



**INDEPENDENT ASSURANCE REPORT
TO THE SHAREHOLDERS OF ZAD HOLDING COMPANY QPSC**

Reporting on Compliance with the Qatar Financial Markets Authority's Law and relevant legislations including the Governance Code for Companies and legal entities Listed on the Main Market(Continued).

In accordance with Article 24 of the Governance Code for Companies & Legal Entities Listed on the Main Market Issued by the Qatar Financial Markets Authority ("QFMA") Board pursuant to Decision No. (5) of 2016, we have carried out a limited assurance engagement over Board of Directors' assessment of compliance of Zad Holding Company Q.P.S.C (the "Company") with the QFMA's law and relevant legislations including the Governance Code for Companies & Legal Entities Listed on the Main Market as at 31 December 2019

Responsibilities of the directors and those charged with governance

The Board of Directors of the Company is responsible for preparing the 'Corporate Governance Report' that covers at the minimum the requirements of Article 4 of the Governance Code for Companies & Legal Entities Listed on the Main Market issued by the QFMA's Board pursuant to Decision No. (5) of 2016 (the 'Code').

In the Corporate Governance Report 2019, the Board of Directors provided its 'Report on compliance with the QFMA's law and relevant legislations including the Code' (the "Corporate Governance Statement").

The Board of Directors is responsible for ensuring that management and staff involved with the preparation of the Corporate Governance Statement are properly trained, systems are properly updated and that any changes in reporting encompass all significant business units.

Our Responsibilities

Our responsibility is to issue a limited assurance conclusion on whether anything has come to our attention that causes us to believe that the Corporate Governance Statement do not present fairly, in all material respects, the Company's compliance with the QFMA's law and relevant legislations including the Code, based on our limited assurance procedures;

We conducted our engagement in accordance with International Standard on Assurance Engagements 3000 (Revised) 'Assurance Engagements Other Than Audits or Reviews of Historical Financial Information' issued by the International Auditing and Assurance Standards Board ('IAASB').

This standard requires that we plan and perform our procedures to:

Obtain limited assurance about whether anything has come to our attention that causes us to believe that the Corporate Governance Statement is not prepared in all material respects in accordance with the Code.

The procedures performed in a limited assurance engagement vary in nature and timing from, and are less in extent than for, a reasonable assurance engagement. Consequently, the level of assurance obtained in a limited assurance engagement is substantially lower than the assurance that would have been obtained had a reasonable assurance engagement been performed. We did not perform any additional procedures that would have been required if this were to be a reasonable assurance engagement.

Our limited assurance procedures comprise mainly of inquiries of management to obtain an understanding of the processes followed to identify the requirements of the QFMA law and relevant legislations including the Code (the 'requirements'); the procedures adopted by management to comply with these requirements; and the methodology adopted by management to assess compliance with these requirements. When deemed necessary, we observed evidences gathered by management to assess compliance with the requirements.





**INDEPENDENT ASSURANCE REPORT
TO THE SHAREHOLDERS OF ZAD HOLDING COMPANY Q.P.S.C(CONTINUED)
Reporting on Compliance with the Qatar Financial Markets Authority’s Law and relevant legislations
including the Governance Code for Companies and legal entities Listed on the Main Market(Continued)**

Our Responsibilities(Continued)

Our limited assurance procedures do not involve assessing the qualitative aspects or effectiveness of the procedures adopted by management to comply with the Requirements. Therefore, we do not provide any assurance as to whether the procedures adopted by management were functioning effectively to achieve the objectives of the QFMA’s law and relevant legislations, including the Code.

Inherent limitations

Non-financial performance information is subject to more inherent limitations than financial information, given the characteristics of the subject matter and the methods used for determining such information.

Many of the procedures followed by entities to adopt governance and legal requirements depend on the personnel applying the procedure, their interpretation of the objective of such procedure, their assessment of whether the compliance procedure was implemented effectively, and in certain cases would not maintain audit trail. It is also noticeable that the design of compliance procedures would follow best practices that vary from one entity to another and from one country to another, which do not form a clear set of criteria to compare with.

Our Independence and Quality Control

In carrying out our work, we have complied with the independence and other ethical requirements of the Code of Ethics for Professional Accountants (including International Independence Standards) (“IESBA Code”) issued by the International Ethics Standards Board for Accountants, which is founded on fundamental principles of integrity, objectivity, professional competence and due care, confidentiality and professional behaviour and the ethical requirements that are relevant in Qatar. We have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code.

Our firm applies International Standard on Quality Control 1 and accordingly maintains a comprehensive system of quality control including documented policies and procedures regarding compliance with ethical requirements, professional standards and applicable legal and regulatory requirements.

Basis for Qualified Conclusion

The Company is in compliance with the Code, except for the following instances:

<i>Article Description</i>	<i>Article Number</i>	Description of Non-Compliance area’s
<i>Annual Training Programs</i>	8	We have not received evidence of the board approving the annual plan of training and education in the Company that includes programs introducing the Company, its activities and Governance, according to this Code
<i>Board Meetings</i>	14	<i>There was a gap of more than three months between the third and fourth board meeting.</i>





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**Reporting on Compliance with the Qatar Financial Markets Authority's Law and relevant legislations including the Governance Code for Companies and legal entities Listed on the Main Market(Continued)
Basis for Qualified Conclusion (Continued)**

Qualified Conclusion

Based on our limited assurance procedures, except for the matters described in the 'Basis of qualified conclusion' section of our report, nothing has come to our attention that causes us to believe that the *Corporate Governance Statement* do not present fairly, in all material respects, the Company's compliance with the QFMA's law and relevant legislations including the Code.

**Kuriachan V Kuriakose
Morison Kuriachan Kuriakose & Partners
Auditor's Registration No. 254**

**Date: 11-March-2020
Doha**

