



CHAIRPERSON'S REVIEW REPORT

This review report has been prepared in compliance with Section 192(4) of the Companies Act, 2017 on the overall performance of the Board of Directors (the Board) of **Sazgar Engineering Works Limited** (the Company) and effectiveness of the role played by the Board in achieving the Company's objectives.

The Board performance has been evaluated in accordance with the mechanism set by the Board for this purpose and overall results are satisfactory. The financial performance of the Company has been suppressed by the negative impact of the economic slowdown and outbreak of COVID-19 pandemic throughout the country, the Company has been recorded sales revenue Rs. 2.89 Billion. The new project for the manufacturing of passenger cars and off-road vehicles is near to completion. In this regard, the Company also raised funds of Rs. 710.00 million through issuance of 14,200,000 Right shares @ Rs. 50/- each to complete the project without any delay.

During the year, the Company elected nine (9) directors including three (3) independent directors for a period of three years commencing from March 20, 2020. The Board has been constituted with a balance of executive, non-executive and independent directors with requisite skills, competencies, knowledge, experience and gender diversity with reference to the Company's operations.

The Board has appointed Chief Executive, Executive Director-Technical and Executive Director-Marketing for a period of three years effective from March 28, 2020 and fixed their remuneration.

The Board exercised all its powers in deciding the significant matters; Five (5) Board meetings were held during the year in timely manner and sufficient time was spent by the Board to decide the matters. The directors actively participated in the process of decision making and provided their valuable contribution. Board committees have functioned in accordance with their terms of reference diligently.

The Board ensures that the vision, mission and overall corporate strategy of the Company has been prepared and adopted and adequate resources are arranged to achieve the desired business targets.

The Board continuously monitors the performance of management as well as appropriateness of the financial accounting and reporting frame work of the Company. The Board ensures that periodical and annual financial statements are prepared, reviewed and audited by the external auditors in timely manner.

The Board ensures that the company is in compliance of its statutory obligations and good corporate governance practices, system of risk identification, risk management and related internal controls is sound in design and is implemented effectively with continuous monitoring. The Company is committed in discharging its Corporate Social Responsibility. Research and development work is continuously carried on for the innovation of new products and or to make the production and existing products more efficient to maintain or expand its market share.

I would like to place on record my appreciation for the untiring efforts, teamwork and dedication shown by the Company's employees during the year under review.

I would also like to express my gratitude to the valued shareholders, customers, suppliers and financial institutions for their continued support to the Company.

Lahore
September 24, 2020

Mrs. Saira Asad Hameed
(Chairperson)