

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of Premium Textile Mills



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Rahman Sarfaraz Rahim Iqbal Rafiq

CHARTERED ACCOUNTANTS

Plot No. 180, Block-A, S.M.C.H.S.
Karachi-74400, PAKISTAN.
Tel. No. : (021) 3454345-9
E-Mail : info@rsrr.com
Website: www.rsrr.com
Other Offices at
Lahore • Faisalpur / Islamabad

INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of M/s. Premium Textile Mills 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 Premium Textile Mills 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.

Karachi

Rahman Sarfaraz Rahim Iqbal Rafiq
Chartered Accountants

Date: October 4, 2022

UDIN: CR202210210TsWk5OpHX

STATEMENT OF COMPLIANCE

With the Listed Companies (Code of Corporate Governance) Regulations, 2019 for the Year ended As of June 30, 2019

FOR THE YEAR ENDED JUNE 30, 2022

M/s. Premium Textile Mills Limited ('the Company') has complied with the requirements of the Listed Companies (Code of Corporate Governance) Regulations 2019, ('the Regulations') in the following manner:

1. The total number of directors of the Company are 7 as follows:

Male: 06

Female: 01

2. The composition of the Board of Directors ('the Board') is as follows:

I) Non-Executive Directors

a. Independent Directors	Mr. Mohammad Tufail Sattar; Mr. Mohammad Ali Jaliawala; and Ms. Lubna Asif
b. Other Non-Executive Directors	Mr. Mohammad Aslam; and Mr. Tanzeel Abdul Sattar
II) Executive Directors	Mr. Abdul Kader Haji Adam; and Mr. Mohammad Yasin Siddik

3. The directors have confirmed that none of them is serving as a director on more than seven (7) listed companies including the 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 a complete record of particulars of 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 and the 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 Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;

8. The Board has a formal policy and transparent procedure for remuneration of directors in accordance with the Companies Act, 2017 and the Regulations;

9. Up to the end of the reporting period (i.e. June 30, 2022), the Board has arranged Directors' Training Program for the following directors:

7. 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 the Regulations;

8. 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 Companies Act, 2017 and the Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;

9. The Board has a formal policy and transparent procedure for remuneration of directors in accordance with the Companies Act, 2017 and the Regulations;

9. Up to the end of the reporting period (i.e. June 30, 2022), the Board has arranged Directors' Training Program for the following directors:

Name of the director	Details of the certification	
	Date of certification	Name of the institute
Mr. Abdul Kader Haji Adam	Qualifies the requisite criteria for exemption	
Mr. Mohammad Yasin Siddik	Qualifies the requisite criteria for exemption	
Mr. Mohammad Aslam	Qualifies the requisite criteria for exemption	
Mr. Mohammad Tufail Sattar	Qualifies the requisite criteria for exemption	
Mr. Mohammad Ali Jaliawala	Qualifies the requisite criteria for exemption	
Ms. Lubna Asif	Training was completed in Sept 2022	IBA
Mr. Tanzeel Abdul Sattar	The training is yet to be acquired	

10. The Board has approved the appointment of the 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. The 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:

Audit Committee

Mr. Mohammad Tufail Sattar	Chairman
Mr. Mohammad Ali Jaliawala	Member
Ms. Lubna Asif	Member

HR & Remuneration Committee

Mr. Mohammad Ali Jaliawala	Chairman
Mr. Mohammad Tufail Sattar	Member
Ms. Lubna Asif	Member

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

14. The frequency of meetings of the committees was as follows:

Audit Committee	Quarterly
HR & Remuneration Committee	Annually

15. The Board has set up an effective internal audit function that is considered suitably qualified and experienced for the purpose and is 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 (ICAP) and registered with the 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 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 a 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 Companies Act, 2017, the 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 no. 3, 6, 7, 8, 19, 27, 32, 33, and 36 of the Regulations have been complied with.

19. There has been no non-compliance with the requirements of non-mandatory provisions of the Listed Companies (Code of Corporate Governance) Regulations, 2019.

On behalf of the Board of Directors.



Mr. Abdul Kadir Adam
Chief Executive



Mr. Yasin Siddik
Executive Director