

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

Name of Company: **TRG Pakistan Limited (“the Company”)**
Year ended: **June 30, 2023**

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 is as follows:

S. No.	Category	Name of Director
1.	Independent Directors*	Abid Hussain Mustafa Kirdar Marlene Peller (Female Director)
2.	Other Non-Executive Directors	Mohammedulla Khan Khaishgi (Chairman) Waleed Tariq Saigol John Leone Zafar Iqbal Sobani Asad Nasir Suleman Lalani
3.	Executive Directors	Hasnain Aslam (CEO)

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

- 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 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 four directors have obtained a certificate of Director's Training Program:
 1. Zafar Iqbal Sobani.
 2. Asad Nasir.
 3. Suleman Lalani.
 4. Abid Hussain.

The following directors are exempted from the requirement of Director's Training Program:

1. Mohammedulla Khan Khaishgi.
2. John Leone.
3. Waleed Tariq Saigol.

The remaining directors will undertake the Director's Training Program in FY 2024.

10. The Board has approved appointment of 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. Mr. Zeeshan UI Haq replaced Mr. Rahat Lateef and was appointed as the Company Secretary with effect from 1st February 2023.
11. The financial statements of the Company were duly endorsed by CEO and CFO before approval of the Board.
12. The board has formed committees comprising of members given below:

Audit Committee:

- | | | |
|---|----------------------------|----------|
| - | Mustafa Kirdar | Chairman |
| - | Zafar Iqbal Sobani | Member |
| - | Mohammedulla Khan Khaishgi | Member |
| - | John Leone | Member |

HR Recruitment & Remuneration Committee:

- | | | |
|---|----------------|-------------|
| - | Marlene Peller | Chairperson |
| - | Hasnain Aslam | Member |
| - | John Leone | Member |

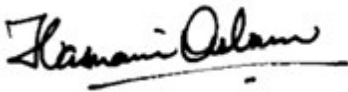
13. The terms of reference of the aforesaid committees have been formed, documented, and advised to the committee for compliance.
14. The frequency of meetings of the Committee were as per following:
 - (a) Audit Committee: four meetings of the Committee were held during the year.
 - (b) HR Committee meetings: two meetings of the Committee were held during the year.
15. The Board has setup an effective internal audit function. Personnel of the internal audit department are 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 for below listed non-compliances with mandatory provisions of CCG Regulations:

S.No.	Requirements	Explanation of non-compliance	Regulation No.
(i)	<p>It is mandatory that the secretary of audit committee shall circulate minutes of meetings of the audit committee to all members, directors, head of internal audit and where required to chief financial officer prior to the next meeting of the Board.</p> <p>Provided that where this is not practicable, the chairman of the audit committee shall communicate a synopsis of the proceedings to the Board and the minutes shall be circulated along with the minutes of the meeting of the Board.</p>	The Secretary of the audit committee has circulated the synopsis of the proceedings to the Board before the Board meeting however, it has been a past practice of the Company to share approved minutes of the audit committee with the Board, which are approved in next audit committee meeting.	27(5)

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 chief financial officer and company secretary or in their absence, the nominee appointed by the Board, shall attend all meetings of the Board</p> <p>Provided that the chief financial officer and company secretary shall not attend such part of the Board meeting wherein agenda item relates to consideration of their performance or terms and conditions of their service or when, in the opinion of the Board, their presence in the meeting on any agenda item is likely or may tend to impair the organizational discipline and harmony of the company.</p>	<p>The Chief Financial Officer (CFO) did not attended the Board of Directors meeting held on 22 June, 2023 as he was on annual leave and travelling at that time and no nominee was appointed in his place since the agenda of the meeting solely related to legal matters and did not warrant the involvement of the CFO.</p>	13

On behalf of the Board of Directors



HASNAIN ASLAM
Chief Executive



MOHAMMEDULLA KHAN KHAISHGI
Chairman

Karachi
Dated: September 28, 2023

**Independent Auditor's Review Report
To the members of TRG Pakistan 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 TRG Pakistan Limited ('the Company') for the year ended 30 June 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 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.

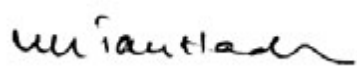
The Regulations require the Company to place before the Audit Committee, and upon recommendation of the Audit Committee, place before the Board of Directors for their review and approval, its related party transactions. We are only required and have ensured compliance of this requirement to the extent of the approval of the related party transactions by the Board of Directors upon recommendation of the Audit Committee. We have not carried out procedures to assess and determine the Company's process for identification of related parties and whether the related party transactions were undertaken at arm's length 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 2023.

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	Board Audit Committee minutes not circulated in requisite time.
(ii)	Paragraph 19	Nominee not appointed in the Board meeting in the absence of the Chief Financial Officer.

**Date: 30 September 2023
Karachi**


**KPMG Taseer Hadi & Co.
Chartered Accountants**

UDIN: CR202310188v8RsT5ZUL