



**Statement of Compliance
with Listed Companies (Code of Corporate Governance) Regulations, 2019**

Name of Company: ADOS Pakistan Limited

Year ending: 30th June 2022

ADOS Pakistan Limited (the “Company”) has complied with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019 (the “Regulations”) in the following manner:

1. The total number of directors are nine (09) as per the following:

- a. Male: 05
- b. Female: 04

2. The composition of the Board is as follows:

- a) **Independent Director**
 - (1) Mr. Muhammad Fahd Shafi
- b) **Executive Directors**
 - (1) Mr. Zia Akbar Ansari
 - (2) Mr. Shehryar Akbar Ansari
 - (3) Mr. Asfandyar Akbar Ansari
- c) **Non-Executive Director**
 - (1) Mr. Bakhtiyar Akbar Ansari
- d) **Female (Non-Executive) Director**
 - (1) Ms. Suboohi
 - (2) Mrs. Shoobarna Zia Ansari
 - (3) Mrs. Aylin Ansari
 - (4) Mrs. Aysha Masood

The Company initiated the process of enlisting the independent director in data bank as notified by Securities and Exchange Commission of Pakistan but the process has been stopped during the year due to application of delisting of shares of the Company filed to Pakistan Stock Exchange (PSX).

- 3. The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this Company.
- 4. The Company has prepared a Code of Conduct and has ensured that appropriate steps have been taken to disseminate it throughout the Company along with its supporting policies and procedures.
- 5. The Board has developed a vision/mission statement, overall corporate strategy and significant policies of the Company. A complete record of particulars of significant policies along with the dates on which they were approved or amended has been maintained by the Company.
- 6. All the powers of the Board have been duly exercised and decisions on relevant matters have been taken by board/ shareholders as empowered by the relevant provisions of Companies Act, 2017 (the “Act”) and these Regulations.



7. The meetings of the Board were presided over by the Chairman and, in her absence, by a director elected by the Board for this purpose. The Board has complied with the requirements of Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of the Board.

8. The Board of directors has a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.

Presently, three (03) directors of the Company meet the exemption requirement of the Director's Training Program (DTP), while six (06) directors shall obtain certification under the DTP in due course of time in accordance with Regulation 20(2) of the Code as the new board was elected on October 20, 2020 while directors training program for rest of the directors could not be arranged during the year due to Company's perusal of delisting of its shares from PSX.

10. The Board has approved appointment of Chief Financial Officer, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

11. Chief Financial Officer and Chief Executive Officer duly endorsed the financial statements before approval of the Board.

12. The Board has formed committees comprising of members given below:

a) **Audit Committee**

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|------------------------------|---------------------|
| (1) Mr. Muhammad Fahd Shaffi | : Chairman & Member |
| (2) Mrs. Aylin Ansari | : Member |
| (3) Ms. Suboohi Ansari | : Member |

b) **Human Resource and Remuneration (HR&R) Committee**

- | | |
|-------------------------------|----------------------|
| (1) Mr. Muhammad Fahd Shafi | : Chairman & Member |
| (2) Mrs. Shoobarna Zia Ansari | : Member |
| (3) Ms. Suboohi | : Member & Secretary |
| (4) Mrs. Aysha Masood | : Member |
| (5) Mrs. Aylin Ansari | : Member |

13. The terms of reference of the aforesaid committees have been formed, documented and advised to the committee for compliance.

14. The frequency of meetings (quarterly/ yearly) of the Committees for the year, which ended on June 30, 2022, was as per following:

Meetings Frequency

<u>Serial #</u>	<u>Name</u>	<u>Total Meetings Held</u>
a.	Audit Committee	5
b.	HR & R Committee	1

15. The Board has set up an effective internal audit function. The auditors are considered suitably qualified and experienced for the purpose and are conversant with the policies and procedures of the Company.



16. The statutory auditors of the Company have confirmed that they have been given a satisfactory rating under the quality control review program of the ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP and that they and the partners of the firm involved in the audit are not a close relative (spouse, parent, dependent and non-dependent children) of the chief executive officer, chief financial officer, head of internal audit, company secretary or director of the company.

17. The statutory auditors or the persons associated with them have not been appointed to provide other services except in accordance with the Act, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

18. We confirm that all requirements of regulations 3, 7, 8, 27, 33 and 36 of the Regulations have been complied with. However, requirements of regulations 6 will be fully complied not later than expiry of Board's current term.

Mrs. Shoobarna Zia Ansari
Chairman – Board of Directors

Zia Akbar Ansari
Chief Executive Officer/Director

Date: October 07, 2022

**Grant Thornton Anjum
Rahman**

302 B, 3rd Floor,
Evacuee Trust Complex,
Aga Khan Road, F-5/1,
Islamabad, Pakistan.

INDEPENDENT AUDITORS' REVIEW REPORT

To the members of ADOS Pakistan Limited

**Review Report on the Statement of Compliance contained in
Listed Companies (Code of Corporate Governance) Regulations, 2019**

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We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by Board of Directors of Ados Pakistan Limited (the Company) for the year ended June 30, 2022 in accordance with the requirements of regulation 36 of the Regulations.

The responsibility for compliance with the Regulations is that of the Board of Directors of the Company. Our responsibility is to review whether the Statement of Compliance reflects the status of the Company's compliance with the provision of the Regulations and report if it does not and to highlight any non-compliance with the requirements of the Regulations. A review is limited primarily to inquiries of the Company's personnel and review of various documents prepared by the Company to comply with the Regulations.

As a part of our audit of the financial statements we are required to obtain an understanding of the accounting and internal control systems sufficient to plan the audit and develop an effective audit approach. We are not required to consider whether the Board of Directors' statement on internal control covers all risks and controls or to form an opinion on the effectiveness of such controls, the Company's corporate governance procedures and risks.

The Regulation require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee.

Based on our review, nothing has come to our attention which causes us to believe the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respect, with the requirement contained in the Regulations as applicable to the company for the year ended June 30, 2022.

Further, we highlight below instances of non - compliance with the requirements of the Regulations as reflected in the paragraph 2 to 18 where these are stated in the Statement of Compliance:

i- Paragraph 2 As disclosed in para 2 of the Statement of Compliance, the independent directors are less than one third of the total members of the Board and the independent director has not been selected from the data bank as notified by Securities and Exchange Commission of Pakistan.

ii- Paragraph 9 As disclosed in para 9 of the Statement of Compliance, the Board of the Company has not arranged Director's Training Program (DTP) for six directors out of nine.



Grant Thornton Anjum Rahman

Chartered Accountants

Islamabad

October 07, 2022

UDIN: CR2022102091uBzUMhYE