



TRANSPARENCY REPORT

2025



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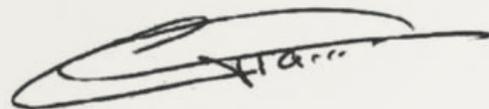
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GCS Malta
Transparency Report 2025
For the year ending 31 December 2025

Message from Leadership

At GCS Assurance Malta Limited, leadership is defined by inspiration and mutual trust. We believe in a collaborative environment where excellence and accountability aren't just goals; they are our standards. Through clear communication and strategic focus, we turn our shared vision into real results.

At GCS Assurance Malta Limited, we transform our commitment to integrity into tangible value for our clients and society. By embracing change and striving for excellence, we continue to build a success story that we are proud to share with you.



Christian Gravina
CEO



The Network

Introduction

This transparency report provides information about the operations, governance, and performance of Kudos International, an international network of audit firms. The report aims to promote transparency and accountability by providing stakeholders with a comprehensive overview of our policies, practices, and procedures.

As an audit network, we play a critical role in promoting confidence in financial reporting and enhancing the quality of audits worldwide. We provide auditing, assurance, and advisory services to a diverse range of clients, including public companies, private businesses, and not-for-profit organisations.

Our commitment to transparency and accountability is central to our mission, and we believe that our stakeholders have a right to know how we operate, the policies and procedures that govern our work, and the steps we take to ensure the quality of our services.

This transparency report is part of our ongoing efforts to promote greater transparency and accountability and to build trust with our stakeholders. We hope that this report provides a comprehensive overview of our operations and inspires confidence in our work.



Explanation of the audit network's role and responsibilities

Kudos International Network is a partnership based in the United Kingdom. It is a worldwide network of independent audit and accounting firms which provide professional services to clients. Kudos International Network provides no services to the clients of its members. Members of Kudos International Network are separate legal organisations and are only associated with each other by being members of Kudos International Network.

Some of the members of Kudos International Network incorporate 'Kudos' as part of their business name. Nothing in the arrangements or rules of Kudos International Network creates or implies an agency relationship or a partnership between Kudos International Network and the member firms of Kudos International Network.

Any claim arising from work by a Kudos International Network member can only be made against that member. Claims cannot be made against Kudos International Network, or personally against any other person or organisation involved in working for you.

The Kudos network leadership is responsible for the determination and implementation of the global strategy and the approval and admittance of new member firms.

The Network

CONT. Explanation of the audit network's role and responsibilities

The network leadership liaises regularly with the membership to ensure the strategy meets the requirements of the membership and addresses regional variations.

Each of the network leadership members have a track record of embedding quality within the accounting profession. This experience is critical to the culture of the Kudos network.

The network leadership is responsible for the implementation of the quality management regime of the network. This consists of annual assessments of compliance with the requirements of International Quality Management Standard 1 (ISQM 1). The purpose of this regime is to assess the quality of the procedures and work of the Network Firm, does not compromise the quality objectives of the Network as a whole, as well as complying with the requirements of ongoing membership of the Forum of Firms.

A full list of the firms that are member of Kudos International can be found at <https://www.kudos-international.com/find-a-firm>.

The total income of the network members is \$179m (USD).

Forum of Firms

Kudos International is a proud member of the Forum of Firms.

The Forum of Firms is an independent association of international networks of firms that perform transnational audits. The Forum's objective is to promote consistent and high-quality standards of financial reporting and auditing practices worldwide – bringing together firms that perform transnational audits and involving them more closely with IFAC's activities in audit and other assurance-related areas. Forum members must demonstrate their commitment to adhere to and promote the consistent application of high-quality audit practices worldwide, as detailed in the Forum's Constitution, operating procedures, and governance arrangements.

Transnational Audit Committee

This is the executive arm of the Forum of Firms. In September 2025, the CEO of Kudos International, Alun Morgan was elected to the Transnational Audit Committee.

The Network

Governance and Oversight

The Network is led by its Chairman Brett Kelly.

Brett joined as Chairman in October 2024 as a result of the partnership between Kudos International and Kelly Partners Group Holdings Limited.

Brett founded Kelly+Partners Chartered Accountants in 2006 and has grown the business to become Australia's leading global accounting firm and the 17 largest firm in the country. Kelly+Partners is proud to celebrate its 20th anniversary in 2026.

Brett has grown Kelly+Partners from two greenfield offices in Sydney to 38 operating businesses across 43 locations in Australia, the United States, Ireland, Hong Kong, and India. The team now consists of more than 550 people, including more than 100 partners, serving over 23,000 SME clients.

Brett is a chartered accountant and holds a bachelor's degree in business from the University of Technology Sydney and a master's degree in taxation from the University of New South Wales.

The network CEO is Alun Morgan, who maintains a significant minority equity stake in the network. Alun is a member of the Institute of Chartered Accountants in England & Wales and is a former council member of that body. He also holds the appropriate qualification for audit purposes in the United Kingdom.

In addition, the network is staffed by its COO Alistair Bryant MBE, and Rebecca Williams who is the Operations Manager. Diego Valleggiani is the co-ordinator for the Latin American region. He is an audit partner in ILYG + in Buenos Aires, Argentina.

Explanation of the audit network's code of conduct and ethical standards

All Kudos International firms undertake that they will comply with the International Ethics Standards Board for Accountants (IESBA) International Code of Ethics for Professional Accountants (including International Independence Standards). Members are also bound by their national ethical guidelines, some of which may differ from, or exceed the requirements of the IESBA rules.

Members also must abide by a code of conduct which is signed up to when joining which covers the following areas:

- Abide by the requirements of ISQM 1 and implement the Kudos ISQM 1 risk assessment matrix and subsequent System of Quality Management (SOQM)
- Implement agreed action plans arising from ISQM 1 monitoring activities
- Deal with any cross-border referrals on a timely and professional basis
- Take part in regular meetings of the membership as available
- Only undertake work that is within their professional capabilities

The Network

CONT. Explanation of the audit network's code of conduct and ethical standards

- Undertake to arrange indemnity insurance coverage in such amounts and with terms of coverage adequate to indemnify themselves in the event of a liability claim and to disclose such coverage annually to the Board. In areas where such coverage is not obtainable; the Board shall set aside this requirement
- Provide annual information to network leadership on the annual income and staffing levels within the firm
- Provide whatever information they reasonably can about accountancy, legal and business matters in his own country. It is anticipated that unless material work is involved, such information will be furnished at no cost but where the work is material, charges at the option of the Member for supplying information in this way will be agreed in advance.

The review of the audit assurance files may be quite limited, and reliance may be placed on existing reviews undertaken by those with greater knowledge of local regulations and Company Law. If the initial reviews suggest that there are issues surrounding quality of audit work, then further reviews on a chargeable basis may be imposed on the member firm.

The audit and assurance files chosen for review will be decided upon by the network.

The review will close with a debrief session which will outline any deficiencies as defined by ISQM 1 and their root cause. This will include an action plan for remedial procedures required.

Consistent breaches of standards and network expectations may lead to the expulsion of the firm from the network.

Quality Management and Assurance

The network undertakes an annual assessment on a remote basis, on the adherence of the member firm to the requirements of ISQM 1. This consists of a review of procedures and a review of audit and assurance files. The review of procedures will involve an element of verifying the procedures of the Member Firm.

Independence and Objectivity

Kudos International is required to implement a system which allows firms to know whether an independence threat is posed by services provided to the same client by another network firm.

To achieve this, Kudos International maintains a register of Public Interest Entity clients that network firms provide services.

The Network

CONT. Independence and Objectivity

A PIE is defined in the IESBA code of ethics as:

For the purposes of this Part, a firm shall treat an entity as a public interest entity when it falls within any of the following categories:

- (A) A PUBLICLY TRADED ENTITY;*
- (B) AN ENTITY ONE OF WHOSE MAIN FUNCTIONS IS TO TAKE DEPOSITS FROM THE PUBLIC;*
- (C) AN ENTITY ONE OF WHOSE MAIN FUNCTIONS 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 400.10. (THIS LARGELY COVERS VERY LARGE PRIVATE ENTITIES THAT WILL HAVE CONSIDERABLE PUBLIC INTEREST)*

The procedures that Kudos firms should undertake is as follows:

1. Inform Kudos International's operations manager if they deal with ANY clients that fall into the above category for ANY work. The details should include the name of the client and the nature of the work undertaken.

2. When they are pitching or obtain any work on a PIE, they should review both the list of audit client PIE's and the non-audit client PIE's at the "Regulations" section of the Kudos International members only website. If there are any entries for the client they are making a proposal too, then you should email the other Kudos firms concerned to assess whether there is an independence issue. Kudos can provide further assistance in such instances. We expect these to be very rare, but we should have procedures in place.
3. When they are no longer acting for a PIE client, they should email Kudos International's operations manager, detailing the client lost and the activities undertaken.

Review of Quality Management Activities

The quality management activities in 2025 involved visiting firms on a cyclical basis to assess adherence to the standards set by the International Audit and Assurance Standards Board (IAASB). Such activities were undertaken at 40% of Kudos members during 2025. In one case no work was provided when requested and that firm is no longer a member.

The pan network technical training continued with monthly webinars on a wide variety of topics ranging from sector specific training on construction companies to a two-part webinar on the use of technology.

The Network

CONT. Review of Quality Management Activities

As a result of the work done in early 2025, and the general feeling that it would significantly enhance the quality of audit work in the network it was decided to invest in a cloud-based version of our audit programme. It is expected that this will be ready for testing in June 2026. This will also facilitate better quality management across the network.

Themes arising from visits in 2025 were as follows:

- **Audit Evidence:** At times firms were not fully ensuring that all required testing was being conducted and adequately evidenced and explained.
- **Assessment of control risk:** Firms not realising the lack of a requirement to assess control risk where tests of operational effectiveness of controls were not being used.
- **Going Concern:** Firms not fully assessing clients' forecasts with sufficient scepticism and applying stress and reverse stress tests to such forecasts.

Conclusion

As ever, the landscape for audit firms is challenging. Currently, we feel that the main challenges facing the profession are as follows:

- **Talent acquisition and retention across the profession:** There are challenges due to the perceived lack of popularity of the profession and demographics in some countries.
- **Use of technology:** With the use of AI accelerating, auditors must be very aware of such technology. Its use though should be tempered by timing the start of the use of AI correctly and ensure that the requirements of ISQM 1 on the use of technology are complied with. These requirements may be complex and may lead to the use of AI not being commercially viable in some instances.
- **Scalability of standards:** Kudos International is concerned that some of the standards currently being explored by IAASB and IESBA may not easily scalable to small and medium sized firms within the profession.

GCCS

MALTA



Legal Structure & Ownership

GCS Assurance Malta Limited operates as a limited liability company established under Maltese law, with registration number C79687, and is registered with the Accountancy Board as an Audit Firm under registration number AB/2/17/14. The firm operates from its offices situated at Agora Business Centre, Level 2, Valley Road, Msida.

The firm's audit practice is regulated by the Accountancy Profession Act, and is subject to regular monitoring by the Quality Assurance Board.

During the year under review, the shares of GCS Assurance Malta Limited were held as follows:

- Mr. Christian Gravina - 12,500 Shares (Class Ordinary A)
- Michael Kyprianou (MALTA) Ltd. - 12,500 Shares (Class Ordinary B)

Mr. Christian Gravina is the controlling party as the holder of the A ordinary shares, which in turn holds the equivalent of 60% of the voting powers of the board. The Directors of GCS Assurance Malta Limited are Mr. Christian Gravina and Ms. Ruth Mallia who, together with Mr. Stefan Micallef, sign audit reports on behalf of the Firm.

Services provided in-line with the Company Service Providers Act are undertaken by GCS Accounting Malta Limited, a separate legal entity fully owned by a Class C CSP authorisation as issued by the Malta Financial Services Authority.

The firm's compliance and risk officer is Ella Sultana Loporto who is responsible for risk management and regulatory compliance, including due diligence requirements.

The governing body of the firm are the directors and principals, who meet at regular intervals to discuss strategy and to monitor the firm's progress. Through management and leadership structures, management and supervisory levels are actively involved in the management of the firm, while certain personnel carry specific executive roles, reporting to the board of directors.

Internal Quality Controls and Independence

GCS Assurance Malta Limited is committed to upholding the highest standards of quality in all its services. The firm adheres to the International Standard on Quality Management framework to ensure consistent performance of quality engagements.

Leadership and Governance

The firm's commitment to quality is driven by its governance and leadership structure. GCS Assurance Malta Limited has established quality objectives that address governance and leadership, with a strong emphasis on promoting a culture of quality throughout the organisation. The firm recognises the importance of professional ethics, values, and attitudes and reinforces these principles among all personnel. The leadership team is responsible and accountable for quality and demonstrates their commitment through their actions and behaviours.

The organisational structure of GCS Assurance Malta Limited is designed to facilitate effective decision-making and the smooth operation of the system of quality management. Roles, responsibilities, and authority, are clearly defined to ensure that quality objectives are met. Adequate financial and other resources are allocated to support the system of quality management and the performance of quality engagements.

Risk Assessment Process

GCS Assurance Malta Limited employs a comprehensive risk assessment process to identify and assess potential threats to achieving its quality objectives. The risk assessment process considers various factors, such as the complexity of the firm's operations, the types of engagements undertaken, and available resources. A key element of the risk assessment process is the identification and evaluation of quality risks at both the firm level and the individual engagement level. Responses are designed to address these quality risks and ensure their continued appropriateness and effectiveness.

Relevant Ethical Requirements

GCS Assurance Malta Limited is committed to upholding the highest ethical standards in all its engagements. The firm complies with all relevant international and local ethical rules and regulations. It has established clear policies and procedures to guide personnel in complying with ethical requirements, centralised around the Fundamental Principles of Integrity, Objectivity, Professional Competence and Due Care, Confidentiality and Professional Behaviour.

Internal Quality Controls and Independence

CONT. Relevant Ethical Requirements

These policies cover a wide range of topics, including:

Independence: The firm has policies and procedures to ensure that its personnel are independent of audit clients and that any threats to independence are identified, evaluated, and addressed appropriately.

The firm has designed and implemented a robust system of quality management that includes policies and procedures to address quality risks, ethical requirements, and regulatory compliance including independence requirements related to the rotation of key audit principals.

Policies and supporting guidance are reviewed and revised when changes arise such as updates to laws and regulations, including any changes to the Code or in response to operational matters.

We adhere to the independence rules published by IESBA and the Malta Code of Ethics (which includes the transposition of the EU Audit Regulation).

Conflicts of Interest: The firm has a policy to identify and manage potential conflicts of interest. This policy involves disclosure of any conflicts by personnel and the implementation of safeguards to mitigate any threats to objectivity.

Confidentiality: The firm respects the confidentiality of information acquired during client engagements and has procedures to protect sensitive data.

Professional Conduct: The firm expects its personnel to maintain the highest standards of professional conduct in all their dealings with clients and other stakeholders. To reinforce its commitment to ethical conduct, the Company provides ongoing training to its personnel on relevant ethical requirements. This training helps to ensure that personnel are aware of their ethical responsibilities and can apply ethical principles in their work.

Engagement Performance and Monitoring: We ensure that all audit engagements are conducted with consistency, following the firm's methodologies and audit standards, with the appropriate levels of review and oversight at each stage.

Continuous monitoring mechanisms are in place to assess the design and effectiveness of the quality control system. This includes reviews of engagement documentation, regular internal inspections (both preventive (hot reviews) and detective (cold reviews)), and feedback from the network and other external regulators.

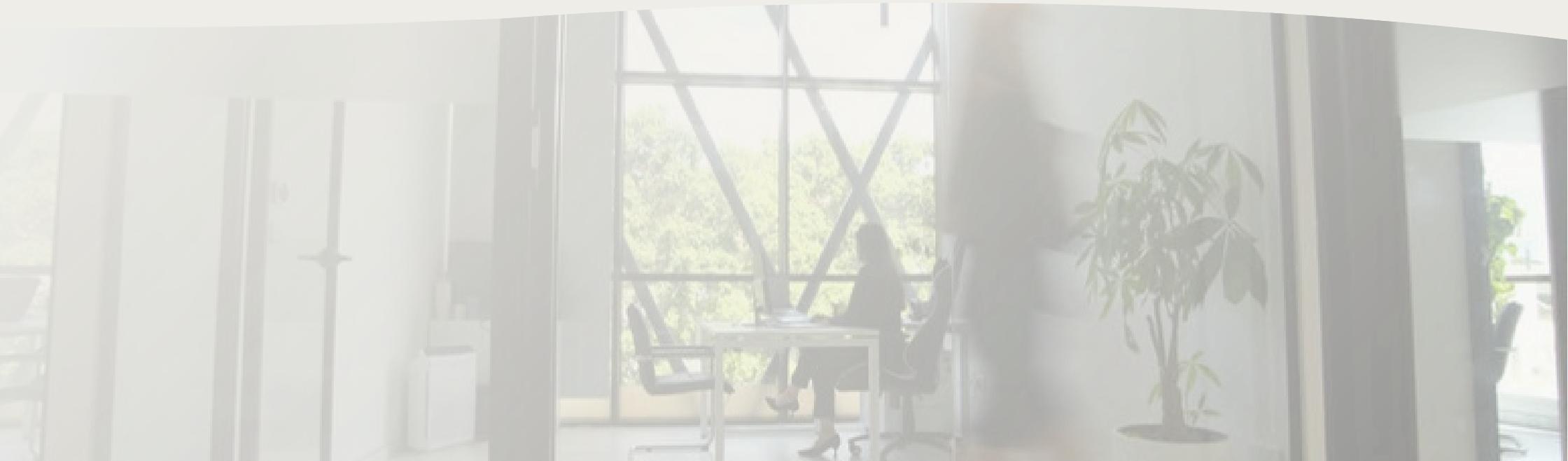
In accordance with applicable regulatory requirements, the firm is reviewed periodically by national and international regulators and/or professional bodies. In this respect GCS Malta is subject to periodic review by the Quality Assurance Unit (QAU) of the Accountancy Board. The most recent QAU review of the firm was completed in 2023.

Internal Quality Controls and Independence

CONT. Relevant Ethical Requirements

Remediation of Deficiencies: Where deficiencies in the system are identified, appropriate actions are taken to remediate these and prevent recurrence.

The management body of GCS Assurance Malta Limited takes full responsibility for the design, implementation, and operation of the internal quality control system. Based on ongoing monitoring and review processes, we are confident that our quality control system is operating effectively, providing reasonable assurance that our audit engagements comply with relevant professional standards and regulatory requirements. We remain committed to continuous improvement and will implement any necessary actions to enhance the system further as part of our dedication to maintaining high-quality services for our clients.





Company Culture, Training and CPE

At GCS Malta, our culture is the engine behind everything we do. We operate on a foundation of shared principles that dictate how we work, grow, and treat one another.

We believe in a workplace where purpose meets progress. Our commitment to shared values fosters an environment of trust and growth, ensuring that every team member feels empowered to contribute to our reputation for excellence. At GCS Malta, culture is not merely an abstract concept – it is the backbone of our identity and a driving force behind our success.

Measurement and Transparency

We remain deeply committed to holding ourselves accountable to the highest professional standards by consistently measuring our cultural health and its alignment with our foundational values. This process is driven by a robust feedback ecosystem, including comprehensive employee surveys, structured performance evaluations, and a persistent dedication to open communication. By placing transparency at the heart of these assessments, we ensure that every member of the GCS Malta team, regardless of their level, fully recognises their vital role in upholding our principles and driving our collective success forward.



EXCELLENCE

We are committed to delivering exceptional services that exceed expectations.



EMPOWERMENT

We encourage our people to take initiative, grow professionally, and make impactful contributions.



TRUSTWORTHY

Collaboration is key to our success, and we foster an environment where collective effort drives outstanding outcomes.



TEAMWORK

Integrity & transparency are at the core of our relationships with clients, colleagues & stakeholders.



CARE

We value our people, clients, and community and approach every interaction with respect and consideration.



Company Culture, Training and CPE

Integrity, Ethics, Confidentiality, Professional Competence and Behaviour, and Objectivity

At GCS Malta, our dedication to integrity and ethical behavior is a fundamental constant. We expect every team member to uphold the highest standards of confidentiality, professionalism, and objectivity across all interactions and responsibilities. These principles are not merely ideals; they are deeply integrated into our daily operations through rigorous policies and the continuous provision of specialised training and resources.

By prioritising transparency and professional excellence in everything we do, we do more than just follow a code of conduct; we actively protect the hard-earned trust placed in us by our clients, colleagues, and stakeholders. This focus on doing what is right ensures that our reputation remains as solid as the results we deliver.

The Blueprint for Our Culture

Strong leadership is essential in setting the right tone and fostering a value-driven culture, serving as the primary influence in setting a professional and ethical tone for the entire organisation. Our leadership team does more than just advocate for our values; they embody them through their daily actions, strategic decision-making, and transparent communication.

This is brought to life through structured engagement platforms, such as our Quarterly Updates and Townhall Meetings. These forums serve as vital touchpoints where we openly share company performance and strategic goals, while simultaneously celebrating our internal experts and highlighting the key initiatives that move us forward.

To ensure this vision remains cohesive, we facilitate Monthly Management Meetings that bridge the gap between high-level strategy and team-level execution. This rigorous alignment ensures that leadership at every level is empowered to make timely, informed decisions that reinforce our core values and drive our collective success.



Company Culture, Training and CPE

People Strategy

The collective talent of our team, and our People Strategy is built to identify, cultivate, and retain the industry's best. We prioritise a dynamic and inclusive environment where every professional feels both valued and inspired to contribute. By offering structured leadership coaching, specialised career development programmes, and consistent performance reviews, we provide the tools necessary for every individual to reach their full potential.

Our focus extends beyond traditional roles through opportunities for cross-functional collaboration, allowing for a more versatile and connected workforce. To ensure a thriving workplace, we maintain transparent communication and invest in mentorship programmes and engagement activities that foster a culture of continuous progress and mutual success.

Cyber Security Initiatives

At GCS Malta, maintaining the highest levels of cybersecurity and protecting sensitive data are non-negotiable priorities. We have established a robust security framework that includes multi-factor authentication, advanced data encryption, and frequent vulnerability assessments to stay ahead of potential risks.

Our team engages in continuous cybersecurity awareness training, ensuring every individual remains alert to the shifting landscape of digital threats. To support this, our IT infrastructure undergoes constant monitoring and systematic updates, ensuring the confidentiality, integrity, and resilience of our systems against modern cyber risks.



Inclusion & Diversity

At GCS Assurance Malta Limited, we embrace diversity as a core strength, fostering an inclusive environment where every individual is respected, valued, and empowered to excel. We actively promote equal opportunities and ensure fair treatment in all aspects of employment, from recruitment to career development.

We prioritise policies and initiatives designed to dismantle barriers and encourage seamless collaboration across diverse teams. By creating a workplace where every voice carries weight, we ensure that our collective success is built on a foundation of varied perspectives and mutual respect.

Recruitment

Our recruitment process is built to identify and attract high-calibre professionals who share our values and vision through fair, transparent, and merit-based practices to ensure that every candidate receives an equal opportunity.

Beyond technical expertise, our approach evaluates cultural alignment, collaborative skills, and long-term potential. By investing in this strategic selection process, we continue to build a high-performing workforce that drives our collective success.

Team Selection, Experience, and Supervision for Engagements

The success of our audit and accounting engagements depends on assembling teams with the optimal blend of skill and expertise. Every engagement is meticulously organised with clear roles and active supervision from senior professionals to ensure regulatory compliance and high-quality results. Through continuous professional development and rigorous peer reviews, we ensure that excellence remains a constant in every project we undertake.

Quality

Quality drives every operation at GCS Assurance Malta Limited. Our robust framework ensures strict adherence to international standards and regulatory requirements through systematic internal reviews and independent audits. By providing our teams with advanced tools and specialised training, we ensure that our deliverables consistently exceed client expectations.

Developing Talent

We prioritise the development of current and future professionals as a cornerstone of our strategy. Through structured training, diverse project exposure, and industry certifications, we sharpen both technical expertise and essential soft skills. This focus on continuous learning ensures our team remains agile and prepared for evolving industry demands, driving sustained excellence and innovation across all our services.

Feedback and Continuous Development

At GCS Assurance Malta Limited, continuous feedback is essential to professional growth. We maintain a structured review process that provides team members with regular performance insights and actionable paths for improvement. These development efforts are supported by buddy-mentorship programmes, skills workshops, and professional certifications to ensure our team remains equipped for excellence.

Furthermore, we ensure full alignment with Directive 1 of the Accountancy Profession regarding annual CPE requirements. Our warranted personnel are systematically monitored to ensure they maintain the highest levels of professional competence through ongoing education, consistently meeting or exceeding the required standards.



Financial Information

(i) Revenues from the statutory audit of annual and consolidated financial statements of public-interest entities and entities belonging to a group of undertakings whose parent undertaking is a public-interest entity: **€39,600**

(ii) revenues from the statutory audit of annual and consolidated financial statements of other entities: **€1,197,187**

(iii) revenues from permitted non-audit services to entities that are audited by the statutory auditor or the audit firm: **€3,125** and,

(iv) revenues from non-audit services to other entities: **€128,441**

Public Interest Entities

GCS Assurance Malta Limited carried out the statutory audit of ClearFlowPlus plc and Shoreline Mall plc in 2025.

ClearFlowPlus plc, a wholly owned subsidiary of Water Services Corporation, provides technical consultancy services related to water distribution, wastewater treatment, reverse osmosis, and associated IT and laboratory services. The company prioritises sustainability but plans to transition into a finance company following the issuance of new bonds.

Shoreline Mall plc, a wholly owned subsidiary of Shoreline Holdings Limited, manages the Shoreline Mall shopping complex and develops residential villas for resale within the Shoreline site. Both entities operate in distinct sectors and therefore present different operational and financial considerations in the context of the statutory audit.