

## GOLDFIN LIMITED

**Analyst:**

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## RATING DETAILS

RATINGS CATEGORY	Latest Rating		Previous Rating	
	Long-term	Short-term	Long-term	Short-term
ENTITY	A-	A2	A-	A2
RATING OUTLOOK/ WATCH	Stable		Stable	
RATING ACTION	Reaffirmed		Initial	
RATING DATE	January 15, 2026		December 19, 2024	

## Shareholding (5% or More)

GoldFin Pte. Ltd – 99.9%

## Other Information

Incorporated in 2020

Public Unlisted Company

Chairman: Mr. Syed Nadeem Hussain

Chief Executive: Mr. Tariq Mohar

External Auditor: BDO Ebrahim & Co. Chartered Accountants

## Applicable Rating Methodology

VIS Entity Rating Criteria: Non-Bank Financial Companies

<https://docs.vis.com.pk/Methodologies-2025/NBFC-Nov-2025.pdf>

## Rating Scale

<https://docs.vis.com.pk/docs/VISRatingScales.pdf>

## Rating Rationale

GoldFin Limited's ('GoldFin' or 'the Company') ratings reflect its strengthening business profile, supported by a fully secured gold-backed lending portfolio, sound governance practices, and a seasoned management team with several years of experience in microfinance, retail credit. GoldFin has expanded its operational footprint, enhanced productivity, and strengthened risk controls. Asset quality remains strong, with no record of non-performance due to the highly liquid and culturally significant nature of pledged gold, which incentivizes timely repayment. Profitability has continued to improve, driven by rising lending volumes across both organic and partnership channels, along with better operating efficiency. The capital base has grown through sponsor support and retained earnings, while leverage remains conservative, providing an adequate buffer for planned expansion. Liquidity remains sound, although it has moderated as the Company has scaled its portfolio; future stability will depend on mobilizing funding from diversified sources, including planned deposit mobilization and additional institutional lines. The Company's strategic shift toward the enterprise segment and its planned launch of Shariah-compliant products, indicate continued diversification and growth potential. Sustaining operational discipline, maintaining asset quality amid rapid growth, and meeting projected business targets, will be key to maintaining the assigned rating.

## Company Profile

GoldFin Limited ('GoldFin' or the 'NBFC') is a licensed Non-Banking Finance Company (NBFC) for the Investment Finance Services. It was incorporated in Pakistan on February 17, 2020 as a Private Limited Company under Companies Act, 2017. It was converted into Public Limited Company on July 06, 2022 in compliance with the precedent condition to form an NBFC. Later, it was granted the NBFC license by SECP in Jun'23 for the Investment Finance Services.

## Group Profile

GoldFin initially secured seed capital from its founding sponsors: Mr. Tariq Anwar, Mr. Tariq Mohar, and Planet N (Private) Limited. In FY23, the NBFC obtained additional funding from the Insitor Impact Asia Fund II. Following the shareholders' agreement, the entire shareholding was subsequently transferred to GoldFin Pte. Ltd. (HoldCo), the designated holding company, with the original sponsors becoming shareholders of the holding company. Mr. Tariq Mohar holds 39.0%, Planet N holds 32.2%, while Mr. Tariq Anwar holds 28.8% of shares in the holding company.

## Management and Governance

### CHAIRMAN/CEO PROFILE

Mr. Syed Nadeem Hussain is the Chairman of GoldFin Limited. He is a seasoned professional with 45+ years of experience in the financial sector. He founded Tameer Microfinance Bank (now Telenor Bank) and established Planet N Group, focusing on social impact and tech investments. Mr. Hussain has served on the boards of the Hong Kong Commodity Exchange, Pakistan's Investment Advisory Board, IBA, and the State Bank of Pakistan. He spent 27 years at Citigroup, holding regional management roles across eight countries in commercial, consumer, retail, and investment banking. He holds a BA from Muhlenberg College, Pennsylvania, USA.

Mr. Tariq Mohar is an experienced professional with 27+ years of experience in financial sector. In 2005, he joined Tameer Microfinance Bank as the founder member and head of business. Before joining Tameer, he was the group head at United Bank Limited. He also served with Citibank Pakistan as Country Collections Head and Branch Banking Head. Prior to joining the financial industry, Mr. Mohar had a successful army career, and retired as a brigadier. He has a Masters in political science, and is a graduate of the Pak Army Command and Staff College and the US Army Finance School. He holds a diploma of Kennedy School of Government, Harvard University, USA.

### BOARD & SENIOR MANAGEMENT

Name	Position	Experience	# of Meetings	
			FY24	FY25
Mr. Syed Nadeem Hussain	Chairperson/Nominee Director	45+ years	4	4
Mr. Tariq Mohar	Executive Director/CEO	27+ years		
Mr. Tariq Anwar	Executive Director/COO	29+ years		
Ms. Samar Masood Soofi	Independent Director	10+ years		
Mr. Syed Kabeer Abbas Naqvi	Independent Director	18+ years		

The Board consists of 5 Directors including the CEO. There are 2 Executive directors, 2 Independent directors including a Female and 1 Nominee director who is also the Chairperson. The Board is in compliance with Corporate Governance Best Practices. The Board of Directors (BoDs) and senior management have considerable experience in the field of microfinance and financial services. The founding team comprises professionals with extensive experience in banking, and particularly, gold-backed lending which was introduced by the team in 2007 in TMFB and also led for early growth in the institution.

Committee	Name	Position	# of Meetings	
			FY24	FY25
Board Risk Committee	Mr. Tariq Mohar	Chairperson/ Director/ CEO	1	4
	Mr. Tariq Anwar	Director/ Chief Operating Officer		
	Mr. Tahir Sajjad	Head of Risk		
Board Audit Committee	Ms. Samar Masood Sufi	Chairperson/ Independent Director	1	4
	Mr. Tariq Anwar	Director/ Chief Operating Officer		
	Ms. Naila Mubashir	Financial Controller		
Board HR Committee	Mr. Tariq Anwar	Chairperson/ Director/ Chief Operating Officer	0	4
	Ms. Samar Masood Sufi	Independent Director		
	Ms. Mah e Luqa	Manager HR		

During FY25, 4 BoD meetings took place with satisfactory attendance of BoD members. Three BoD committees are operating to maintain effective oversight - namely Board Audit Committee (BAC), Board Risk Committee (BRC), and Board Human Resource Committee (BHRC).

BAC is chaired by the independent director. It is pertinent to note that Mr. Mirza Saulat Khalid is the new member of BAC with effect 01-July-25, while Naila Mubashir has been relieved. Additionally, there is no vacant position at HOD level against the planned/ budgeted position.

The Board sub-committees have been reconstituted in December 2025:

Committee	Name	Position
Board Risk Committee	Mr. Tariq Mohar	Chairperson/ Director/ CEO
	Mr. Syed Kabeer Abbas Naqvi	Independent Director
	Mr. Tahir Sajjad	Head of Risk
Board Audit Committee	Mr. Syed Kabeer Abbas Naqvi	Chairperson/ Independent Director
	Mr. Syed Nadeem Hussaim	Chairman of BOD/ Nominee Director
	Ms. Samar Masood Sufi	Independent Director
	Mr. Saulat Khalid	Manager Internal Auditor
Board HR Committee	Ms. Samar Masood Sufi	Chairperson/ Independent Director
	Mr. Syed Kabeer Abbas Naqvi	Independent Director
	Mr. Tariq Anwar	Director/ COO
	Ms. Mah e Luqa	Manager HR

## SHARIAH

GoldFin is actively considering to launch a Shariah compliant gold-based loan (GBL). In April 2025, GoldFin signed an Agreement with AlHuda International for the development of the Islamic GBL; the product has been finalized and is approved by the Shariah Advisor. It is projected that GoldFin will launch the Pilot of the shariah product by January 2026 and the CEO of AlHuda International will serve as the Advisor for GoldFin. The product is structured such that the customer deposits gold with GoldFin as security. A daily safekeeping fee is applied to this collateral to cover custody and related services. Based on this secured position, the customer may access a Qarz facility, which provides an interest-free loan in accordance with Shariah principles. The customer is obligated to repay the principal amount of the Qarz within the agreed period. This structure ensures full Shariah compliance by maintaining a clear separation between the safekeeping fee and the interest-free loan arrangement. In parallel, with the Pilot, AlHuda will also develop the documents and the process of Islamic Sukuk for GoldFin, so as to facilitate the liquidity for the Islamic stream of business.

## AUDITOR'S OPINION

BDO Ebrahim & Co. Chartered Accountants, which is an 'A' category and QCR rated firm, has provided an unqualified and unmodified opinion, affirming that the Company's financial statements comply with accounting standards and accurately portray the NBFC's financial position as of FY25.

## Business Risk

### INDUSTRY UPDATE

Gold-backed lending (GBL) continued to gain momentum in Pakistan during 2025, emerging as a resilient and fast-growing secured retail credit segment. The product remains attractive for its simplicity, rapid processing, and strong collateral position, supporting both retail households and micro-entrepreneurs, through financial inclusion and women empowerment.

Across the microfinance sectors, GBL maintained strong uptake, nearly all microfinance banks and institutions have shown positive increase in the GBL portfolios during the year. The SBP had relaxed the portfolio cap/ceiling of GBL to allow the microfinance banks to recover their losses during Covid-19, this highlighted the importance of GBL during the stressed economic conditions. For the lower segments and subprime markets, non-banking finance companies (NBFCs) are the principal source of credit. Pakistan has nearly 80 NBFCs and modarabas with only 2% share in the national credit and none offered GBL. Now four NBFCs have included GBL in their product suite with sizeable targets. As compared with 2024 there has been an increase of 529% in GBL. The NBFCs are realizing the value of GBL to balance the higher NPLs in the unsecured loans portfolio, while reducing the cost of collection and retaining the capital adequacy margins.

High domestic gold prices have supported healthy collateral coverage, while customer awareness rose through targeted outreach and branch-level enabling. Regulatory guidance from the SBP, particularly around valuation procedures, collateral handling, custody standards and portfolio exposure limits, continued to provide essential safeguards for operational integrity and customer protection.

Operational discipline remains a critical success factor through institution's thorough shroff selection, dual-custody vaulting protocols, insurance arrangements and audit trails to minimize fraud and custody risk. The segment also demonstrated stable credit performance, supported by conservative loan-to-value (LTV) practices and short-tenor structures that reduced price-volatility exposure.

Looking ahead, the GBL business presents significant growth potential. The household gold holdings in Pakistan have a substantial quantum while the formal penetration is less than 3%. In parallel, there is considerable scope to attract customers of GBL from the informal high priced credit markets and bring them under the regulated economy. Digital onboarding, enhanced valuation technology, and fintech-bank partnerships are expected to improve turnaround times and expand outreach into the peri-urban and rural communities.

Overall, GBL in the historical and cultural perspective is well poised to remain a strategic asset class in Pakistan's retail and microfinance landscape, balancing strong customer demand and robust collateral security, while requiring ongoing vigilance in valuation, custody and price-risk management. The recent trends point toward the increasing growth of GBL portfolios in all sectors during the coming years.

## BUSINESS MODEL

The client journey begins with onboarding through walk-ins, referrals from existing customers and lead generation from social media, where prospective clients provide key information to initiate a loan. Collateral assessment is conducted through a panel of approved Shroffs. The Shroff selection process includes a positive credit report, NADRA verification, a clear police record, and a generational background in the gold business. Community feedback and Sarafa Association membership are also considered. GoldFin evaluates the Shroff's ability to manage multiple institutional relationships, with a verification officer conducting physical checks. Shroffs are scored, with those achieving 80% or higher are deemed acceptable.

These expert evaluators ensure the gold's purity, weight, and value align with market prices. Each piece of collateral undergoes thorough inspection, and a Shroff certificate is issued, detailing the net gold weight and its current market value. Shroffs operate independently within branches, utilizing tools provided by GoldFin to maintain accuracy. As per contracts, the Shroff takes ownership of the collateral they evaluate. If discrepancies arise later, causing financial losses to GoldFin, the Shroff is responsible for buying back the collateral at its current market value. This ensures accountability and quality control in gold assessments.

GoldFin has been exploring the use of machine-based gold testing methods. Initially, the Company planned to implement X-Ray Fluorescence (XRF) technology, which is known for its accuracy and precision in determining the purity of gold. However, due to increased costs associated with importing these machines, the full-scale implementation was postponed until 2026. In the interim, GoldFin acquired a low-cost German machine to test and educate the team on the process. A pilot is planned for 2025-26, with the expectation that full-scale machine testing will improve and authenticate the gold collateral assessment.

GoldFin updates its gold pricing on a weekly basis using the average price of gold per gram, collected from various sources. These averages are used to determine the next week's gold pricing. If the variance between the weekly average and GoldFin's prevailing rate is greater than  $\pm 5\%$ , the rates are adjusted accordingly. Loan-to-value (LTV) ratios are set at 90% for general loans and 85% for enterprise loans. During the valuation process, the Shroff assesses the gold's gross and net weight (excluding non-gold materials like wax and stones), determines the quality (karat), and applies GoldFin's weekly rate to finalize the value of the collateral. Stress testing is performed at the portfolio level to monitor the impact of current gold pricing on outstanding loans. However, GoldFin faces repayment risk, as the collateral's effective coverage could diminish if gold prices decline. Margin calls are employed to address fluctuations in gold prices, requiring clients to supplement collateral or make partial payments to maintain the loan-to-value ratio.

Post-evaluation, the collateral is sealed in a tamper-proof Collateral Security Bag (CSB) and placed under dual custody, where a second quality check by a Collateral Management Officer (CMO) reinforces security by double sealing. GoldFin's vaults are designed to store gold collateral securely in CSBs that are tamper-evident and uniquely numbered. Each vault is constructed with physical security standards/measures, such as reinforced walls, high-security locks, CCTV surveillance, and restricted access points. Each vault's contents are insured against risks such as fire, theft, and natural disasters, providing financial protection for GoldFin and its clients. The insurance policy covers the full market value of the gold, ensuring clients can recover their asset value in case of an incident.

GoldFin has developed Mobile Service Vans (MSVs) to facilitate its services, especially in remote locations. These vans are staffed by a team including GoldFin personnel, a Shroff (gold appraiser), and an armed guard. The MSVs are used in both organic operations and partnership models. These vans are used for secure collateral transport with transit insurance and for conducting on-site gold assessments at partner locations. The Shroff assesses the gold, issues a certificate, and seals the collateral in two security bags for safe transport to a GoldFin branch. The Pilot has been undertaken for service at customers' doorstep through MSV and now the business is in the process of developing MSVs for mass launch in 2026.

The loan application then advances to verification checks, including identity confirmation through CNIC, demographic and background assessments, and a credit bureau report. Clients demonstrating suitable repayment capacity and collateral security are recommended for final approval.

Before a loan reaches its maturity date, GoldFin initiates a communication process to remind the customer of their upcoming payment obligations. These pre-maturity contacts aim to give customers sufficient time to plan for repayment and avoid default. In the event of default, GoldFin follows a structured liquidation process. After issuing repayment notices and attempting recovery, collateral liquidation proceeds if clients fail to settle by 30 days past due. The collateral is auctioned publicly, or sold through Shroffs, with a competitive bidding process to ensure fair market valuation. Sale proceeds first settle outstanding principal, interest, and fees, with any surplus returned to the client's wallet.

To ensure ongoing risk management, GoldFin conducts periodic revaluations and physical reconciliations of all collateral held in vaults, using sample-based checks by the independent shroff to confirm asset security and accuracy.

## PRODUCTIVITY

Productivity	FY22	FY23	FY24	FY25
No. of Branches	1	1	3	3
Total No. of LOs	2	2	7	9
Active No. of Borrowers	243	283	1,528	2,179
LOs/ Branch	2	2	2	3
Active Borrowers/ LO	121	141	218	242
Portfolio Size/ LO (PKR)	19,235,000	27,482,500	61,255,714	79,260,000
Average Loan Size (PKR)	158,313	194,223	280,622	327,370

In FY25, GoldFin had expanded its footprint, operating three branches with a team of nine loan officers and serving 2,179 active borrowers. In the context of gold-backed lending, the average loan size has increased to PKR 327,370 while still considered manageable due to its relatively modest scale, facilitating efficient liquidation of pledged gold collateral and ensuring timely recovery in the event of default. However, a substantial increase in loan size would necessitate a reassessment of risk to mitigate potential exposure. Looking ahead, the NBFC aims to add 8-10 branches covering different cities in Punjab and Sindh in next two years.

Beyond organic growth, GoldFin has developed a partnership model, forming agreements with four key partners: Damen Support Program, Escort Investment Bank, Rural Community Development Programmes, and Taleem Finance Company Limited. GoldFin serves as a platform for partnership / collaboration with banks and FIs to facilitate the GBL business on their balance sheet, with focus on SME, agriculture, consumer, microfinance and salaried persons in accordance with the credit regimes of the respective institutions, mutual responsibilities are established through the formal agreement. During the year under review Abhi Microfinance bank was added in to the mix. Furthermore, negotiations are in process as discussions with Dubai Islamic Bank and Meezan Bank are underway for Shariah based gold-backed lending. In FY25, the Partnership business demonstrated significant growth, with total disbursements reaching 1,931 loans (FY24: 309 loans) amounting to PKR 485mn (FY24: PKR 77mn). The year concluded with an outstanding loan portfolio of 1,753 loans (FY24: 298 loans) valued at PKR 441mn (FY24: PKR 73mn). In volumetric terms, partnership business is expected to exceed 100% growth rate in FY26.

## DIGITIZATION

During the year, GoldFin successfully integrated its Financial, Human Resource (HR), and Loan Management Systems (LMS). This end-to-end integration has transformed GoldFin into a digitally enabled NBFC, ensuring greater efficiency, transparency, and scalability across all business operations. The Financial System now enables real-time tracking of transactions, portfolio analytics, and financial reporting accuracy, while the HR System has automated key functions such as employee onboarding, performance evaluation, and payroll management. The Loan Management System (LMS) serves as the backbone of GoldFin's lending operations, providing a seamless digital workflow from loan origination to disbursement, monitoring, and recovery.

## LOAN PORTFOLIO

(PKR '000s)	FY22	FY23	FY24	FY25
Gross Loan Portfolio	38,470	54,965	428,790	713,340

Organic business disbursed 2,701 loan amounting PKR 891mn (FY24: PKR 478mn), representing 86% annual growth and closed the year with the outstanding portfolio of 2,179 loans amounting PKR 713mn. Management expects disbursements to double, and projects an increase in GLP to PKR 1.2bn by Jun'26.

Product-wise Portfolio(PKR '000s)	FY23	%	FY24	%	FY25	%
GoldFin Sarmaya Qarza - For Small Entrepreneurs	51,485	94%	303,970	71%	426,350	60%

GoldFin Sarmaya Qarza - For Salaried Individuals	3,480	6%	41,425	10%	27,350	4%
GoldFin Sarmaya Qarza - For Enterprises	-	-	83,395	19%	259,650	36%
<b>Gross Loan Portfolio</b>	<b>54,965</b>	<b>100%</b>	<b>428,790</b>	<b>100%</b>	<b>713,340</b>	<b>100%</b>
<b>Secured vs Unsecured (PKR mn)</b>						
<b>Secured Loans</b>	54.97	100%	428.79	100%	713.34	100%
<b>Unsecured Loans</b>	-	-	-	-	-	-
<b>EMI vs Bullet (PKR mn)</b>						
<b>EMI</b>	-	-	-	-	-	-
<b>Bullet</b>	54.97	100%	428.79	100%	713.34	100%
<b>Group vs Individual (PKR mn)</b>						
<b>Group Based</b>						
<b>Individual</b>	54.97	100%	428.79	100%	713.34	100%

GoldFin's loan portfolio consists of three main products: GoldFin Sarmaya Qarza - For Small Entrepreneurs, GoldFin Sarmaya Qarza - For Salaried Individuals, and GoldFin Sarmaya Qarza - For Enterprises. GoldFin Sarmaya Qarza - For Small Entrepreneurs represent majority of the loan portfolio. A notable shift in the product mix was observed, driven primarily by the growth of GoldFin Sarmaya Qarza - For Enterprises, which has increased to 36% in FY25 (FY24: 19%). This expansion demonstrates GoldFin's strategic focus on entering the largely untapped MSME market which is an area with significant unmet financing needs and high growth potential. The loan portfolio consists entirely of secured lending, as it is backed by gold collateral, providing a substantial buffer against potential defaults and significantly mitigating risk exposure. Currently, all loans in the portfolio follow a bullet payment structure and have a 12-month term.

Size-wise Loan Break-up (PKR '000s)	FY24	No. of Clients	% of Clients	FY25	No. of Clients	% of Clients
Up to Rs. 50,000	4,630	100	6.5%	4,990	106	4.9%
PKR 50,001 - PKR 100,000	17,805	229	15.0%	22,800	286	13.1%
PKR 100,001 - PKR 250,000	120,020	639	41.8%	160,905	848	38.9%
PKR 250,001 - PKR 500,000	202,940	464	30.4%	264,180	621	28.5%
PKR 500,001 - PKR 1,000,000	83,395	96	6.3%	260,465	318	14.6%
<b>Total</b>	<b>428,790</b>	<b>1528</b>	<b>100.0%</b>	<b>713,340</b>	<b>2179</b>	<b>100.0%</b>

The distribution of clients by loan size shows the highest demand for loans in the PKR 100,001 – Rs. 250,000' range, which accounts for 38.9% of total clients. This is followed by the 'Rs. 250,001 – Rs. 500,000' range, representing 28.5%. Together, these mid-range loan categories constitute over 67% of the total client base as of FY25, highlighting significant demand in this segment. The demand in this segment has slightly declined in FY25 due to the surge in loans in the Enterprise segment.

## ASSET QUALITY

Infection (PKR '000s)	FY22	FY23	FY24	FY25
Gross Advances	38,470.0	54,965.0	428,790.0	711,921.4
Specific Provisioning	-	-	-	-
General Provisioning	-	-	-	-
Net Advances	38,470.0	54,965.0	428,790.0	711,921.4
NPLs	-	-	-	-
NPLs written off	-	-	-	-
Tier 1 Equity	51,294.6	208,993.4	723,374.2	839,109.0
Gross Infection	0.0%	0.0%	0.0%	0.0%
Net Infection	0.0%	0.0%	0.0%	0.0%
Incremental Infection	0.0%	0.0%	0.0%	0.0%
Specific Provisioning Coverage	N/A	N/A	N/A	N/A
Provisioning Coverage	N/A	N/A	N/A	N/A
Net NPLs/Tier 1 Equity	0.0%	0.0%	0.0%	0.0%

As of FY25, there were no non-performing loans reported, primarily due to secured nature of the portfolio. Borrowers are incentivized to make timely repayments to retain their gold, which often holds sentimental value. In accordance with NBFC regulations, general provisions are not required when advances are secured against liquid assets with appropriate margins. Given that GoldFin's entire portfolio consists of secured



loans, no general provisions are maintained against them. Furthermore, the absence of non-performance means that no specific provisions are necessary. Going forward, maintenance of asset quality will remain a key rating driver amidst portfolio expansion.

## PROFITABILITY

Income Statement Extract (PKR '000s)	FY22	FY23	FY24	FY25
Return on Markup Bearing Assets	7.9%	13.1%	17.5%	22.8%
Cost of Funds	1.3%	1.2%	0.04%	1.89%
Spreads	6.6%	11.9%	17.4%	20.91%
Operating Self Sufficiency (OSS)	29.1%	68.0%	138.8%	161.1%
Profit/(Loss) after taxation	(11,168)	(2,147)	25,581	56,717

Return on markup bearing assets rose to 22.8% in FY25, up from 17.5% in FY24, reflecting improved asset yields and effective deployment of earning assets. Markup income increased from PKR 52.7mn in FY24 to PKR 145.2 mn in FY25, primarily due to an increase in loan disbursements, including both organic and partnership loans. Similarly, service income linked to partnership loans grew from PKR 6.1mn in FY24 to PKR 34.1mn in FY25, resulting from the expansion of the partnership business. Profit on saving accounts and term deposit receipts (TDRs) decreased from Rs. 59.4 mn in FY24 to Rs. 16.6 mn in FY25, primarily declined due to more than twofold decrease in balances in savings accounts and short-term investments. Finance charges rose to PKR 10.8mn in FY25 from PKR 6.4mn in FY24, mainly due to the running finance facility from PMIC. Despite cost of funds increasing to 1.89%, the increase in return on markup bearing assets increased spreads to 20.91% during the year. The operating expenses have shown a consistent upward trend, recorded at PKR 117.2mn in FY25. There was a significant increase in salaries and allowances, rent, rates and taxes and legal & professional charges. However, the expense ratios indicated improved efficiency and effective cost management strategies within the NBFC. Consequently, the bottom line increased to PKR 56.7mn in FY25, against a profit of PKR 25.6mn in the previous year.

Looking ahead to FY26, management expects that income from loans will continue to rise, reflecting ongoing growth in business activities. The NBFC is projecting a bottom line of around PKR 102.1mn in FY26, indicating further progress toward financial sustainability. Materialization of expected business operations and achievement of projected profits remain imperative to sustain the assigned ratings.

## Financial Risk

### CAPITALIZATION

Capitalization (PKR '000s)	FY22	FY23	FY24	FY25
Issued ordinary share capital	110	137	137	137
Share premium	31,409	226,229	226,229	226,229
Advance against issue of shares	-	-	488,800	547,817
Accumulated profit/(losses)	(15,226)	(17,373)	6,929	60,811
Share Deposit Money	35,001	-	-	-
<b>Total Equity</b>	<b>51,295</b>	<b>208,993</b>	<b>723,374</b>	<b>839,109</b>
Leverage Ratio	0.21	0.01	0.06	0.13

In FY25, advance against equity increased further, representing funds that are convertible into ordinary shares. According to the agreement, the conversion into equity shares will occur automatically on the maturity date. The advance is subject to certain performance targets which include achieving a minimum number of loans disbursed, maintaining certain disbursement levels on the NBFC's book and through partnerships, and ensuring a specified portfolio risk ratio. If the NBFC fails to meet these targets, the advance will still convert into equity, but an additional 3.96% markup per year will be applied to the amount and must be settled prior to its conversion to equity. Given GoldFin's current performance, it is highly probable that the targets will be met, and therefore, no provision for the contingent markup is recognized, in line with IAS 37. Recently, GoldFin received a term sheet for an additional PKR 132mn finance line, further strengthening its capital base to support organic growth. In parallel, discussions have been initiated with Insitor Asia Fund II for a potential USD 0.5mn investment.

### LIQUIDITY

Liquidity (PKR '000s)	FY22	FY23	FY24	FY25
Short-term Investments	10,000	40,000	101,217	13,825
Cash and Bank Balances	4,647	42,071	110,576	55,254
<b>Liquid Assets</b>	<b>14,647</b>	<b>82,071</b>	<b>211,793</b>	<b>69,079</b>
<b>Borrowings</b>	<b>8,483</b>	<b>-</b>	<b>-</b>	<b>43,750</b>
Liquid Assets to Borrowings	172.7%	NA	N/A	157.9%
Advances to Borrowings Ratio	453.5%	NA	N/A	1627.2%

A loan facility of PKR 50mn was availed from PMIC which opened new avenues for commercial borrowing, out of which PKR 43.8mn remains outstanding as of FY25. GoldFin's liquidity profile remains strong as of FY25, supported by key liquidity metrics. These ratios mainly moderated in FY25 on account of expansion in the portfolio. It is pertinent to note that the entire advances portfolio is effectively financed through equity. Moving forward, GoldFin is aiming to transition to deposits and apply for a Deposit taking License with SECP. The ratings will remain sensitive to its ability to secure more diversified funding lines and steady deposits, which are essential for sustaining long-term growth and maintaining financial stability.



Financial Summary	(PKR 000)				
<b>Balance Sheet</b>	<b>FY22A</b>	<b>FY23A</b>	<b>FY24A</b>	<b>FY25A</b>	<b>1HFY26</b>
Net Advances	38,470	54,965	428,790	711,921	763,885
Short-term Investments	10,000	41,908	101,217	13,825	12,500
Operating Assets	4,015	10,013	62,964	58,163	73,968
Cash and Bank Balances	4,647	42,071	110,576	55,253	82,840
Total Assets	61,848	211,681	763,683	948,152	1,069,845
Lease Liabilities	-	-	32,690.4	32,990.1	50,912.2
Short term Borrowings	8,483	-	-	43,750	68,750
Total Borrowings	8,483	-	-	43,750	68,750
Total Liabilities	10,554	2,687	40,309	109,043	143,328
Paid-up Capital	110	137	137	137	137
Total Equity	51,295	208,993	723,374	839,109	926,517
<b>Income Statement</b>	<b>FY22A</b>	<b>FY23A</b>	<b>FY24A</b>	<b>FY25A</b>	<b>1HFY26</b>
Markup Income	4,177	17,911	112,084	161,867	104,444
Service Income	379	1,288	6,098	34,112	27,144
Processing Fee	-	976	4,310	7,203	5,066
Other Income	-	973	1,282	1,428	-
Operational Expenditure	(14,970)	(28,058)	(81,818)	(115,310)	(65,175)
Finance Cost	(707)	(1,631)	(6,435)	(10,773)	(6,524)
Profit/(Loss) before Taxation	(11,121)	(8,540)	35,520	78,527	64,954
Profit/(Loss) after Taxation	(11,168)	(2,147)	25,581	56,717	53,912
<b>Ratio Analysis</b>	<b>FY22A</b>	<b>FY23A</b>	<b>FY24A</b>	<b>FY25A</b>	<b>1HFY26</b>
Gross Infection (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Incremental Infection (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Provisioning Coverage - Total (%)	N/A	N/A	N/A	N/A	N/A
Provisioning Coverage - Specific (%)	N/A	N/A	N/A	N/A	N/A
Net Infection (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Net NPLs to Tier-1 Capital (%)	0.0%	0.0%	0.0%	0.0%	0.0%
Markup on earning assets (%)	7.9%	13.1%	17.5%	22.8%	25.5%
Cost of Funds (%)	1.3%	1.2%	0.04%	1.89%	0.88%
Markup Spreads (%)	6.6%	11.9%	17.4%	20.91%	24.62%
OSS (%)	29.1%	68.0%	138.8%	161.1%	190.6%
ROAA (%)	(28.9) %	(1.6) %	5.2%	6.6%	5.3%
ROAE (%)	(35.7) %	(1.6) %	5.5%	7.3%	6.1%
Advances to Borrowings Ratio	453.5%	N/A	N/A	1627.2%	1111.1%
Liquid Assets to borrowings	172.7%	N/A	N/A	157.9%	138.7%
A - Actual Accounts					
P - Management Accounts					

## REGULATORY DISCLOSURES

## Appendix I

Name of Rated Entity	GoldFin Limited				
Sector	Non-Banking Finance Company				
Type of Relationship	Solicited				
Purpose of Rating	Entity Ratings				
Rating History	Rating Date	Medium to Long Term	Short Term	Rating Outlook	Rating Action
	RATING TYPE: ENTITY				
	15-Jan-26	A-	A2	Stable	Reaffirmed
	19-Dec-24	A-	A2	Stable	Initial
Instrument Structure	N/A				
Statement by the Rating Team	VIS, the analysts involved in the rating process and members of its rating committee do not have any conflict of interest relating to the credit rating(s) mentioned herein. This rating is an opinion on credit quality only and is not a recommendation to buy or sell any securities.				
Probability of Default	VIS' ratings opinions express ordinal ranking of risk, from strongest to weakest, within a universe of credit risk. Ratings are not intended as guarantees of credit quality or as exact measures of the probability that a particular issuer or particular debt issue will default.				
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Due Diligence Meeting Conducted	Name		Designation		Date
	Mr. Tariq Mohar		Chief Executive Officer		3 <sup>rd</sup> December, 2025
	Mr. Tariq Anwar		Chief Operating Officer		
	Ms. Naila Mubashir		Financial Controller		