



KPMG Taseer Hadi & Co.
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INDEPENDENT AUDITOR'S REVIEW REPORT

To the Members of Loads Limited

Review Report 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 Loads Limited ('the Company') for the year ended 30 June 2022 in accordance with the requirements of Regulation No. 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 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 of 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 30 June 2022.

Further, we highlight below the instance of non-compliance with the requirements of the Regulations as reflected in the paragraph reference where it is stated in the Statement of Compliance:



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S. No.	Reference	Description
1	Paragraph 15 of the statement of compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019	The internal audit function of the Company comprises of Head of Internal Audit only who resigned from the position on 9 May 2022. The position remained vacant till 30 June 2022.
2	Paragraph 19 of the statement of compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019	Regulation 6(1) states that it is mandatory that each listed company shall have at least two or one third of its members of the Board, whichever is higher, as an independent directors. Currently there are 7 directors on the Board of the Company out of which only 2 are independent directors.

Date: 7 October 2022

Karachi

UDIN: CR2022101065gPx0kbeS

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KPMG Taseer Hadi & Co.
Chartered Accountants

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

Name of company Loads Limited
Year ending June 30, 2022

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

1. The total number of directors are 7 as per the following:
 - a. Male 6
 - b. Female 1

2. The composition of the Board is as follows:

Independent Directors	Mr. M. Z. Moin Mohajir Mrs. Rozina Muzammil
Non-Executive Directors	Syed Shahid Ali Shah Syed Sheharyar Ali Mr. M. Mohtashim Aftab
Executive Directors	Mr. Munir K. Bana Mr. Shamim A. Siddiqui
Female Director	Mrs. Rozina Muzammil

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. 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 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 the Board;

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

9. The Directors were apprised of their duties and responsibilities from time to time. The directors either have already attended directors' training as required in previous years or meet the exemption criteria as contained in these Regulations.

10. No new appointment or change in terms and conditions of Chief Financial Officer and Company Secretary took place during the year. The Board has 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
 Mr. M. Z. Moin Mohajir Chairman
 Syed Sheharyar Ali Member
 Mr. M. Mohtashim Aftab Member
 Mrs. Rozina Muzammil Member
- b. Human Resources & Remuneration Committee
 Mrs. Rozina Muzammil Chairperson
 Mr. Munir K. Bana Member
 Syed Sheharyar Ali Member
 Mr. M. Mohtashim Aftab Member
 Mr. Shamim A. Siddiqui 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 4 quarterly meetings
 b. HR and Remuneration Committee 1 annual meeting
15. The Board has set up an internal audit function comprising only the Head of Internal Audit. However, the Head of Internal Audit resigned from the position on May 9, 2022 and the position remained vacant till June 30, 2022. The Company is in the process of hiring suitably qualified and experienced resources for the purpose;
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;
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 (non- mandatory requirements) are below:

S. No	Requirement	Explanation	Reg No.
1	It is mandatory that each listed company shall have at least two or one third members of the Board, whichever is higher, as independent directors. Explanation.—For the purposes of this sub-regulation, a listed company shall explain the reasons, in the compliance report, if any fraction contained in such one-third number which is not rounded up as one, 2019	Regulation of 6(1) of the Listed Companies (Code of Corporate Governance) Regulations, 2019 stipulates that it is mandatory for each listed company to have at least two or one-third members of the Board, whichever is higher, as independent directors. In a Board comprising 7 members, one-third works out to 2.33. Since the fraction is below half (i.e., 0.5), the final number will be rounded upto two directors.	Regulation of 6(1) of the Listed Companies (Code of Corporate Governance) Regulations, 2019

For and on behalf of Board of Directors



Syed Shahid Ali Shah
 Chairman

October 5, 2022
 Karachi