

SECURE LOGISTICS – TRAX GROUP LIMITED
STATEMENT OF COMPLIANCE WITH LISTED COMPANIES (CODE OF
CORPORATE GOVERNANCE) REGULATIONS, 2019
FOR THE YEAR ENDED DECEMBER 31, 2025

M/s. **Secure Logistics – Trax Group 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 Board of Directors of the Exchange (the Board) consisted of seven (9) directors as on December 31, 2024, as per the following categories:

Category	Number of directors
Male	8
Female	1

2. The Composition of board is as follows:

Independent Directors	Suleman Soorani, Aga Shahbaz, Faizan Siddiqui
Non-Executive Directors	Ayaz Abdulla, Afshan Nasir, Asad Abdulla , Faraz Minai, Pervaiz A. Khan
Executive Directors	Gulraiz A. Khan

3. The Directors have confirmed that none of them is serving as a director on more than seven (7) 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 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 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 the Companies Act, 2017 and Regulations with respect to frequency, recording and circulating minutes of meetings of the Board;
8. The Board has a formal policy and transparent procedures for remuneration of directors in accordance with the Companies Act, 2017 and these Regulations;

Registered Office

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New State Life Tower, F7/4, Blue Area,
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Head Office:

Plot No 105, Sector 7-A, Mehran Town,
Korangi, Karachi.
Ph +92-21-38772222

9. We acknowledge that we were unable to conduct the mandatory director training as required for listed companies during the year 2025. This primarily due to time constraints and operational priorities following our listing and acquisition of a new subsidiary Trax Online (Pvt.) Ltd. However, we fully recognize the importance of this regulatory requirement and have now finalized a plan to ensure compliance. The training for our directors has been scheduled and will be completed in 2026.
10. The Chief Financial Officer and Audit Committee appointment by the Board of Directors has been completed. We would like to clarify that the selection process was carried out diligently, and the CFO joined the company in 2025 who carries the required qualification and experience as required by the CCG.
11. The Audit and HR committees as per the requirements of CCG have been formulated during the year 2025. The independent committees have started functioning effectively during 2025.
12. The terms of reference of the aforesaid committees have been formed, documented and advised to the committees for compliance.
13. The frequency of meetings of the committees were as per following:
 - i. Audit Committee 4 (Quarterly)
 - ii. HR and Remuneration Committee 2 (Half yearly)
14. The Company has in place a sound system of internal controls to safeguard its assets and ensured the accuracy and completeness of accounting records. The internal audit function, headed by Mr. Fawad Ahmed, reports functionally to the Audit Committee and carries out regular reviews of financial and operational controls. The Company also maintains a comprehensive risk management framework to identify, assess, and mitigate potential business risks, including market, credit, and operational risks.
15. 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 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 their partners of the firm involved in the audit are not 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;
16. 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, these regulations or any other regulatory requirement and the auditors have confirmed that they have observed IFAC guidelines in this regard.

17. We confirm that all other requirements of the regulations 3,6,7,8,27,32,33 and 36 of the regulations have been complied with.

On behalf of the Board



Pervaiz Afzal Khan
Chairman of the Board of Directors

26th March 2026



Gulraiz Afzal Khan
Chief Executive Officer



RSM Avasi Hyder Liaquat Nauman
Chartered Accountants

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INDEPENDENT AUDITOR'S REVIEW REPORT

To the members of M/s. Secure Logistics-Trax Group Limited

REVIEW REPORT ON THE 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 M/s. Secure Logistics-Trax Group Limited ('the Company') for the year ended **December 31, 2025** 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, with the exception of the non-mandatory regulations for which management has provided explanation in the compliance statement as per (Code of Corporate Governance) Regulations, 2019, 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 **December 31, 2025**.


RSM AVAIS HYDER LIAQUAT NAUMAN
CHARTERED ACCOUNTANTS

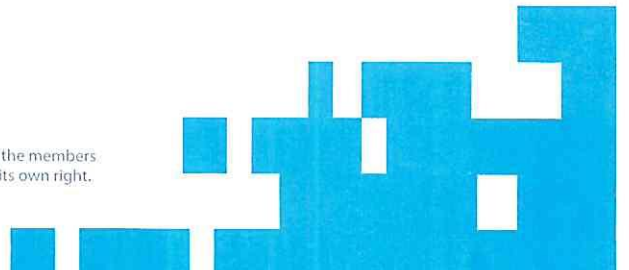
ENGAGEMENT PARTNER:

Place: Islamabad

Date: 15 Dec 2025

UDIN: CR202510239DMX40jbHA

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Securities and Exchange Commission of Pakistan

In exercise of the powers conferred by section 506B of the Companies Ordinance, 1984 (XLVII of 1984) read with rule 24 of the Public Sector Companies (Corporate Governance) Rules, 2013, the Securities and Exchange Commission of Pakistan is pleased to issue the Public Sector Companies (Corporate Governance Compliance) Guidelines, 2013.

LISTED COMPANIES (CODE OF CORPORATE GOVERNANCE) REGULATIONS, 2019 ('the CCG Regulations')

1. Short title, application and commencement.

- a. These Regulations shall be called the Listed Companies (Code of Corporate Governance) Regulations, 2019.
- b. These Regulations shall apply to the listed companies based on "comply or explain approach" except the requirements for which it is explicitly stated as "mandatory" and it shall be the responsibility of the board of directors (the "Board") to use this approach wisely and of investors to assess differing company approaches thoughtfully.
- c. These Regulations shall come into force from the date of its publication.

2. Definitions.

(1) In these Regulations, unless there is anything repugnant in the or context,

- a. "**Annexure**" annexure mean annexure appended to these Regulations;
- b. "**Comply or explain approach**" means discretion of a company with respect to non-mandatory provisions of these Regulations either to comply or provide appropriate explanation as to any impediment in its compliance in the compliance report along with the financial statements;
- c. "**Mandatory**" in relation to these Regulations, means such provisions that are construed to be strictly complied with by the company and non-compliance of such Regulations leads to penal proceedings under regulation 37;

(2) Unless otherwise specified, words and expressions used but not defined in these Regulations shall have the same meaning as assigned to them in the Companies Act, 2017 ("the Act") and the Securities and Exchange Commission of Pakistan Act, 1997 (XLII of 1997).

Statement of Compliance

Listed Companies (Code of Corporate Governance) Regulations, 2019.

Name of Company: **Secure Logistics Private Limited**

For the year ended: **December 31, 2025**

- (i) This statement is being presented to comply with **Listed Companies (Code of Corporate Governance) Regulations, 2019** (hereinafter called "the Rules") issued for the purpose of establishing a framework of good governance, whereby a listed company is managed in compliance with the best practices of listed sector governance.
- (ii) The company has complied with the provisions of the Rules in the following manner:

Board of Directors:

Sr. No.	Name	Date of Appointment/Election	Designation/Class
1	Suleman Soorani	1-9-2025	Independent director
2	Agha Shehbaz	2-5-2024	Independent director
3	Faizan Siddiqui	1-9-2025	Independent director
4	Ayaz Abdulla	1-9-2025	Non-Executive director
5	Afshan Nasir	2-5-2024	Non-Executive director
6	Asad Abdulla	1-9-2025	Non-Executive director
7	Faraz Minai	2-5-2024	Non-Executive director
8	Gulraiz A Khan	2-5-2024	Executive director
9	Pervaiz A Khan	2-5-2024	Non-Executive director

Sr. No.	Requirements	Relevant provision of the CCG Regulation	Compliance Status																							
			Y	N	Remarks (if any)																					
1	Number of Directorships:	3																								
	Number of directorships, in listed companies, of each director including directorship in the Company: <table border="1" data-bbox="159 689 941 1451" style="margin-left: 20px;"> <thead> <tr> <th>Name of Director</th> <th>Number of directorships</th> </tr> </thead> <tbody> <tr><td>Suleman Soorani</td><td>Nil</td></tr> <tr><td>Agha Shehbaz</td><td>Nil</td></tr> <tr><td>Faizan Siddiqui</td><td>Nil</td></tr> <tr><td>Ayaz Abdulla</td><td>Nil</td></tr> <tr><td>Afshan Nasir</td><td>Nil</td></tr> <tr><td>Asad Abdulla</td><td>Nil</td></tr> <tr><td>Faraz Minai</td><td>Nil</td></tr> <tr><td>Pervaiz Afzal Khan</td><td>Nil</td></tr> <tr><td>Gulraiz Afzal Khan</td><td>Nil</td></tr> <tr><td>Faraz Mehmood Minai</td><td>Nil</td></tr> </tbody> </table>	Name of Director	Number of directorships	Suleman Soorani	Nil	Agha Shehbaz	Nil	Faizan Siddiqui	Nil	Ayaz Abdulla	Nil	Afshan Nasir	Nil	Asad Abdulla	Nil	Faraz Minai	Nil	Pervaiz Afzal Khan	Nil	Gulraiz Afzal Khan	Nil	Faraz Mehmood Minai	Nil			
Name of Director	Number of directorships																									
Suleman Soorani	Nil																									
Agha Shehbaz	Nil																									
Faizan Siddiqui	Nil																									
Ayaz Abdulla	Nil																									
Afshan Nasir	Nil																									
Asad Abdulla	Nil																									
Faraz Minai	Nil																									
Pervaiz Afzal Khan	Nil																									
Gulraiz Afzal Khan	Nil																									
Faraz Mehmood Minai	Nil																									
2.	Independent director:3	6	Y																							
2.1	Total number of directors: 9	6(1)	Y																							
2.2	No. of Independent directors: 3	6(1)	Y																							
2.3	Percentage of (ID): 33.33%	6(1)	Y																							

	Whether each ID submitted:	6(3)	Y		
2.4	(1) the consent to act as director? and	6(3)	Y		
	(2) the declaration that he qualifies the criteria of independence notified under the Act?	6(3)	Y		
2.5	Whether the declaration mentioned to above is submitted to the chairman of the board at the first meeting of the board which is held after election of directors?	6(3)	Y		
2.6	Whether any of the IDs has reported to the Company during the last FY ceasing of his/her independence?	6(3)		N	
3.	Female Directors: Afshan Nasir	7	Y		
3.1	No. of female directors on the board: 1	7	Y		
4.	Executive Director.	8	Y		
4.1	Total No. of directors: 9	8	Y		
4.2	No. of the executive directors: 2	8	Y		
4.3	Percentage of Executive directors: 22.22%	8	Y		
5.	Audit committee (AC)	27	Y		
5.1	Total No. of the members of AC: 3	27(1)(i)	Y		
5.2	No. of the non-executive directors in AC: 2	27(1)(i)	Y		
5.3	No. of IDs in AC: 1	27(1)(i)	Y		
5.4	Whether Chairman of AC is: Non-Executive Director	27(1)(ii)	Y		
5.5	Whether Chairman of the board is also Chairman of AC:	27(1)(ii)		N	

5.6	Educational qualification of each member of AC:			27(1)(iii)			
	S. No	Name	Educational Qualification				Experience (No. of years)
	i.	Pervaiz A Khan	...N/A				...N/A
	ii.	Suleman Soorani	...N/A				...N/A
	iii.	Ayaz Abdulla	...N/A				...N/A
5.7	Name of the Secretary of AC: Mr. Fawad Ahmed			27(1)(iv)	Y		
5.8	Name of the Company Secretary: Faisal Atta			27(1)(iv)	Y		
5.9	Name of head of Internal Auditor. Mr. Fawad Ahmed			27(1)(iv)	Y		
5.10	Whether meetings of AC are held quarterly?			27(2)(i)	Y		
5.11	Date of each meeting of AC held during the last FY of the company: (a) No such Committee has been formed by the Board			27(2)(i)		N	
5.12	Date of approval of interim results of the company: 01-July-2025			27(2)(i)	Y		
5.13	Date of completion of external audit: 26-March-2026			27(2)(i)	Y		
5.14	Date(s) of meeting(s) of AC held on request, if any, of the auditors, Head of internal audit, and/or Chairman of AC:			27(2)(ii)		N	
5.15	Date(s) of meeting(s) of AC attended by Head of internal audit and by the auditors:			27(2)(iii)		N	
5.16	Has AC met with auditors during the last FY of the Company?			27(2)(iii)		N	
5.17	If answer to question above is yes, then has AC met with auditors during the last FY, without CFO and Head of internal audit being present?			27(2)(iii)		N	
5.18	Has AC met with the Head of internal audit and other members of the internal audit function during the last FY of the Company?			27(2)(iii)	Y		
5.19	The last FY, without CFO and the auditors being present?			27(2)(iii)	Y		
5.20	Has the board determined ToRs of AC?			27(3)	Y		
5.21	Has the board provided adequate resources and authority to AC?			27(4)	Y		
5.22	Have minutes of AC, been circulated to all members of AC,			27(5)	Y		

	directors, Head of internal audit before each subsequent meeting of the board?				
5.23	Has minutes of AC, also been circulated to CFO of the company?	27(5)	Y		
6	Terms of appointment of external auditor:	32			
6.1	Does name of the auditors appear in the list of audit firms having satisfactory Quality Control Review (QCR) Ratings as maintained by ICAP?	32(1)	Y		
6.2	Date of registration of the auditors with Audit Oversight Board	32(2)	Y		
6.3	Whether the audit firm, appointed as auditor, and its partners are compliant with International Federation of Accountants (IFAC)'s Guidelines on Code of Ethics as adopted by the Institute of Chartered Accountants of Pakistan (ICAP)?	32(2)	Y		
6.4	Whether appointment of auditor is recommended by the board?	32(3)	Y		
6.5	Whether remuneration of the auditor is recommended by AC?	32(3)	Y		
6.6	Whether board's recommendation w.r.t. appointment of auditor have been included in the Directors' Report?	32(3)	Y		
6.7	Whether the board has recommended appointment of auditors other than the retiring auditors?	32(3)		N	
6.8	In case response to question above is yes, then whether reasons for the same have been disclosed in the Directors' Report?	32(3)		N	
6.9	Whether the Company has assigned any non-audit services to the auditors?	32(4)	Y		
6.10	In case response to the above question is yes, then whether the Company has ensured that the auditors has observed IFAC's Guidelines in this regard?	32(4)	Y		
6.11	Whether, during the last FY of the Company, has the auditor performed any management function or made any decision which is actually responsibility of the board and management?	32(5)		N	
6.12	In case response to above question is yes, then please mention the function performed and/or the decision taken by the auditors:	32(5)		N/A	
6.13	Does, the auditor is close relative (spouse, parents, dependents and non-dependent children) of CEO, any of the directors, CFO, CS and/or the head of internal audit?	32(6)		N	
6.14	In case response to above question is yes, then please mention name(s) of such CEO, director, CFO, CS and/or the head of internal audit, and their relationship with the auditor:	32(6)		N	
6.15	Whether the Company has required the auditors to furnish the Management Letter to the board of the Company, within 45 days	32(7)	Y		

	of the date of the Audit Report?				
6.16	In case response to above question is yes, then whether the auditor has furnished the Management Letter with respect to the last Audit Report?	32(7)	Y		
6.17	Whether the auditor, during the last audit, has communicated to the board, in writing, any matter which it deemed significant?	32(7)	Y		
6.18	In case response to the above question is yes, then please mention the	32(7)		N	
	(i) date of reporting the significant matter to the board; and	32(7)	Y		
	(ii) date of approval of the audited accounts by the board: 26-March-2026	32(7)	Y		
6.19	In case response to above question is yes, then please mention the matter:	32(7)			
6.20	Rotation of external auditor.	33			
	(a) Whether the Company is a bank, NBFC, Modaraba, insurer, or Takaful company? [please tick any one]	33(1)		N/A	
	(b) In case response to the above questions is yes, then please mention date of appointment of the existing Auditors:	33(1)		N/A	
	c) Whether the Company is other than a bank, NBFC, Modaraba, insurer, or Takaful company?	33(2)	Y		
	(d) In case response to the above question is yes, then please mention date of appointment of the engagement partner of the existing auditors: 30-April-2025	33(2)	Y		
	(e) Whether the auditor is a sole proprietor?	33(2)		N	
	(f) In case response to the above question is yes, then please mention date of appointment of the auditor:	33(2)		N/A	
	Compliance statement and Auditor Review:	36			
	(a) Does the annual financial report of the Company for the last FY contain Statement of Compliance (SoC) on the format given at Annexure-A of the CCG Regulations?	36(1)	Y		

7	(b) In case response to the above question is yes, then please state whether the said SoC is reviewed and certified by the statutory auditors?	36(2)	Y		
	(c) In case response to the above question is yes, then please state whether the statutory auditor has observed and highlighted any non-compliance?	36(3)		N	
	(d) In case response to the above question is yes, then please mention the non-compliance(s):	36(3)		N	

Kennedy Khan

Director

Date: 26th March, 2026



C. M.

Chief Executive

Annexure: A

Explanation for Non-Compliance with the Listed Companies (Code of Corporate Governance) Regulations, 2019

We confirm that all other material requirements envisaged in the Rules have been complied with, except for the following, toward which reasonable progress is being made by the company to seek compliance by the end of next accounting year.

Sr. No	Rule/sub-rule no.	Reasons for non-Compliance	Future course of action
1.	18 Directors' Orientation Program	Covered in Point 9 of Statement of Compliance	



Director

Date: 26th March, 2026



Chief Executive