

STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2017

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

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

2. The composition of board is as follows:

Category	Names
Independent Director	Mr. Siraj A. Kadir
Executive Directors	M. Hanif Y. Bawany (CEO) Mrs. Momiza Hanif Bawany
Non - Executive Directors	Mr. Wali Mohammad M. Yahya (Chairman) Mr. Mikhail Bawany Mr. Wazir Ahmed Jomezai Mr. Zakaria A. Ghaffar

3. The directors have confirmed that none of them is serving as a director on more than five listed companies, including this company (excluding the listed subsidiaries of listed holding companies where applicable).
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 and overall corporate strategy. A complete record of particulars of significant policies along with the dates on which they were approved or amended has not been maintained, however, we are in the process of developing the said policies.
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 board.
8. The board of directors have a formal policy and transparent procedures for remuneration of directors in accordance with the Act and these Regulations.
9. In accordance with the criteria specified in clause 20(2) of the Regulations, all directors of the Company are exempt from the requirement of Director's Training Program.
10. The board has approved appointment of 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.
11. CFO and CEO 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. Siraj A. Kadir | Chairman |
| Mr. Zakaria A. Ghaffar | Member |
| Mr. Wali Mohammad M. Yahya | Member |
- b) HR and Remuneration Committee
- | | |
|----------------------------|----------|
| Mr. Siraj A. Kadir | Chairman |
| Mr. Zakaria A. Ghaffar | Member |
| Mr. Wali Mohammad M. Yahya | 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 - Quarterly basis
b) HR and Remuneration Committee - Quarterly basis

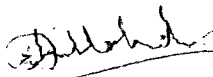
15. The Company does not have an effective internal audit function; however, the Company is in the process of inducting suitably qualified personnel to head the internal audit department.

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 ICAP and registered with Audit Oversight Board of Pakistan, that they or any of the partners of the firm, their spouses and minor children do not hold shares of the company and that the firm and all its partners are in compliance with International Federation of Accountants (IFAC) guidelines on code of ethics as adopted by the ICAP

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. The Company has complied with the requirements relating to maintenance of register of persons having access to inside information by designated senior management officer in a timely manner and maintaining proper record including basis for inclusion or exclusion of persons from the said list.

19. We confirm that all other requirements of the Regulations have been complied with.



WALI MOHAMMAD M. YAHYA
Chairman