

Statement Of Compliance with Listed Companies (Code Of Corporate Governance) Regulations 2019

Name of Company: **TRG Pakistan Limited (“the Company”)**
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 10 as per the following:
 - a. Male: 9
 - b. Female: 1
2. The composition of board as at June 30, 2022 is as follows:

S. No.	Category	Name of Director
1.	Independent Directors*	Farrukh Imdad Abid Hussain Doina Popescu (<i>Female Director</i>)
2.	Other Non-Executive Directors**	Waleed Tariq Saigol (<i>Chairman of the Board</i>) John Leone Asad Nasir Suleman Lalani Zafar Iqbal Sobani Khaldoon Bin Latif
3.	Executive Directors	Hasnain Aslam (<i>CEO</i>)

*Fraction contained in the higher of 2 or 1/3rd number of independent directors is rounded down as three elected independent directors have requisite competencies, skills, knowledge, and experience to discharge and execute their duties competently.

**Khaldoon Bin Latif resigned as Director of the Company on September 28, 2022 and Mohammedulla Khan Khaishgi was appointed in his place on September 29, 2022. Further, the Board of Directors appointed Mohammedulla Khan Khaishgi as Chairman of the Board in place of Waleed Tariq Saigol on the same date.

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 alongwith 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 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 the Regulations.
9. Out of ten directors, the following six directors have obtained a certificate of Director's Training Program:
 1. Zafar Iqbal Sobani
 2. Asad Nasir
 3. Suleman Lalani
 4. Khaldoon Bin Latif
 5. Abid Hussain
 6. Farrukh Imdad

The following director is exempt from the requirement of Director's Training Program:

1. John Leone

The remaining three newly appointed directors will undertake the Director's Training Program in FY 2023.

10. The Board has approved appointment of chief financial officer (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 other than those mentioned in para 19;
11. Chief financial officer and chief executive officer (CEO) duly endorsed the financial statements before approval of the Board;
12. The Board has formed committees comprising of members given below:

Audit Committee*:**

- | | |
|----------------------|--------|
| - Zafar Iqbal Sobani | Chair |
| - Doina Popescu | Member |
| - Suleman Lalani | Member |
| - Khaldoon Bin Latif | Member |

***Board reconstituted the Committee in its meeting held on September 29, 2022 and appointed Doina Popescu as Chair of the Committee and Zafar Iqbal Sobani, Mohammedulla Khan Khaishgi and John Leone as Members of the Committee.

HR Recruitment & Remuneration Committee****:

- Khaldoon Bin Latif Chairman
- Hasnain Aslam Member
- John Leone Member
- Abid Hussain Member

*****Khaldoon Bin Latif was made non-executive director on 13 June 2022. Board reconstituted the Committee in its meeting held on September 29, 2022 and appointed Farrukh Imdad as Chair of the Committee and Hasnain Aslam and John Leone as Members of the Committee.*

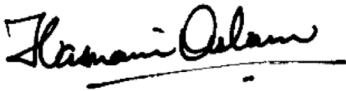
13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committee for compliance.
14. The frequency of meetings of the Committee were as per following:
 - (a) Audit Committee: four meetings of the Committee were held during the year.
 - (b) HR Committee meetings: two meetings of the Committee were held during the year.
15. The Board has setup an effective internal audit function. The Board has appointed Head of internal audit who is also Head of internal audit of other associated entities. The Head of internal audit is 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.
18. We confirm that all requirements of regulations 3, 6, 7, 8, 27, 32, 33 and 36 of the Regulations have been complied with except below non-compliances with mandatory provisions of CCG Regulations:

S.No.	Requirements	Explanation of non-compliance	Regulation No.
(i)	The Head of Internal Audit shall attend meetings of the audit committee at which issues, if any, relating to accounts and audit are discussed.	Due to health issues, the Head of Internal Audit could not attend the meetings of the Audit Committee in which matters relating to audit were discussed during the year.	27(2)(iii)

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

S.No.	Requirements	Explanation of non-compliance	Regulation No.
(i)	<p>The company secretary shall be secretary to the Board.</p> <p>No person shall be appointed as the company secretary simultaneously holding office of chief financial officer of a listed company.</p>	<p>The Company Secretary of the Company was appointed as its Chief Financial Officer (CFO) during the year and the Company has since been in pursuit of finding a suitable candidate to take charge as the new Company Secretary in his place. Hence, the CFO is currently also overseeing the Company Secretary portfolio until such time that a full-time replacement is found.</p>	12(2) and 24

On behalf of the Board of Directors



HASNAIN ASLAM
Chief Executive



MOHAMMEDULLA KHAN KHAISHGI
Chairman

Karachi
Dated: September 29, 2022

Independent Auditor's Review Report to the members on 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 **TRG Pakistan Limited** ('the Company') for the year ended 30 June 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 of 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. We have not carried out procedures to assess and determine the Company's process for identification of related parties and that whether the related party transactions were undertaken at arm's length price or not.

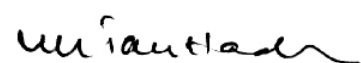
Based on our review, nothing has come to our attention which causes us to believe that the Statement of Compliance does not appropriately reflect the Company's compliance, in all material respects, with the requirements contained in the Regulations as applicable to the Company for the year ended 30 June 2022.

Further, we highlight below instances of non-compliance with the requirements of the Regulations and reflected in the paragraph references where these are stated in the Statement of Compliance:

S. No.	References	Description
(i)	Paragraph 18	Head of Internal Audit did not attend requisite Audit Committee meeting.
(ii)	Paragraph 19	Both positions of the Company Secretary of the Company and CFO are held by the same person during the year and he is also the Secretary to the Board.

Date: 01 October 2022
Karachi

UDIN: CR2022101885mYLNOgwa



KPMG Taseer Hadi & Co.
Chartered Accountants