



STATEMENT OF COMPLIANCE

Statement of Compliance with Listed Companies (Code of Corporate Governance) Regulations, 2019
For the Year Ended June 30, 2022

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

1. The total number of directors are Seven (7) as per the following:

- a. Male: 5
- b. Female: 2

2. The composition of board is as follows:

Category	Names
Independent Director(s)	i. Mr. Rashid Ahmad Khan ii. Mr. Hassan Ahmed
Non-Executive Directors	i. Mr. Tah ir Jahangir
Executive Directors	i. Mr. Jillani Jahangir ii. Mr. Abdul Munaf
Female Directors	i. Mrs. Munizae Jahangir ii. Mrs. Sulema Jahangir

- 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.
- 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 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 Act and the Regulations with respect to frequency, recording and circulating minutes of meeting of board.
- 8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
- 9. The Board of Directors of the Company consist of seven (7) eminent directors, out of which one (1) director is already certified under the Director's Training Program and two (2) directors are exempted. During the year under review no Director's Training Program was arranged by the company, however, the remaining directors will acquire the required directors' training within the time specified in the Regulations.
- 10. The board has approved appointment of CFO, Company Secretary and Head of Internal Audit, including their remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations.

STATEMENT OF COMPLIANCE

With the Code of Corporate Governance as at Ended June 30, 2023

11. CFO and CEO duly endorsed the financial statements before approval of the board.
12. The board has formed committees comprising of members given below:
 - a) Audit Committee
 1. Mr. Rashid Ahmad Khan (Independent Director) Chairman
 2. Mrs. Munizae Jahangir (Non-Executive Director) Member
 3. Mrs. Sulema Jahangir (Non-Executive Director) Member
 - b) HR and Remuneration Committee
 1. Mr. Rashid Ahmad Khan– (Independent Director) Chairman
 2. Mr. Jillani Jahangir (Executive Director) Member
 3. Mrs. Munizae Jahangir (Non-Executive Director) Member
 4. Mrs. Sulema Jahangir (Non-Executive Director) 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/half yearly/ yearly) of the committee were as per following:
 - a) Audit Committee:
Four quarterly meetings were held during the financial year ended June 30, 2023
 - b) HR and Remuneration Committee
One Meeting of HR and Remuneration Committee was held during the financial year ended June 30, 2023.
15. The board has set up an effective internal audit function which is considered suitably qualified, experienced for the purpose and 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.
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 other requirements of the Regulations have been complied with.
19. The two elected independent directors have requisite competencies, skills, knowledge and experience to discharge and execute their duties competently, as per applicable laws and regulations. As they fulfill the necessary requirements as per applicable laws and regulations, hence, appointment of a third independent director is not warranted.



(Tahir Janahgir)
Chairman



(Jillani Jahangir)
CEO



INDEPENDENT AUDITOR'S REVIEW REPORT TO THE MEMBERS

On the Statement of Compliance Contained in the 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 Hala Enterprises 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 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 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**.

Malik Haroon Shahid Safder & Co.
Chartered Accountants

Lahore

Dated: October 03, 2023

UDIN: CR2023102069pwHsBC3y