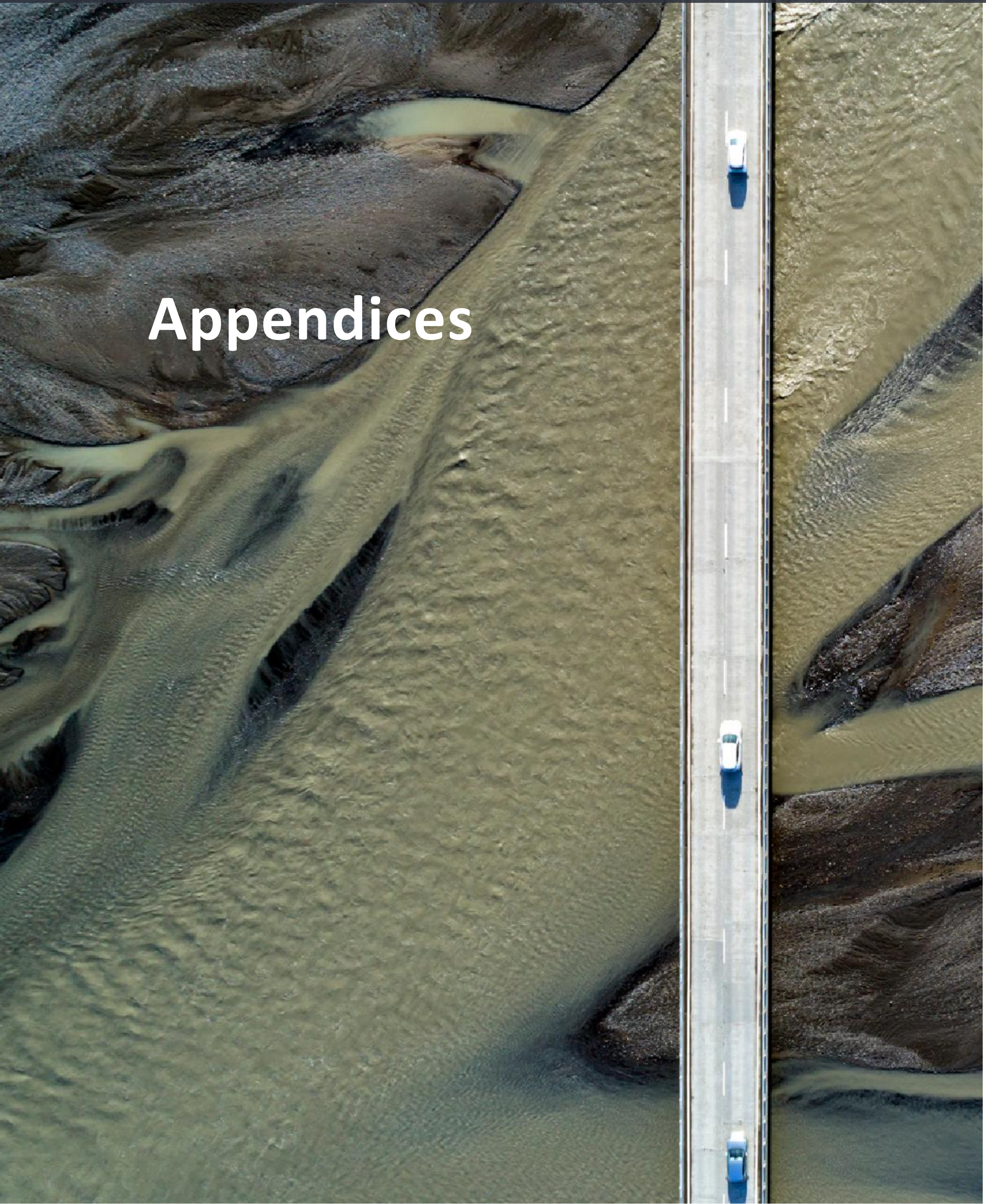
A revised version of the Risk Manual (the "Manual") was approved by the Board of Directors on 10 December 2025. The updated policies and procedures contained within the Manual became effective immediately following approval, and the relevant documentation was subsequently updated on the Baker Tilly SEE Risk Committee Portal.

The revised Manual introduced several amendments and enhancements aimed at strengthening the Firm's risk management and quality control framework. Key updates included the addition of new definitions and terminology, such as "Baker Tilly South East Europe (BTSEE)", "IESBA" and "ISQM", together with revisions to sections relating to risk management, quality control, client engagement acceptance and continuance procedures, risk assessment questionnaires, engagement letters, professional clearances and disengagement policies.

Particular emphasis was placed on the revised requirements concerning ongoing engagements. Under the updated policy, Letters of Engagement ("LoEs") for ongoing engagements are required to be renewed annually and uploaded to the relevant job code. To facilitate the transition during the first year of implementation, a grace period was granted until 13 February 2026 for the collection and submission of updated LoEs through DocuSign. Following this deadline, job codes without the appropriate signed LoEs would be blocked until compliance requirements were met.

In addition, all appendices and approved specimen documents were reviewed and updated accordingly. Staff were reminded to ensure that only the latest approved templates and specimen documents are used in practice.

The Firm communicated the changes to all personnel and encouraged staff to familiarise themselves with the revised procedures and controls. Ongoing support and clarification were made available through the Risk Team to ensure consistent implementation across the organisation.



Appendices

Legal Structure and Ownership

Baker Tilly Cyprus Limited operates as a private limited liability company, established under Cyprus law, with registered address at Corner C. Chatzopoulou & 30 Griva Digheni Avenue 1066, Nicosia, Cyprus and registration number HE364689.

All voting rights in Baker Tilly Cyprus Limited are held by Baker Tilly South East Europe Holdings Limited, a limited liability company, registered in Cyprus under registration number HE 474589.

Baker Tilly Cyprus Limited is a member firm of the Baker Tilly South East Europe Network (refer to "Network membership" in this section)

Subsidiary undertakings

The principal subsidiary undertakings of Baker Tilly Cyprus Limited as at 31 March 2026 are shown on the table on the right:

Network Membership

Baker Tilly South East Europe is a subsidiary of MHA plc. MHA is an accountancy, tax and advisory professional services business operating through several separately constituted and distinct legal entities. The MHA group is made up of 30 offices across the UK, Ireland, South East Europe and the Cayman Islands

The MHA group is an independent member of the Baker Tilly International network of independent accountancy and business advisory firms

Baker Tilly South East Europe is an accounting and advisory group that offers assurance, tax and advisory services across all sectors of the industry, operating under a unified structure, directed by a single, central management team, operating through 7 offices in 5 countries by 44 directors and more than 300 professionals.

Baker Tilly South East Europe is an independent member of Baker Tilly International (BTI) and holds practice rights to provide professional services using the "Baker Tilly" trade name in five countries – Cyprus, Greece, Romania, Bulgaria and Moldova.

Baker Tilly South East Europe has established five separate country-holding companies, all registered in Cyprus (one for each country that it operates in), namely:

Company Name	Reg. Number
BAKER TILLY CYPRUS LIMITED	HE364689
BAKER TILLY GREECE (CYPRUS) LIMITED	HE342998
BAKER TILLY MOLDOVA (CYPRUS) LIMITED	HE412137
BAKER TILLY ROMANIA (CYPRUS) LIMITED	HE351611
BAKER TILLY BULGARIA (CYPRUS) LIMITED	HE351630

Company name	%
Baker Tilly Klitou and Partners Limited	**100%**
Baker Tilly Klitou and Partners (Limassol) Limited	**100%**
Baker Tilly Secretarial Services (Cyprus) Limited	**100%**
Baker Tilly BRI Limited	**100%**
Baker Tilly Corporate Services Limited	**100%**
Baker Tilly Advisory Services Limited	**100%**

Baker Tilly South East Europe is a subsidiary of MHA plc. MHA is an accountancy, tax and advisory professional services business operating through several separately constituted and distinct legal entities. The MHA group is made up of 30 offices across the UK, Ireland, South East Europe and the Cayman Islands. The MHA group is an independent member of the Baker Tilly International network of independent accountancy and business advisory firms.

Baker Tilly South East Europe Alliance

The Baker Tilly South East Europe Alliance (the "Alliance") is a regional alliance of independently owned local accounting and professional service firms with similar client service goals.

The Alliance presents an opportunity for firms to access the resources of Baker Tilly South East Europe and to expand services to their clients without jeopardizing their existing relationships or their autonomy.

In the wake of a changing business landscape, the Alliance was developed to provide member firms with an alternative strategy for gaining a competitive advantage.

With 9 member firms, the Alliance (Appendix 2) represents all key locations and includes a comprehensive range of services.

Baker Tilly International (BTI)

Baker Tilly International is one of the world's leading networks of independently owned and managed accountancy and business advisory firms united by a commitment to provide exceptional client service.

Baker Tilly South East Europe is an independent member of Baker Tilly International Limited, which is a company limited by guarantee registered in England and Wales. It is owned by its members, all of which hold an equal interest in the legal entity.
The members, in the Annual General Meeting, are responsible for appointing the board of directors, approving the company's strategy and other matters such as making changes to the company's constitution.

Baker Tilly International does not itself provide professional services, advice or opinions to clients but acts as a member services organization operating from its Global Office in London. Client services are delivered by a network of over 140 independent members worldwide.

Each member is a separate and independent legal entity. Each member is locally owned, operated and managed and is responsible for its own actions. No single member is responsible for the services or actions of another.

Management and governance

Baker Tilly International operates with a board of directors consisting of the Chief Executive Officer (CEO), and directors drawn from independent members around the world.

The Board of Directors appoints the CEO. It also formulates the strategy for Baker Tilly International and approves the policies and procedures to govern and manage the network. On the recommendation of the CEO and the reginal advisory council, the Board is responsible for admitting new members and, on occasion, terminating membership.

The network operates geographically through five regions - North America; Latin America; Europe; Middle East and Africa; and Asia Pacific. Each region has a chairperson who chairs an advisory council made up of partners from members in that region. The chairperson's role includes the co-ordination and development of business between members, the recruitment of new members as necessary and the implementation of the regional strategy.

At a management level, the network is co-ordinated by the CEO. The CEO is responsible to the board and ultimately to the members for all matters relating to the management and leadership of the network.

The CEO is supported by a team at Global Office which supports members worldwide. Support includes international brand development initiatives, technical development of the global audit tool and the co-ordination of a global secondment programme.

Quality assurance

Baker Tilly International's members are expected to conduct all aspects of their business to the highest professional standards, to maintain integrity and to keep in good standing in their local business community.

They are required to comply with all national standards applicable to all aspects of their work. These include auditing, independence and any other standards issued in a member's country which impact on their work.

They are also expected to comply with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA) and to carry out audits to standards that are at least compliant with International Standards on Auditing (ISAs) issued by the International Auditing and Assurance Standards Board (IAASB).

Members are also required to comply with IAASB's ISQM 1 International Standard of Quality Management.

Regular quality assurance reviews of all members are carried out by Baker Tilly International, with members typically subject to a review at least once every three years.

Independence

Although Baker Tilly International is a network, it is for each member to determine its position under the ethical codes which govern its work. Each member identifies those other members of the Baker Tilly International network that must be considered in respect of independence for their client base.

Each member complies with their local code of ethics. Where no local code exists or where the local code is significantly less comprehensive than the International Code of Ethics for Professional Accountants (Code) members are expected to comply with the Code.

All members are required to include in their audit process a procedure that requires consideration of whether there are threats to independence resulting from work done for the client and any of its related companies by themselves or any other members of Baker Tilly International. This includes discussion with the client of circumstances where any such threats may arise.

Baker Tilly International provides a conflict check messaging system and an Independence Database to assist members in complying with this requirement. The Independence Database includes details of all clients which are members of a listed group for which any member provides any service to any company within the listed group. Details are recorded for all instances where members provide audit services to listed entities. This information is then used to create the Restricted Entity List which shows all the listed audit clients for whom members act as auditors. Member Firms should not hold a financial interest (for example, an investment) in any entity on the Restricted Entity List and should not provide non-audit services to those entities without first consulting the audit team.

Audit Quality Indicators

Baker Tilly South East Europe has developed Audit Quality Indicators as part of its commitment to transparency and quality improvement.

Along with quality metrics as disclosed in the section F, such as the results of external monitoring and internal inspections, the Firm has monitored the following metrics to 31 March 2026:

Area	Metric description	Indicator	Measurement	1 Jan 2025 – 31 Mar 2026
Staff / Partners and Engagement Leaders ratio	Capacity of partners / Engagement Leaders to supervise junior audit staff in the Firm, and the level of professional support for partners / RIs	Average number of audit staff managed by a partner / engagement leader		8:1
Staff workload	Number of hours worked per week, as a percentage of contracted hours	Average hours worked by staff, by group of grades in the audit practice, on a weekly basis, as a percentage of weekly contracted hours	Partners & Directors: [% utilisation]	95%
			Managers & Senior Managers: [% utilisation]	95%
			Qualified, but below Managers: [% utilisation]	97%
			Unqualified: [% utilisation]	89%

Area	Metric description	Indicator	Measurement	1 Jan 2025 – 31 Mar 2026
Staff workload for busy period	Number of hours worked per week, as a percentage of contracted hours, for busy period (January – March unless otherwise stated in the narrative)	Average hours worked by group of grades in the audit practice, for busy period, as a percentage of weekly contracted hours	Partners & Directors: [% utilisation] Managers & Senior Managers: [% utilisation] Qualified, but below Managers: [% utilisation] Unqualified: [% utilisation]	96% 95% 96% 89%
Training	To demonstrate the level of investment in training offered to partners and staff	Average number of planned mandatory training hours per person (excluding induction training), and percentage of completion rates, by group of grades	Partners & Directors [Number of hours] [% completion rate] Managers & Senior Managers [Number of hours] [% completion rate] Qualified, but below Managers [Number of hours] [% completion rate] Unqualified [Number of hours] [% completion rate]	Number of hours: 30 98% completion rate Number of hours: 25 95% completion rate Number of hours: 30 95% completion rate Number of hours: 24 95% completion rate

Key Risks and Trend Analysis

Adherence to Regulatory Compliance

The risk that we breach relevant laws or regulations resulting in fines, loss of licence to operate, financial loss and/or reputational damage.

Risk Trend

Although we have strengthened our controls to better prevent and detect instances of non-compliance, the pace and complexity of regulatory change means the risk remains elevated. Continued vigilance is required to ensure we keep pace with evolving obligations across all jurisdictions in which we operate.

Liquidity Risk and Working Capital Management

There is a risk that the Firm may be unable to meet short-term financial obligations or have sufficient capital to support growth initiatives and strategic investments.

Risk Trend

Liquidity remains stable, but uncertainty in the broader economic environment means proactive cash flow and capital management remains a priority. Close monitoring and contingency planning continue to be essential.

Service Delivery Quality

There is a risk of a significant failure in engagement delivery within the BTSEE, or of reputational or operational impact from service failures within the wider MHA group or BTI network.

Risk Trend

Ongoing efforts to standardise quality processes and increase oversight have strengthened controls but risk of isolated failures does remain.

Recruitment and Retention

There is a risk that we may be unable to attract or retain colleagues with the necessary skills and capabilities, which may undermine our ability to operate effectively and deliver high-quality services to our clients.

Risk Trend

Competition for talent remains high, particularly in key specialist areas. While steps have been taken to improve our employee value proposition and career development pathways, the risk persists due to market conditions and evolving workforce expectations.

Poor Quality Data for Effective and Efficient Decision-Making

There is a risk that outdated, inaccessible, or inconsistently formatted data could impair our ability to make timely, informed, and effective business decisions.

Risk Trend

Improvement initiatives are underway, but legacy systems and inconsistent data governance still present challenges. Enhancing data quality and accessibility is a key focus area.

Market Risks

There is a risk that the Firm is unable to grow profitably through mergers, acquisitions, or organic means, or is adversely impacted by changes in legislation.

Risk Trend

Economic headwinds and regulatory uncertainty continue to create a challenging growth environment. Strategic planning and due diligence processes have been strengthened to help manage this risk.

One Firm Mentality

There is a risk of poor cultural alignment across the Firm, potentially impacting collaboration, consistency of service, and our ability to operate as a unified business.

Risk Trend

Cultural integration efforts have progressed, especially post-merger, but there is ongoing alignment in ways of working that require continued focus and leadership commitment.

Adapting to the Digital World

There is a risk that we fail to adopt or embrace current and emerging technologies, leaving us behind competitors and impacting our ability to innovate and serve clients effectively.

Risk Trend

We are making strategic investments in key platforms and tools, but the pace of digital change and internal capacity constraints continue to challenge our ability to fully capitalise on opportunities.

Lost Opportunities – BTI / International

There is a risk of missed opportunities or reputational harm due to engagement inconsistencies and/or failures within BTSEE, the MHA Group of the broader BTI network impacting our ability to collaborate and grow internationally.

Risk Trend

International collaboration is strengthening, but differences in capability, approach, or client experience across member firms may still impact performance and perception.

Cyber Attack

There is an ongoing risk that internal or external actors successfully breach our systems, deploying malicious code and/or causing operational disruption, data loss, or reputational harm.

Risk Trend

We are continuously strengthening our cyber defences and staff awareness training however, the increasing sophistication and frequency of attacks across the sector, mean this risk remains significant.

ESG

There is a risk that we fail to adopt and embed environmental, social, and governance (ESG) principles into our strategy and operations, impacting our brand, regulatory compliance, and stakeholder expectations.

Risk Trend

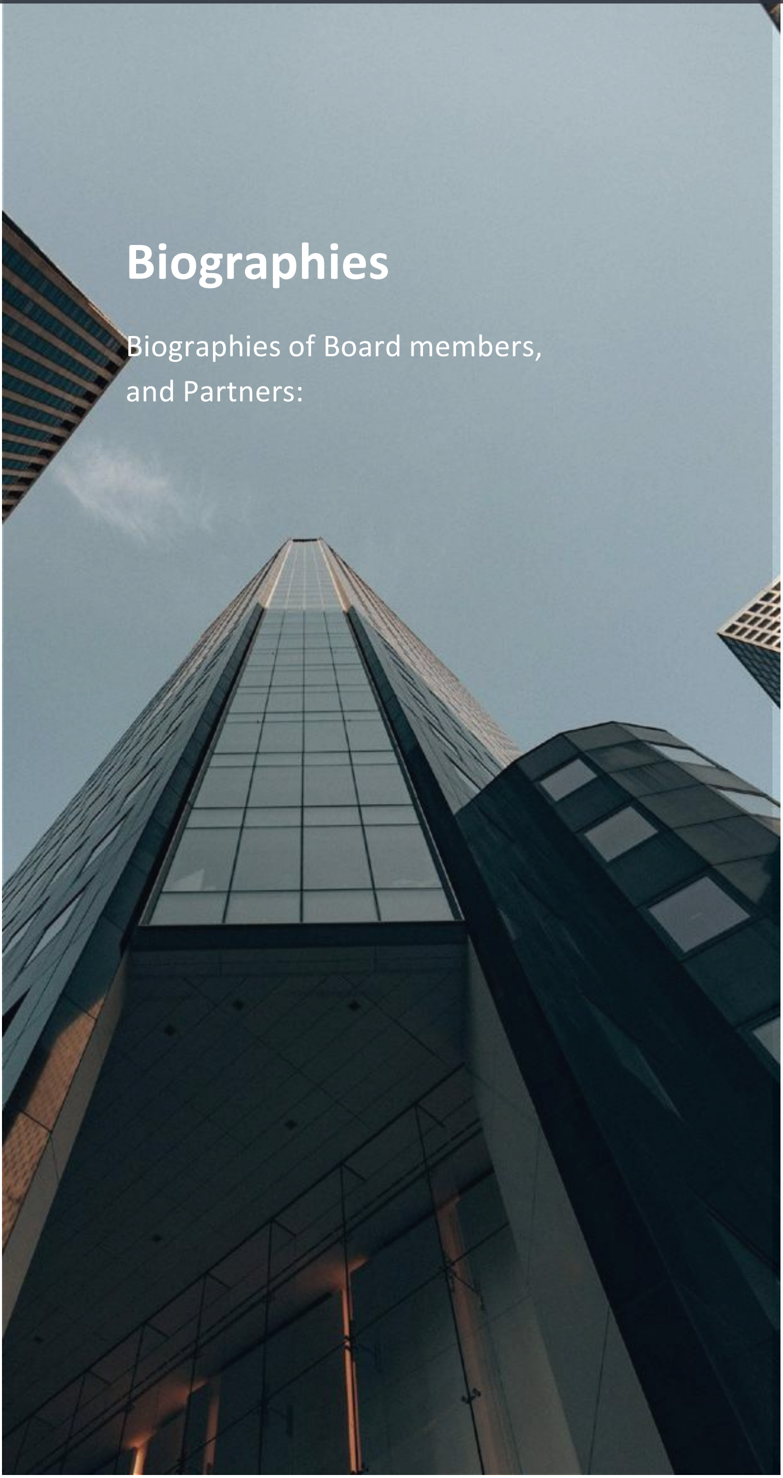
Awareness and activity around ESG are increasing, but there is more to do in embedding ESG into day-to-day operations and reporting practices across the Firm.

Criminality / Fraud

There is a risk of fraud, improper conduct, or external pressures leading to financial misreporting, regulatory breaches or reputational harm.

Risk Trend

Preventative controls and whistleblowing mechanisms are in place but increasing external threats and internal pressures continue to make this a persistent area of focus.



Biographies

Biographies of Board members, and Partners:

Management Board Members

Marios A. Klitou

CEO, Baker Tilly South-East Europe

Chief Executive Officer of Baker Tilly South-East Europe. Fellow of the Institute of Chartered Accountants in England and Wales and the Association of Chartered Certified Accountants of UK. Locally, he is a member of the Institute of Certified Public Accountants of Cyprus (ICPAC).
Member of the Council of Economic Advisers of the President of the Republic of Cyprus from 2003 to 2008, member of the Board of Cyprus Development Bank Ltd from 2005 to 2008, a member of the Board of the Central Bank of Cyprus from April 2008 to December 2012 as well as a member of the Board of Directors and the Treasurer of the Cyprus Investment Promotion Agency from 2008 to 2016. Served as the President of ICPAC's International Business, Shipping and Foreign Investments Committee during 2008-2010.

Elected a member of the EMEA Regional Advisory Council of Baker Tilly International (2011) until 2020. From 2012 to 2019, he has served as a President of the Cyprus – Spain Business Association, under the umbrella of the Cyprus Chamber of Commerce and Industry. In March 2019, he was elected President of the Cyprus – Romania Business Association. He is also a member of the Chamber of Financial Auditors of Romania (CAFR) and a Member of the Body of Expert Accountants and Chartered Accountants in Romania (CECCAR).
In January 2014 he was appointed as Honorary Consulate General of the Republic of Romania in Cyprus. Appointed on the Board of the Employers and Industrialists Federation (OEB) in February 2015. In March 2022 he was awarded by the President of Romania, one of Romania's Highest National Honours – The National Order For Faithful Service of the Rank of Knight. In 2023, he was awarded as Business Leader.

Savvas M. Klitou

Regional Managing Partner, Head of Tax Services

Savvas M. Klitou is the Regional Managing Partner of Baker Tilly South East Europe and the Head of the Tax Services Department at Baker Tilly South East Europe. He is a member of the Institute of Chartered Accountants in England and Wales (ICAEW) and holds a BSc in Accounting and Business Management from the University of Westminster in London, UK.

He also serves as a member of the Board of the Institute of Certified Public Accountants of Cyprus (ICPAC). He was a member of ICPAC's Tax Compliance Committee from 2019 to 2024 and previously served on the International Operations and Foreign Investments Committee from 2016 to 2019. In 2025, he was elected as a member of the Board of Directors of ICPAC.

In addition, he is the Vice President of the Board of Directors of the American Chamber of Commerce in Cyprus, where he has been a Board member since 2016. He is also the President of the Cyprus–Spain Business Association under the Cyprus Chamber of Commerce and Industry.

Since 2020, he has been a member of the EMEA Regional Advisory Council of Baker Tilly International, with responsibility for the South East and Eurasia region.

Partners

Andreas Pittakas

Partner, Assurance and Advisory Services

Andreas joined Baker Tilly in May 2010. He has extensive experience in the consolidation of large groups. Andreas currently provides services to a range of local clients and international groups, both private and listed, specializing mainly in private equity, funds, insurance, real estate, wholesale and retail trading sectors.

Andreas is a member of the Group's Board of Directors since October 2014 and leads one of the Assurance Groups in the Nicosia office. He is an audit partner with a diversified portfolio of companies, operating in a variety of countries. HIs portfolio includes clients in private equity, funds, insurance, real estate, wholesale and retail trading sectors, and of various sizes ranging from multinational groups listed in International Stock Exchanges to small single owner companies.

He is a Fellow Chartered Accountant (FCA), member of the Institute of Chartered Accountants of England and Wales ("ICAEW").

Stela Ivancheva

Partner, Consulting and Business Advisory Services

Stela Ivancheva is a Partner of Transactional Advisory Services at Baker Tilly South-East Europe since 2016. She works on various cross-border projects in Cyprus, Greece, Bulgaria, Romania and Moldova. She Previously worked for 10+ years in senior positions in the Transaction Advisory Practice of a Big-4 firm and the investment banking unit of a leading Central and Eastern European banking group. Stella holds a Bachelor of Arts in Applied Economics and Business Administration from the American University in Bulgaria and is a fellow member of the Chartered Association of Certified Accountants (ACCA), UK.

Stela has 20 years of progressive transaction and financial advisory experience with reputable international consulting organizations. In recent years Stela was involved in several projects for the banking industry, including due diligence, valuation, AQR, NPL advisory, IFRS 9 implementation and forensic investigations. At the same time, she continued working on transaction advisory engagements for non-financial businesses, including manufacturing, hospitality, construction and other.

Chris Koutouroussis

Partner, Legal & Corporate Services

Chris Koutouroussis is the Partner in charge of Corporate Services at Baker Tilly South-East Europe since January 2022, following the merger with Bizserve Consultants Ltd. His tenure as Managing Director of the latter span for almost 15 years, having joined in April 2007 following a 10-year career in banking. Originally, he joined Marfin Laiki Bank in 1997 as a Private Banking Portfolio Manager. In February 2001 he joined Alpha Bank as Manager of the Private Banking Unit.

He holds a BSc in Economics from the University of Warwick, an MSc in Finance & Economics from Queen Mary and Westfield College of the University of London and an MBA from Warwick Business School.

Chris is responsible for the day-to-day operation of the Corporate Services arm of the Group as well as its business development affairs. He has also been heavily involved with the Cyprus Fiduciary since 2013 and is the Association's President since October 2019.

Socrates Efstratiou

Partner, Regional Advisory and Finance

Socrates Efstratiou has been working with Baker Tilly from 2005 to 2010 and then he worked for 7 years in other organisations. In 2017 he re-joined Baker Tilly.

He is a member of the Chartered Association of Certified Accountants (ACCA), and a member of the Institute of Certified Public Accountants of Cyprus (ICPAC).

He has over of 16 years' experience in financial services and he manages the finance department throughout the network of Baker Tilly South -East Europe.

Valentinos Pavlides

Partner, Tax Services & Transfer Pricing Services

Valentinos holds the position of Partner in Tax Advisory Services in Baker Tilly Cyprus.. He joined Baker Tilly Cyprus in 2011 with the last 7 years working in the Tax Advisory department and he is the person heading also the Transfer Pricing team. Valentinos is a member of the Institute of Certified Public Accountants of Cyprus (ICPAC) and a member of the Institute of Chartered Accountants in England and Wales (ICAEW). He is also a candidate of the Advanced Diploma in International Taxation (ADIT) of the Chartered Institute of Taxation (CIOT) qualification.

He is Hon. Treasurer of the Cyprus – Ukraine Business Association (under the Cyprus Chamber of Commerce and Industry). He is the president of the Tax & Legal Committee of CYFA (Cyprus Fiduciary Association).

He has experience in Corporate Taxation, High Net Worth Individuals taxation and planning, Tax Compliance and International Tax Planning as well as in Due Diligence projects in a variety of industries.

Andreas Papagavriel

Partner, Tax Services

Andreas is a member of ICAEW. He also holds the Advanced Diploma in International Taxation (ADIT) from the CIOT in the UK.

Andreas holds the position of Partner in the Tax Services Department of Baker Tilly Cyprus. He has experience in international tax planning and on structuring operations and transactions for international clients in various industries. Furthermore, he has extensive experience in providing tax transaction advisory to both local and international clients with operations in Cyprus and abroad.

He has also been involved with several due diligence projects concentrating on direct and indirect tax issues in a variety of industries.

Moisis Aristidou

Partner, Assurance and Fund Services

Moisis Aristidou is a Partner at Baker Tilly in the Assurance and Fund Services and a member of the Board of Directors of the Firm, since March 2018.

He is a member of the Institute of Chartered Accountants of England and Wales (ICAEW) and a member of the Institute of Certified Public Accountants of Cyprus (ICPAC).

Moisis has a diversified portfolio of companies, operating in a variety of countries. His portfolio includes clients in private equity funds, insurance, real estate, wholesale and retail trading sectors, and of various sizes ranging from multinational groups listed in International Stock Exchanges to small single owner companies. Moisis specializes in providing assurance and advisory services to a range of large and medium size clients in the private and public sector.
He also specializes in the Fund Industry and more specifically on Alternative Investments Funds (AIF), with several audit engagements and successful project management on the licensing of AIFs for clients.

Aristotelis M. Klitou

Partner, Data & Analytics

Aristotelis Klitou is a Partner in Data & Analytics at Baker Tilly South-East Europe. He leads the firm's drive for transformative, data-driven solutions, working across departments such as HR, marketing, and finance to equip teams with actionable insights through Power BI reports, performance dashboards, and advanced analytics tools. Aristotelis is passionate about converting complex data into clear, strategic guidance that enables informed decision-making and operational improvements throughout the organization. He plays a pivotal role in bridging business understanding and technical expertise across Baker Tilly's network in South-East Europe.

Over a decade-long career with Baker Tilly, Aristotelis has held leadership roles across Cyprus, Greece, Romania, Bulgaria, and Moldova. His academic foundation includes a Master of Business Administration from the Cyprus International Institute of Management and a BSc in Accounting and Business Management from the University of Westminster. Throughout these roles, he has consistently championed compliance, data governance, and process optimization, supporting regional and international teams in achieving their objectives through technology and best-in-class data practices.

Nedyalko Apostolov

Partner, Assurance Services

Ned started his career with BDO in Atlanta, where he got certified as a CPA with the state of Georgia. His focus was primarily on public clients in the manufacturing and insurance sectors, following his move back to Bulgaria he spent 10+ years with BDO in Bulgaria where he served as the firm's International Liaison Partner with full responsibility for coordination and execution on large, multinational and key account clients.

Following the 2023 merger into Baker Tilly South-East Europe , Ned has been responsible for the firm's positioning on the local market, working actively with various regulators, chambers of commerce and industry, municipalities, mayors and other key officials to ensure the continued development of the Baker Tilly brand in Bulgaria.

Ned is in charge of business development efforts with strong focus on accounting, tax and payroll service lines.

Personal experience and involvement:

Ned Apostolov represents the British Bulgarian Chamber of Commerce as a goodwill ambassador to Bulgaria's South-West region, additionally Ned is active on behalf of Baker Tilly with the Bulgarian Hellenic Chamber of Commerce and Industry and the Bulgarian Hellenic Business Council.

Galina Lokmadjieva

Partner, Assurance Services, Financial Services

Galina is a Fellow of the Association of Chartered Certified Accountants (ACCA) of UK and a member of the Institute of Certified Public Accountants of Bulgaria (IDES), registered auditor

She has 25 years of experience in banks and other financial services clients in Bulgaria and the UK. She has worked with clients to provide assurance, insight and support for their financial reporting processes.

Galina has 25 years audit professional experience, including more than 19 years audit experience in KPMG Bulgaria and 4 in PWC and Grant Thornton in the UK predominately involved in banks and other financial institutions and the last 2 years as a Financial Services Director of Baker Tilly Klitou and Partners

Galina is the registered auditor responsible for the audits of UniCredit Bulbank, Eurobank Bulgaria, ProCredit Bank, D Bank and Grawe. Galina has also previous experience as the registered auditor of Generali and its subsidiaries.

In the UK she had managerial role over the audit of the retail banking process of HSBC in the UK, UK Export Finance and investment funds.

She is holding various responsibilities for IFRS and Audit Training of staff, professional practice matters and quality control.

Tsvetana Stefanina

Partner, Assurance Services

Tsvetana has more than 25 years of accounting, audit and tax experience, she joined the BDO Bulgaria team as a senior in 2005 and progressed in her career to audit partner while gaining her CPA practitioner's license in 2011. Tsvetana has served as responsible auditor for multiple financial institutions and insurance companies while remaining fully committed to other business lines such as tax, payroll and internal compliance.

In addition to her audit function Tsvetana oversees large payroll, accounting and tax accounts with strong focus on publicly listed entities with subsidiaries in Bulgaria.

Tsvetana is currently overseeing internal accounting, tax compliance and payroll compliance for the Baker Tilly companies in Bulgaria, ensuring smooth cooperation with the corporate accounting and controlling team.

Personal experience and involvement:

Tsvetana is a keen reader and dedicates time to travel and family.

Public Interest Entities (EU PIEs)

Disclosure in accordance with Article 13.2 (f) of the EU Regulation 537/2014

Baker Tilly Cyprus issued audit reports on the financial statements of the following EU PIEs during the period from 1 January 2025 to 31 March 2026.

1. Aiantas Investments Public Limited
2. Isxis Investments and Public Limited
3. Regallia Holding & Investments Public Limited
4. Εταιρεία Αναπτύξεως Αγρού 'Η Πρόοδος' Δημόσια Λιμιτεδ
5. Ellinas Finance Public Company Limited
6. Unigrowth Public Company Limited
7. Housing Finance Corporation
8. Lordos United Public Company Limited
9. Gan Direct Insurance Limited

Audit firm and audit fee information in respect of EU members

As of 31 December 2025, the following independent member firms of the Baker Tilly International network provided statutory audit services in the EU.

Austria - AuditConsultAustria Wirtschaftsprüfung und Unternehmensberatung GmbH (see Appendix 1)
Belgium - Baker Tilly Belgium
Bulgaria - TPA Audit OOD; Baker Tilly Klitou and Partners OOD (see Appendix 1)
Croatia - TPA Audit d.o.o. (see Appendix 1)
Cyprus - Baker Tilly Klitou & Partners Limited (see Appendix 1)
Czech Republic - TPA Audit, s.r.o. (see Appendix 1)
Denmark - Baker Tilly Denmark
Estonia - Baker Tilly Baltics OÜ
Finland – Baker Tilly Finland Oy
France – Baker Tilly Strego Audit
Germany - Baker Tilly Holding GmbH
Gibraltar: Baker Tilly (Gibraltar) Ltd
Greece - Baker Tilly Greece Auditors S.A.(see Appendix 1)
Hungary - TPA Control Könyvvizsgáló Kft. (see Appendix 1)
Iceland - Rýni endurskoðun ehf
Ireland – Baker Tilly Kirk; Baker Tilly Ireland
Italy - Baker Tilly Revisa SpA
Latvia - Baker Tilly Baltics SA
Liechtenstein: Baker Tilly (Liechtenstein) AG
Lithuania - UAB Scandinavian Accounting and Consulting
Luxembourg – Baker Tilly Audit & Assurance s.à r.l.
Malta - Baker Tilly Malta
Netherlands - Baker Tilly (Netherlands)
Norway: Baker Tilly Grimsrud & Co.
Poland - Baker Tilly TPA Sp. z o.o. (see Appendix 1)
Romania - TPA Audit Advisory S.R.L.; Baker Tilly Klitou and Partners SRL (see Appendix 1)
Slovakia - TPA Audit, s.r.o. (see Appendix 1)
Spain - Baker Tilly Iberia (see Appendix 1)
Sweden - Baker Tilly Sweden (see Appendix 1)

Total statutory audit fees for EU members which provide statutory audit services
The total statutory audit fees for EU members for the period is approximately €242 million.

Appendix 1- Network Operators

Network	EU statutory audit members
TPA Group	TPA Audit OOD (Bulgaria) TPA Audit d.o.o. (Croatia) TPA Audit, s.r.o. (Czech Republic) TPA Control Könyvvizsgáló Kft. (Hungary) Baker Tilly TPA Sp. z o.o. (Poland) TPA Audit Advisory S.R.L. (Romania) TPA Transilvania Advisory S.R.L. (Romania) TPA Audit, s.r.o. (Slovakia)
Baker Tilly Klitou & Partners Limited	Baker Tilly Klitou and Partners Limited (Cyprus) Baker Tilly Klitou and Partners (Limassol) Limited (Cyprus) Baker Tilly Klitou and Partners OOD (Bulgaria) Baker Tilly Greece Auditors S.A.(Greece) Baker Tilly Klitou and Partners SRL (Romania)
Baker Tilly Iberia	Baker Tilly Audiaxis Auditores, S.L.P Baker Tilly Auditores, S.L.P.
Baker Tilly Sweden	Adsum Revision AB Ahnell & Partner Revisionsbyrå Aktiv Revision I Gavle AB Baker Tilly Ahlgren & Co Baker Tilly Asplunds AB Baker Tilly Borås AB Baker Tilly GA Revision AB Baker Tilly Guide Baker Tilly Halmstad KB Baker Tilly Helsingborg KB Baker Tilly Jönköping YW Revision AB Baker Tilly Karnan Baker Tilly Luminor Revision AB Baker Tilly Mapema AB Baker Tilly MLT KB Baker Tilly Norköping Baker Tilly Saxos KB Baker Tilly SEK AB Baker Tilly Solid Revision AB Baker Tilly Stint AB Baker Tilly Stockholm KB Baker Tilly Strömstad AB YW Revision AB Baker Tilly Swedrev Baker Tilly Sydost AB Baker Tilly Umeå AB Baker Tilly Uppsala AB Baker Tilly Örebro AB Baker Tilly Östra Värmland AB Carlstedt & Lindh AB Edlings Revisionsbyrå KB Ernströms Revisionsbyrå, AB Sandrev AB Radek KB

Appendix 2- Baker Tilly South East Europe Alliance Members

GREECE		
Company Name	Address	Managing Partner
Lazaros Kasekas & Associates	35 Karpathou street, Rhodes	Lazaros Kasekas
Link Consulting	13 A. Kanellopoulou street, Thessaloniki	Konstantinos Ekatos
Maltezos & Associates Accounting Firm	Herodotou 104 & Georgiadi Theofilou, Alexandroupoli, 68132	Fotis Maltezos
Savvakis & Partners	Christou Tsounta 3, Komotini, 691 00, Greece	Theodoros Savvakis
ATAS Tax	Pyranthou 26, Heraklion Crete, 71305	Konstantinos Choumas

ROMANIA		
Company Name	Address	Managing Partner
Cont Consulting Srl	Str. Branduselor 68-70, etaj 2, birou 2, 500397 Brasov	Sorin Basca
G.I.A Consulting Srl	Strada Fratii Buzesti Nr. 11, Timisoara, 300398, Romania	Giovana Iuhasz

BULGARIA		
Company Name	Address	Managing Partner
Georgiev and Petrov Law Firm	Sofia pc 10000,30 Petar Parchevich Street	Georgi Georgiev

Disclosure in accordance with Article 13.2 (k) (i)-(iv) of the Regulation (EU) 537/2014 of the European Parliament and of the Council of 16 April 2014

The breakdown of the total turnover of Baker Tilly Cyprus ("The Firm") for the period from 1 Jan 2025 to 31 March 2026 is outlined in the table below. Turnover is reported on a gross basis and includes expenses billed to clients, as well as turnover related to billings to other non-Cyprus Baker Tilly South East Europe (BTSEE) network firms. Billings between the Cyprus BTSEE network firms are eliminated from the revenues of the selling entity:

Services	Revenues	
	1 Jan 2025 – 31 Mar 2026	2024
Revenues from the statutory audit of annual and consolidated financial statements of EU public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a EU public-interest entity	€0.80m	€0.22m
Revenue from statutory audit of annual and consolidated financial statements of other entities	€3.76m	€3.28m
Revenues from permitted non-audit services to entities that are audited by the Firm	€3.72m	€2.59m
Revenues from non-audit services to other entities	€6.16m	€5.84m
Total turnover related to the audit firm (on a gross basis)	**€14.44m**	**€11.93m**
Non-audit services provided (*) by other BTSEE entities in Cyprus	€4.26m	€2.40m
Total turnover related to all entities in Cyprus (on gross basis) (**)	€18.70m	€14.33m

* of which €0.22 million for non-audit services provided to companies audited by Baker Tilly Cyprus

** Total turnover related to all entities in Cyprus on net basis after net-off of expenses billed to clients and turnover related to billings to other BTSEE network firms for the period from 1 Jan 2025 to 31 Mar 2026 amounts to €14.44 million (1 Jan 2024 to 31 Dec 2024: 11.93 million).

*The revenue presented represents combined revenue and is not presented on a consolidated basis.

Glossary

Accountability Framework

The Framework that summarizes the matters that all engagement leaders of the BTSEE Network Firms are required to follow and acknowledge., that emphasizes their accountability for quality as a key element.

AML - Anti-Money Laundering

Laws, regulations, policies & procedures designed to prevent, detect, and report money laundering and terrorist financing activities, which the Firm complies with as part of its client acceptance, continuance, and risk management processes.

AML Committee

One of the regional committees established by BTSEE to support compliance with AML laws, regulations, and the Firm's policies & procedures. The AML Committee assists the Board of Directors in overseeing AML related risks and client acceptance & continuance decisions.

Audit Council

MHA's operational committee that oversees the day-to-day implementation of audit strategy, methodology ,and quality initiatives

Auditors Law of 2017/Auditors' Law

The Law which constitutes the principal legal framework governing the audit profession and public oversight arrangements in Cyprus.

AQI – Audit Quality Indicator

A measurable metric used to assess and monitor the quality of audit delivery, such as inspection results, staff turnover, or training hours.

BTSEE– Baker Tilly South East Europe

An accounting and advisory group that offers assurance, tax and advisory services across all sectors of the industry, operating under a unified structure, directed by a single, central management team, operating through 7 offices across Cyprus, Greece, Romania, Bulgaria, and Moldova.

BTSEE Alliance

A regional alliance of independently owned local accounting and professional services firms that collaborate under the Baker Tilly South East Europe framework, gaining access to shared resources, and expertise, while retaining their autonomy and local client relationships.

BTI – Baker Tilly International

A global network of independent accountancy and advisory Firms, of which MHA is a member. Network affiliation supports cross-border audit capabilities while maintaining legal and operational independence.

CEAC Policy– Client and Engagement Acceptance & Continuance Policy

The policies and procedures which shape the decision whether to accept a new client engagement or a new engagement for an existing client, or to continue an existing client engagement.

'Code of Ethics'

A regulatory standard issued by the IESBA that sets out ethical principles and rules for auditors, including independence requirements, non-audit services restrictions, and rotation obligations.

Complaints Committee

The regional committee that supports the Board of Directors in overseeing the handling of client complaints and professional allegations, ensuring prompt acknowledgment, formal investigation, and timely resolution in line with the Firm's policies.

Cold Review or Cold File Review

Retrospective quality reviews conducted after audit sign-off to assess compliance with auditing standards, ethics, and documentation quality.

Cooling-off Period

A mandatory break from an audit engagement role, required after a specified period of continuous service, to mitigate familiarity threats and preserve independence.

Country Management Board

Each Country Management Board is comprised of the country's Partners, the country's COO and the country's designated responsible Partner.

CPD – Continuing Professional Development

The ongoing learning and development activities undertaken by the Firm's professionals to maintain and enhance their knowledge, skills, and competence in accordance with the requirements of relevant professional bodies and the Firm policies.

CyPAOB- Cyprus Public Audits Oversight Board

The public independent supervisory authority responsible for the oversight of the audit profession in Cyprus.

DPO – Data Protection Officer

The officer responsible for leading and overseeing compliance with data protection laws and regulations (including the GDPR), coordinating responses to data subject requests, and supporting the implementation of privacy controls across the BTSEE member firms.

Disciplinary Committee

The regional committee that supports the Board of Directors in overseeing and handling disciplinary matters, including breaches of professional standards, ethical requirements, or Firm policies and ensuring appropriate investigation and proportionate sanctions where necessary.

Engagement Leader

A partner/director authorised to sign audit reports on behalf of the Firm. RIs are subject to licensing, quality assessments, and performance monitoring.

ESG – Environmental, Social and Governance

The term used to identify matters that are traditionally associated with sustainability or corporate responsibility – focusing on the impact on the environment and wider society.

Ethics Director/Ethics Partner

The individual appointed by the Board of Directors to lead and oversee the Firm's ethics and independence function, and who chairs the Ethics Committee.

Ethics Committee/ Ethics & Independence Committee

The regional committee that oversees the ethical matters, including independence, and compliance with the IESBA Code of Ethics, while providing guidance on ethical dilemmas and ensuring consistent application of ethical policies across the BTSEE member firms.

EU Directives

The main EU directives for statutory audits are Directive 2006/43/EC (the Statutory Audit Directive), amended significantly by Directive 2014/56/EU. These set harmonized minimum standards for audit quality, independence, ethics, and mandatory public oversight of auditors across European Union Member States, covering annual and consolidated accounts.

EU Regulation 537/2014

Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC

EU PIEs – EU Public Interest Entities

As per the Auditor's Law of 2017, as amended, EU PIEs include:

a) entities governed by the law of the Republic whose transferable securities are admitted to trading on a regulated market or an organised market of any Member State, within the meaning given to that term in Article 2 of the Investment Services and Activities and Regulated Markets Law;

b) licensed credit institutions as defined in Article 2 of the Business of Credit Institutions Law; c) insurance and reinsurance undertakings within the meaning of Article 2 of the Insurance and Reinsurance Business and Other Related Matters Law; or d) any other entity designated by the Council of Ministers, following a recommendation by the Cyprus Public Oversight Board which is of significant public interest.

EQ Review – Engagement Quality Review

An objective evaluation of significant judgments made by an audit team and their conclusions, performed by a qualified, independent reviewer before the audit report is issued.

EQ Reviewer – Engagement Quality Reviewer

A senior audit professional responsible for an independent EQ review of an audit engagement prior to completion, particularly for high-risk or PIE audits.

GDPR – General Data Protection Regulation

The European Union regulation on information privacy in the European Union (EU) and the European Economic Area (EEA).

GF Cloud - Global Focus Cloud

The Firm's cloud-based audit platform, developed in collaboration with Baker Tilly International, designed to enhance audit consistency, methodology alignment, and real-time review capability.

Global Focus Steering Group

The Group formed by Baker Tilly International that comprises experts for 12 firms convened by the Professional Standards Team (PST) that keep Global Focus up to date with ISAs and seek quality and efficiency improvements; identify training needs; feed into technical discussions about proposed new ISAs.

Hot Review/Hot File Review

An independent review of an engagement file before the issue of the report.

Human Resources (HR) Committee

The regional committee that supports the member firms on human resources matters, including talent acquisition, development, performance management, and people-related policies.

IAASB – International Auditing and Assurance Standards Board

The body that sets international standards for auditing, assurance, and quality management to strengthen public confidence in the global audit and assurance profession.

ICPAC – Institute of Certified Public Accountants of Cyprus

The competent authority in Cyprus that regulates and supervises the accounting profession in Cyprus.

ICPAC Code of Ethics

The Institute of Certified Public Accountants of Cyprus (ICPAC), through its regulations, also requires all its members, both auditors and non-auditors, to comply with the International Code of Ethics as issued by the IESBA. This is directly incorporated into ICPAC's Members' Handbook.

IES 8 - International Education Standard 8

The standard on "Professional Competence for Engagement Partners Responsible for Audits of Financial Statements (Revised)" issued by the IFAC. It requires engagement partners (or individuals performing equivalent roles in financial statements audits) to maintain, update, and demonstrate competence in specialized auditing areas, and remediation.

IESBA Code of Ethics/Code of Ethics

The global standard-setting framework requiring accountants to adhere to five core principles: integrity, objectivity, professional competence/due care, confidentiality, and professional behavior.

IFAC - The International Federation of Accountants

The global organization for the accountancy profession that sets international standards on ethics, auditing, and public sector accounting.

Independence Breach

An event or circumstance that may compromise or appear to compromise the auditor's objectivity or independence, requiring reporting, root cause analysis and remediation.

INE – Independent Non-Executives

An external individual, independent of the Firm, who serves on governance committees to provide objective oversight, challenge, and public interest perspective..

In-Flight Review

A live review of an audit file while the audit is ongoing, aimed at improving real-time execution and identifying risk.

Insider Trading

Trading of a public company's stock or other securities based on material, non-public information about the company.

ISO 27001

The leading international standard for information security management systems (ISMS), providing a risk-based framework to protect data confidentiality, integrity, and availability.

ISQM 1 / ISQM 2 – International Standards on Quality Management

Regulatory standards setting out the framework for managing and monitoring audit quality within audit Firms. ISQM 1 covers Firm-level quality systems; ISQM 2 covers engagement quality reviews.

Listed Entity

A company whose equity or debt instruments are admitted to trading on a regulated or recognised investment exchange, with heightened independence and audit quality requirements.

Management Board/Regional Board

The body that focuses on strategic and high-value commercial matters, bank financing, mergers and acquisitions, entry into investments, transactions affecting control of BTSEE and material changes to business scope of BTSEE.

MHA

Independent UK member of Baker Tilly International and provider of audit, tax, consulting, and advisory services..

NASA - National Assurance Specialist Advisory

The internal technical and quality team of MHA providing real t ime audit support, guidance, training, methodology updates,and regulatory engagement.

NAS - Non-Audit Services

Services other than annual financial statements audit and they include assurance, tax, advisory and other non-audit services.

NOCLAR – Non-Compliance with Laws and Regulations

An ethical standard for accountants and auditors, developed by the IESBA, guiding them to act when they encounter potential illegal acts by clients or employers.

Non-Trivial Breach

An ethics breach that exceeds documentation or administrative oversight and may require escalation to regulators or those charged with governance.

Non-Standard Audit Reports

Audit opinions that depart from the standard unqualified ("clean") report.

Partners' Council

The unified management forum that focuses on enhancement of BTSEE group's coordination, strategic alignment and consistency across the five jurisdictions of BTSEE, and discusses operational, financial and strategic matters affecting the BTSEE.

PIE – Public Interest Entity

As per the IESBA Code of Ethics (Revised) an entity is a PIE if when falls into the following categories:

a) a publicly traded entity;

b) an entity whose main function is to take deposits from the public;

c) an entity whose main function is to provide insurance to the public; or

d) an entity specified as such by law, regulation or professional standards to meet the purpose described in paragraph 400.15 of the Code.

The Code provides for the categories to be more explicitly defined or added to.

PTE – Publicly Traded Entity

An entity that issues financial instruments that are transferrable and traded through a publicly accessible market mechanism, including through listing on a stock exchange.

Quality Compliance Partner

The person delegated by the Board of Directors to perform the annual evaluation of the Firm's System of Quality Management in accordance with ISQM 1.

QIR - Quality Improvement Review

The monitoring review performed by Baker Tilly International every 1-3 years on the ISQM procedures and ISA compliance of its member firms. .

RAP – Risk Assessment Panel

The panel of Baker Tilly International that considers matters related to the acceptance of appointments by member firms which might bring risk to the Baker Tilly brand at regional or global level.

RCA – Root Cause Analysis

The structured process of identifying the underlying causes of audit quality or ethical failures, used to inform learning and remedial actions.

Regional EQ Reviewer

An independent reviewer within the BTSEE network who performs Engagement Quality Reviews (EQ Reviews) of selected engagements in accordance with the Firm policies and ISQM 2. Regional EQ reviewers are senior managers, directors or partners in the BTSEE network.

Remediation Plan

A formalised response plan designed to address audit quality deficiencies, SoQM weaknesses, or inspection findings, monitored by the Regional Head of Audit Quality.

Restricted Entity List or Independence Database

A BTI-maintained record of listed audit clients across the network to support independence checks and compliance with the IESBA Code.

Risk Committee

The committee responsible for acceptance and continuance procedures and for reviewing enterprise risk, resilience strategies, and emerging threats.

SoQM – Systems of Quality Management

The framework of policies, procedures, and controls required by ISQM 1 to ensure the consistent delivery of high-quality audit engagements.

Statutory EQ Reviewer

An Engagement Quality Reviewer assigned for PIE audit engagements in accordance with ISQM 2, and the applicable EU and local regulations. Statutory EQ reviewers are required to hold relevant practicing certificates.

Targeted Review

A review that concentrates only on specific areas of the engagement that are identified based on the risk-based assessments and prior year monitoring results.

Technical Committee

Regional committee established to support consistent application of professional standards and promote audit quality by providing technical guidance and consultation to the BTSEE member firms on contentious and complex issues.

Training Committee

Regional body that oversees the design, delivery, and effectiveness of professional development and training programs across Baker Tilly South East Europe.

Transparency Report

An annual report required under EU regulations for audit Firms auditing PIEs. It sets out the Firm's legal structure, governance, quality control procedures, independence practices, and public interest responsibilities.

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