

Statement of Compliance with the Listed Companies

(Code of Corporate Governance) Regulations, 2019 For the Year Ended June 30, 2022

Nimir Resins Limited (the "Company") has complied the requirement of the Regulations in the following manner:

Note: The Board is reconstituted after the election in December 2019.

1. The total number of directors is 07 as detailed below:

a. Male : 06

b. Female : 01

2. The composition of the board is as follows:

| S. No. | Category | Name |
|--------|-------------------------|---|
| 1 | Independent Director* | 1. Mr. Pervaiz Ahmad Khan 2. Mrs. Nazia Qureshi |
| 2 | Executive Director | 1. Mr. Zafar Mahmood - Chief Executive Officer |
| 3 | Non- Executive Director | 1. Sheikh Amar Hameed - Chairman 2. Mr. Abdul Jalil Jamil 3. Mr. Muhammad Yahya Khan 4. Mr. Osman Hameed |
| 4 | Female Director | 1. Mrs. Nazia Qureshi |

*The fraction one third number was not rounded up to one as the two independent directors have sufficient experience to satisfy the need of the governance structure of the Company.

- The directors have confirmed that none of them is serving as a director on more than seven listed companies, including this, Company.
- 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.
- 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;
- 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 and these Regulations.
- 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 requirements of the Act and the Regulations with respect to frequency, recording and circulating minutes of the meeting of board.
- The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and the Regulations.
- During the year Chief Executive Officer / Executive Director of the existing Board and Chief Financial Officer and Company Secretary also had successfully completed their respective training under Directors' Training Program.
- The board has approved appointment of CFO including his remuneration and terms and conditions of employment and complied with relevant requirements of the Regulations. Company Secretary and Head of Internal Audit have remained unchanged during the year.
- CFO and CEO duly endorsed the financial statements before approval of the board.
- The Board has formed committees comprising of members given below:

I. Audit Committee:

- I. Mr. Pervaiz Amad Khan – Chairman
- II. Mr. Abdul Jalil Jamil
- III. Mr. Osman Hameed

II. HR and Remuneration Committee:

- I. Mrs. Nazia Qureshi – Chairperson
- II. Sheikh Amar Hameed
- III. Mr. Zafar Mahmood

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 committees were as per following:

I. Audit Committee

One yearly, one half yearly and two quarterly meetings were held during the financial year ended June 30, 2022.

II. HR & Remuneration Committee

One meeting was held during the financial year ended June 30, 2022.

15. The board has set up an effective internal audit function, 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 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 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with.

19. Explanation for noncompliance with requirements, other than regulations 3, 6, 7, 8, 27, 32, 33 and 36, are below: Not Applicable.

For **Nimir Resins Limited**



Sheikh Amar Hameed
Chairman



Zafar Mahmood
Chief Executive Officer

Lahore
September 26, 2022

Independent Auditors' Review Report to the Members on Statement of Compliance with the CCG

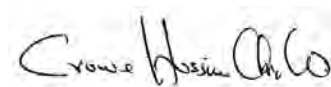
We have reviewed the enclosed Statement of Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019 (the Regulations) prepared by the Board of Directors of Nimir Resins Limited ("the Company") for the year ended June 30, 2022 in accordance with the requirements of regulation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



CROWE HUSSAIN CHAUDHURY & CO.

Chartered Accountants

Lahore

September 26, 2022

UDIN: CR202210169NrFg9kmQe