

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Citi Pharma Limited

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

We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Citi Pharma Limited for the year ended June 30, 2023 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 provisions 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 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 internal controls, the Company's corporate governance procedures and risks.

The Regulations 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 that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended June 30, 2023.

Further, we highlight below instance of non-compliance with the requirement of the Regulations as reflected in the paragraph reference where it is stated in the statement of Compliance.

Paragraph Reference	Description
9	The Company has not arranged the directors training program or obtained the exemption from directors training program from the commission as required under clause 19 of the Regulations..

The engagement partner on the review resulting in this independent auditors' review report is **Hafiz Muhammad Ahmad Saleem**



Chartered Accountants

September 28, 2023

Lahore

UDIN: CR202310148Pcgk4Bf3R

STATEMENT OF COMPLIANCE

WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 (The Regulations)

For the Year Ended June 30, 2023

The Company has complied with the requirements of the Regulations in the following manner: -

1. Total number of directors are seven as per the following

- a. Male Five (5)
- b. Female Two (2)

2. The composition of the board is as follows:

Category	Name
Independent Directors*	I. Abdul Jaleel Shaikh
	II. Farzin Khan
Executive Directors	I. Rizwan Ahmad
	II. Zameer Ul Hassan Shah
Non-Executive Directors	I. Nadeem Amjad
	II. Muhammad Naeem
	III. Saira Aslam

* In order to comply with the requirements of Listed Companies (Code of Corporate Governance) Regulations, 2019, two independent directors were elected on the Board of Directors upon maturity of existing term, whereas the code requires to appoint at-least two or one-third of the board members (whichever is higher). The fraction of 0.33 was not rounded up as the two appointed independent directors fairly protected the interests of the shareholders.

- 3. The directors have confirmed that none of them is serving on more than seven (7) 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 are in process. The board has ensured that complete record of particulars of the significant policies along with their date of approval or updating is maintained by the Company;

6. All the powers of the board have been duly exercised and decisions on relevant matters have been taken by the Board/shareholders as empowered by the relevant provisions of the Companies Act, 2017 (the Act) and these Regulations;

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

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

9. The independent directors of the company have already completed Director's Training Program. During the year CEO/Director completed the directors training. The company has planned to arrange director's training of remaining director's subsequent to the financial year.

10. The Board has approved appointment of Chief financial officer and Company Secretary including their remuneration, terms and conditions of their employment and complied with the relevant requirements of the Regulations;

11. The Financial statements of the Company were duly endorsed by the chief executive officer and chief financial officer before approval of the Board;

STATEMENT OF COMPLIANCE

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

a. Audit Committee

Name	Designation
Abdul Jaleel Shaikh	Chairman/Independent Director
Nadeem Amjad	Non-Executive Director
Muhammad Naeem	Non-Executive Director
Muhammad Riaz	Secretary to Audit Committee

b. Human Resource & Remuneration committee

Name	Designation
Farzin Khan	Chairman/Independent Director
Rizwan Ahmad	Executive Director
Zameer UI Hassan Shah	Executive Director
Muhammad Riaz	Secretary to HR & Remuneration Committee

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/half yearly/yearly) of the Committee were as per following;

a. Audit Committee.	Quarterly
b. HR and Remuneration Committee	Yearly

15. The Board has set up an effective internal audit function supervised by a Head of Internal Audit which is 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 Institute of Chartered Accountants of Pakistan and registered with

Audit Oversight Board of Pakistan, that they and all their partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the Institute of Chartered Accountants of Pakistan 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; and

18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for non-compliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36 are as below:

- ii. Female executive has not completed training under Directors' Training Program (required under nonmandatory provision of the Regulation 19). However, their trainings are planned in the ensuing year.

For and behalf of the Board



Nadeem Amjad
Chairman



Rizwan Ahmad
CEO