



# Annual Transparency Report

For the financial year ended 31 December 2025

## **RSM Egypt – Chartered Accountants**

Magdy Hashish & Partners  
Member of the RSM network

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*Prepared on a voluntary basis, providing information equivalent to that required by Article 13 of Regulation (EU) No 537/2014 (the Audit Regulation).*

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## 1. Introduction and basis of preparation

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This Annual Transparency Report is published by **RSM Egypt – Chartered Accountants**, managed by **Magdy Hashish & Partners** (“RSM Egypt”, “the Firm”, “we”), in respect of the financial year ended **31 December 2025**.

Egypt does not currently impose a statutory transparency-reporting obligation on audit firms equivalent to that applying to auditors of public interest entities (PIEs) in the European Union. The Firm nonetheless publishes this report **voluntarily**, in order to provide information equivalent to that required by **Article 13 of Regulation (EU) No 537/2014** (the “Audit Regulation”) and to demonstrate its continuing commitment to audit quality, independence and transparency to clients, regulators and other stakeholders.

The report has been prepared by reference to the disclosure requirements of Article 13(2) of the Audit Regulation, adapted to the Egyptian legal and regulatory environment. It also reflects the Firm’s system of quality management designed and operated in accordance with the **International Standard on Quality Management (ISQM) 1**, the Egyptian Standards on Auditing (which are aligned with the International Standards on Auditing) and the **IESBA International Code of Ethics for Professional Accountants** as adopted in Egypt.

The report is made available on the Firm’s website at **www.rsmegypt.com** and is kept available there for a period of not less than five years from the date of publication.

## 2. Legal structure and ownership

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RSM Egypt – Chartered Accountants is a professional partnership of chartered accountants and auditors registered to practise in the Arab Republic of Egypt. The Firm practises under the management of **Tarek Hashish & Partners** and operates as an independent member firm of the RSM network. It is owned and controlled by its partners; there is no external (non-partner) ownership of the Firm.

The Firm and its responsible partners are registered with, and subject to oversight by, the relevant Egyptian authorities, which include:

- The **register of Accountants and Auditors**
- The **Financial Regulatory Authority (FRA)** – register of auditors of entities subject to FRA supervision (listed companies and non-banking financial institutions);
- The **Central Bank of Egypt (CBE)** audit register (for the audit of banks);
- The **Accountability State Authority / Central Auditing Organisation**; and
- The **Egyptian Tax Authority** and the Register of Accountants and Auditors maintained under Law No. 133 of 1951 (as amended).

Through these registrations the Firm is authorised to carry out statutory audits of listed companies, banks, insurance undertakings and other non-banking financial institutions under Egyptian law.

### 3. The RSM network

RSM Egypt is a member of **RSM**, the brand under which the member firms of the RSM network operate. RSM is the 6th largest global network of audit, tax and consulting firms. The network is administered by **RSM International Limited**, a company incorporated in England and Wales, which does not itself provide professional services to clients.

#### Legal and structural arrangements

Each member firm of the RSM network is a **separate and independent legal entity** which practises in its own right and is solely responsible for its own work, liabilities and management. RSM International Limited and the RSM network are not partnerships, and no member firm is the agent of, or has any authority to bind, RSM International Limited or any other member firm. Membership of the network does not create any liability between member firms for one another's acts or omissions.

Member firms commit to common network arrangements designed to support consistent quality, including:

- compliance with the **IESBA International Code of Ethics for Professional Accountants**, including its independence requirements;
- application of a common audit methodology and technology platform (the **RSM global audit methodology** and supporting tools);
- participation in the **RSM Global Quality Assurance Programme** (transnational quality monitoring of member firms); and
- independent oversight of member firms by the audit regulators in their respective jurisdictions.

#### Member firms, turnover and geographic coverage

The RSM network comprises independent member firms operating from offices in more than 120 countries. A non-exhaustive list of principal member firms and their jurisdictions is set out below; a full list is available at [www.rsm.global](http://www.rsm.global).

Member firm (illustrative)	Jurisdiction	Principal regulator(s)
RSM US LLP	United States	PCAOB
RSM UK	United Kingdom	FRC
RSM Ireland (part of RSM UK)	Ireland	IAASA
RSM Australia	Australia	ASIC
RSM Germany (RSM GmbH)	Germany	WPK / APAS
RSM France	France	H2A
RSM Netherlands	Netherlands	AFM
RSM China	China / Hong Kong SAR	MoF / CSRC
RSM India	India	ICAI / NFRA
RSM South Africa	South Africa	IRBA
RSM Egypt	Egypt	RAA/ FRA

**Network financial information.** The total combined fee income is USD 7.7 billion of the member firms of the RSM network resulting from all services with growth percentage of 4%, and the proportion derived from statutory audit, is published annually by RSM International Limited in its global results.

#### 4. Governance structure of the firm

The Firm is governed by its partners. Day-to-day leadership and strategic direction are exercised through a partnership leadership group and an executive management structure, supported by functional leaders responsible for quality, ethics and risk. The principal governance roles are summarised below.

Role	Responsibility
Chairman	Overall stewardship of the Firm and its strategy.
Managing Partner	Executive leadership of the Firm; ultimate responsibility for the system of quality management (ISQM 1 §§20–28).
Head of Audit & Assurance	Leadership of the audit practice and audit methodology.
Head of Quality Assurance / Quality Management Leader	Operational responsibility for the design, implementation and monitoring of the system of quality management.
Ethics & Independence Partner	Oversight of independence, ethics and acceptance / continuance policies.
Risk Management Partner	Oversight of risk, AML/KYC and engagement-acceptance procedures.
International Liaison Partner	Coordination of cross-border engagements with other RSM member firms.

The Firm's senior partnership group includes Magdy Hashish (Chairman – Accounting & Assurance Services), Dr. Cherif Hammouda (Chairman), Tarek Hashish (Managing Partner – Head of Audit & Quality Assurance), Mohamed Hashish (Executive Partner) and Wael Yehia (Audit Partner & Head of Quality Assurance).

#### 5. Internal quality management system

The Firm has designed and implemented a **system of quality management (SoQM)** in accordance with **ISQM 1**. The system follows a risk-based approach: the Firm establishes quality objectives, identifies and assesses quality risks, and designs and implements responses to those risks. The SoQM addresses the eight components required by ISQM 1:

- **Governance and leadership** – a quality-focused culture set by the Managing Partner and leadership, with clear assignment of roles and accountability;
- **The firm's risk assessment process** – establishing quality objectives, identifying and assessing quality risks and designing responses;
- **Relevant ethical requirements** – compliance with the IESBA Code (as adopted in Egypt), including independence;
- **Acceptance and continuance** of client relationships and specific engagements;
- **Engagement performance** – direction, supervision, review, consultation, and engagement quality reviews (EQRs) performed under **ISQM 2**;
- **Resources** – human, technological (including CaseWare / RSM Orb), intellectual (the RSM global methodology and knowledge centre) and service-provider resources;
- **Information and communication** – internal and external flows of information relevant to the SoQM; and
- **Monitoring and remediation** – ongoing and periodic monitoring, root-cause analysis and remedial action.

At engagement level, every audit is performed in accordance with **ISA 220 (Revised)**, under which the engagement partner takes overall responsibility for managing and achieving quality, remains directly involved throughout the engagement, and performs a concluding “stand-back” evaluation. For audits of PIEs and other higher-risk engagements, an **engagement quality review** is completed by a partner who is not a member of the engagement team before the auditor’s report is dated.

Monitoring activities include **cold-file (post-issuance) reviews**, **hot-file (pre-issuance) reviews** for higher-risk engagements, formal **root-cause analysis** of identified deficiencies, and a **remediation register** reviewed by the quality leadership. The Firm is also subject to the transnational **RSM Global Quality Assurance Programme**.

## 6. Statement on the effectiveness of quality management

ISQM 1 requires the individual assigned ultimate responsibility and accountability for the system of quality management to evaluate the system at least annually and to conclude on its effectiveness. The most recent annual evaluation was performed as at **31 December 2025**.

On the basis of that evaluation, the Managing Partner concluded that the **system of quality management provides the Firm with reasonable assurance that the objectives of the system are being achieved**. This is the most favourable of the three conclusions contemplated by ISQM 1. No Significant deficiencies were identified that, individually or in aggregate, have a severe and pervasive effect on the design, implementation or operation of the system.

## 7. Date of the last quality assurance review

The Firm is subject to external quality assurance through (i) inspections and reviews carried out by the competent Egyptian authorities responsible for the oversight of registered auditors which represented in Financial Regulatory Authority (“FRA”), and (ii) the transnational monitoring conducted under the RSM Global Quality Assurance Program. The latter is an internal network review and is not a substitute for independent external oversight.

Review	Conducted by	Date / cycle	Outcome
Network quality monitoring	RSM Global Quality Assurance Programme	[December 2025]	[Valid]

## 8. Public interest entities audited

Set out below is a list of the public interest entities for which the Firm carried out statutory audits during the financial year ended 31 December 2025. For this purpose, public interest entities are taken to include entities whose securities are admitted to trading on the Egyptian Exchange, banks, insurance undertakings and other entities designated as being of public interest under applicable Egyptian law.

#	Public interest entity	Category	Period audited
1	Talaat Moustafa Group Holding	[Listed]	FY2025
2	El-Ezz for Ceramic and Porcelain	[Listed]	FY2025
4	Heliopolis for Housing and Development	[Listed]	FY2025
5	Gulf Candian Real-estate Investment	[Listed]	FY2025

6	First Abu Dhabi Bank	[Bank]	FY2025
7	Alahli	[Bank]	FY2025

## 9. Independence practices

The Firm is committed to maintaining its independence in both fact and appearance. Independence policies and procedures are built on the **IESBA International Code of Ethics** (as adopted in Egypt) and the applicable Egyptian independence requirements, and are embedded within the relevant-ethical-requirements and acceptance-and-continuance components of the SoQM.

- All partners and staff are required to confirm their compliance with independence requirements on joining and periodically (at least annually) thereafter;
- engagement teams confirm independence at the acceptance and continuance stage of each engagement and before the auditor's report is issued;
- the Firm maintains procedures to identify and evaluate threats to independence and to apply safeguards, including restrictions on the provision of non-audit services to audit clients that are PIEs;
- business, financial and personal relationships are monitored against an independence / restricted-entity framework; and
- breaches, where identified, are reported, evaluated and remediated under a defined protocol.

The Firm confirms that an **internal review of independence compliance has been conducted** in respect of the year ended 31 December 2025.

## 10. Continuing professional education

The Firm requires its professional staff and partners to maintain and develop their professional competence through continuing professional development (CPD). The Firm's policy reflects the CPD requirements of the **Egyptian Society of Accountants and Auditors (ESAA)** and the bodies to which its professionals belong such as ACCA as the firm is recognized as an ACCA Approved employer and is supported by access to the **RSM global learning curriculum** and technical updates.

- Structured technical training on Egyptian Standards on Auditing, IFRS / Egyptian Accounting Standards, ethics and independence, and the RSM audit methodology;
- monthly technical updates to assurance staff and regular partner technical briefings; and
- monitoring of completion of minimum CPD hours for each professional grade.

## 11. Basis of partner remuneration

Partners are remunerated out of the profits of the Firm. Each partner's share of profit is determined by reference to a range of factors, which include the partner's seniority, role and responsibilities, and contribution to the Firm's overall performance.

**Audit quality, compliance and adherence to professional standards and ethics are explicit factors** in the assessment of partner performance and remuneration. Consistent with the independence requirements of the IESBA Code, **audit engagement partners are not evaluated or remunerated on the basis of their success in selling non-assurance services to their audit clients.**

## 12. Rotation of key audit partners

To safeguard independence, the Firm operates a policy for the **rotation of key audit partners** on engagements where rotation is required by the applicable Egyptian laws and regulations and by the IESBA Code. Under this policy, the engagement partner (and, where relevant, the engagement quality reviewer) responsible for an audit of a public interest entity is rotated off the engagement after the maximum period permitted by the applicable requirements which 6 years, followed by an appropriate cooling-off period before any return to the engagement.

## 13. Financial information

The following table sets out the Firm's total turnover for the year ended 31 December 2025 amounted to USD 8 million, analyzed between the categories contemplated by Article 13(2)(k) of the Audit Regulation.

Revenue category	%
Statutory audit of annual and consolidated financial statements of PIEs and of members of a group whose parent is a PIE	[12%]
Statutory audit of the financial statements of other entities	[36%]
Permitted non-audit services to entities audited by the Firm	[35%]
Non-audit services to other (non-audit) clients	[17%]
<b>Total turnover</b>	<b>100%</b>

## 14. Declaration and approval

This Annual Transparency Report has been approved and signed on behalf of RSM Egypt – Chartered Accountants. The partners confirm that, to the best of their knowledge and belief, the information contained in this report is accurate and complete as at the date of signature, and that the statement on the effectiveness of the system of quality management set out in section 6 reflects the conclusion of the Firm's most recent annual evaluation.

Signed on behalf of the Firm


  
**Tarek Hashish**
  
 Managing Partner
   
 RSM Egypt – Chartered Accountants

Date: April 18, 2026