VIS
Credit Rating Company Limited

RATING REPORT

VISUALSOFT GLOBAL LLP

Analyst:
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RATING DETAILS		
RATINGS CATEGORY	Initial Ratings	
	Medium to Long-term	Short-term
ENTITY RATINGS	B+	B3
OUTLOOK/RATING WATCH	Stable	
RATING ACTION	Initial	
RATING DATE	12-11-2026	

Shareholding (5% or More)	Other Information
n/a	Incorporated in 2019
	Limited Liability Partnership
	Chief Executive: Muhammad Rafiq Durrani
	External Auditor: Abdul Basit and Co. Chartered Accountants

Applicable Rating Methodology

VIS Entity Rating Criteria Methodology – Corporates Rating
https://docs.vis.com.pk/Methodologies-2026/Corporate-Rating-2026.pdf

Rating Scale

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

Rating Rationale

VisualSoft Global LLP ("VS" or "the Firm") was founded in 1995 and reorganized in 2019 as a Limited Liability Partnership (LLP). VS is an ICT services provider with over 25 years of industry experience in software development, machine learning, artificial intelligence (AI), surveillance and parking solutions. The firm specializes in software development, embedded systems design, AI-driven automation, and intelligent transportation systems, with its headquarters in Rawalpindi, Pakistan. As of June 2026, the LLP has a 15-member team and is jointly led by Muhammad Rafiq Durrani (CEO), Amer Bashir (COO), and Shahid Yasin (CTO). The Firm maintains a dedicated engineering and delivery centre in Pakistan, supported by strategic partnerships and business operations across the UK, Malaysia, Japan, Saudi Arabia, and Australia.

VS serves a diverse range of industries, including financial technology (FinTech), transportation, surveillance, manufacturing, supply chain management, and e-commerce. Its service delivery model combines in-house engineering capabilities with dedicated offshore development facilities and international partnerships. The assigned ratings reflect the Company's modest balance sheet size, characterized by a small equity base and constrained cash flow generation, limiting its financial resilience. High customer concentration has contributed to revenue volatility, resulting in topline contraction, net losses, and successive equity erosion during FY25 and FY26. Ratings also factor in the inherent governance and capital flexibility constraints associated with the LLP structure, including limited access to external financing, potential partner capital withdrawals, and relatively lower transparency. Furthermore, the external financial reporting framework has room for strengthening. Management expects the prospective contract pipeline over the next two to three years to support revenue recovery and improve the financial risk profile. Realization of projected growth, restoration of profitability, revenue diversification, and maintenance of a conservative capital structure will remain key considerations for ratings going forward.

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Company Profile

VisualSoft Global LLP ("VS" or "the Firm") was founded in 1995 and reorganized in 2019 as a Limited Liability Partnership (LLP). VS is an ICT services provider with over 25 years of industry experience in software development, machine learning, artificial intelligence (AI), radio-frequency identification (RFID) technologies, and smart city infrastructure. The firm specializes in software development, embedded systems design, AI-driven automation, and intelligent transportation systems, with its headquarters in Rawalpindi, Pakistan.

As of June 2026, the LLP has a 15-member team and is jointly led by Muhammad Rafiq Durrani (CEO), Amer Bashir (COO), and Shahid Yasin (CTO). The Firm maintains a dedicated engineering and delivery centre in Pakistan, supported by strategic partnerships and business operations across the UK, Malaysia, Japan, Saudi Arabia, and Australia.

VisualSoft Global serves a diverse range of industries, including financial technology (FinTech), transportation, surveillance, manufacturing, supply chain management, and e-commerce. Its service delivery model combines in-house engineering capabilities with dedicated offshore development facilities for global clients in UK and Malaysia.

Management and Governance

VS's leadership includes its founder and CEO, Mr. Rafiq Durrani, who began his career in Silicon Valley and Southern California in the 1980s, working with firms including MicroAge, Citizen America Corporation and Fujitsu America. After graduating from Northrop University, he founded VS in 1995 and has been heading the firm since it was incorporated as an LLP in 2019.

The COO, Amer Bashir, possess more than 25 years of experience. From 1998 to 2011 in increasingly senior roles, he was working in British American Tobacco as Head of IT Services for Middle East and South Asia area. He is a specialist in managing engineering teams, Enterprise IT, Services Management, Digital Transformation & AI Automation.

Mr. Shahid Yasin has around 25 years of experience in roles across Pakistan, Japan, Malaysia, Singapore, UAE, and the UK. Mr. Shahid provides the structural and technological stewardship to VS's strategic plans.

The COO and CTO both joined in 2024 in order to support financial management and business growth in South East Asian markets.

External Audit

For the first time since it was incorporated in 2019, VS engaged with Abdul Basit and Co. Chartered Accountants to conduct audit of financial statements from the period of FY22 to FY26. However, the auditor is not QCR-rated.

Business Risk

INDUSTRY

The global IT sector remained on a strong growth trajectory through FY25 and FY26, supported by accelerating digital transformation and increasing adoption of artificial intelligence (AI), cloud computing, cybersecurity, data analytics, automation and software-as-a-service solutions. Businesses across sectors continue to increase technology spending to improve operational efficiency, automate processes and strengthen digital capabilities. The rapid adoption of AI is further creating opportunities for software development, IT consulting, data analytics, automation and cloud-based solutions, while rising cybersecurity threats continue to support demand for cybersecurity and managed IT services. These trends are expected to sustain demand for technology and IT-enabled services globally. In Pakistan, the IT and IT-enabled services (IT/ITeS) sector continues to benefit from growing global demand for technology outsourcing and the country's expanding digital economy. IT/ITeS exports increased by 18.3% to USD 3.8bn in FY25 and further increased by around 20.7% to USD 4.6bn in FY26, reaching a record level. The growth reflects continued expansion in software development, IT services, IT-enabled services, consultancy and freelancing. The government's continued focus on promoting IT exports, developing digital infrastructure and strengthening the technology ecosystem is expected to provide further support to the sector. Under Budget FY27, the preferential 0.25% tax regime for qualifying IT/ITeS export proceeds has been extended through Tax Year 2029, while the advance tax on foreign card transactions has also been reduced, supporting the broader digital economy. Going forward, the sector's growth prospects remain favorable, particularly across software development, AI-enabled solutions, cloud computing, cybersecurity, digital transformation, IT consulting and business process outsourcing (BPO). Pakistan's competitive cost base and growing technology talent pool provide opportunities for local IT companies to expand their international client base and increase export earnings. However, the sector remains exposed to constraints relating to the availability and retention of skilled professionals, digital infrastructure, policy and regulatory stability, global competition and evolving technology requirements.

Profitability

The Company undertook a digital monitoring project for UK based Fintech, which was completed in FY24. Revenue peaked at Rs. 91.7 million in FY23 before declining to Rs. 59.9 million in FY24 and falling sharply to Rs. 7.9 million in FY25 following the completion of the project.

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In 2025, in response to the significant revenue decline, the CEO appointed a COO to streamline operations and improve cost efficiency. As part of these efforts, the Company reduced its headcount from over 50 employees in 2024 to approximately 15 in 2026 to contain costs. The Company also appointed a new CTO to drive business development in Southeast Asia and support the recovery of its UK market revenue.

Driven by new ongoing UK outsourcing engagements with its partner, revenue recovered modestly to Rs. 11.8 million in FY26. However, amid decrease in top-line, the firm was unable to absorb cost pressures, resulting in net losses in FY25 and FY26.

Management anticipates a recovery in profitability, supported by revenue growth, with cumulative revenues projected at approximately PKR 500m over FY27–FY29. Growth is expected from AI-enabled software and IoT solutions, Oracle Fusion implementation opportunities, a prospective KSA joint venture for their services & solutions, an anticipated contract award, and continued resource augmentation services in the UK.
Given the Company's software, machine learning & AI expertise, the management expects business risk support from surging regional appetite for AI-optimized solutions in KSA.

Going forward, successful booking of pending project bids while scaling existing outsourcing operations across Middle Eastern and Southeast Asian markets will remain important in ramping profitability of the company.

Financial Risk

Although zero external or sponsor debt makes coverage metrics irrelevant, the cash flow capacity is constrained as evidenced by negligible FFO in FY23–FY24 and negative FFO in FY25–FY26. The Firm's equity base remains small, which elevates risk absorption capacity and is reflected in the assigned ratings. Equity contracted to Rs. 17.3m at end-FY26 from Rs. 18.6m in FY25 and Rs. 23.3m in FY24, reflecting cumulative net losses over the years.

Leverage remained negligible at 0.03x at end-FY26, improving from 0.27x at end-FY25 (end-FY24: 0.03x), due to lower payroll and vendor payables.

The asset base is predominantly composed of advances, deposits, and prepayments. These assets relate to upfront payments made for software licenses, server hosting, and facility lease security deposits, underscoring the asset-light nature of the company's offshore BPO business model.

Preserving minimal balance sheet leverage remains essential for ratings. Management highlighted that business strategies will prioritize balance sheet strengthening hence, sustainable earnings retention remains necessary for ratings maintenance.

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FINANCIAL SUMMARY				
BALANCE SHEET (PKR in m)	**FY23A**	**FY24A**	**FY25A**	**FY26A**
Property, plant and equipment	1.2	1.7	2.1	1.9
Advances, deposits and prepayments	15.4	19.9	21.5	14.5
Cash and bank balances	1.3	2.4	0.1	1.4
Total assets	**17.9**	**24.0**	**23.7**	**17.8**
Accrued liabilities and other payables	-	0.7	5.1	0.4
Total debt	-	-	-	-
Total liabilities	**-**	**0.7**	**5.1**	**0.4**
Share capital	1.0	1.0	1.0	1.0
Accumulated profit	16.9	22.3	17.6	16.3
Equity	**17.9**	**23.3**	**18.6**	**17.3**
INCOME STATEMENT (PKR in m)	**FY23A**	**FY24A**	**FY25A**	**FY26A**
Revenue	91.7	59.9	7.9	11.8
Gross profit	36.3	51.8	7.9	11.8
Operating costs	24.1	46.0	12.5	13.1
Profit before tax	12.2	5.8	(4.6)	(1.3)
Net profit	**11.3**	**5.4**	**(4.7)**	**(1.3)**
RATIO ANALYSIS	**FY23A**	**FY24A**	**FY25A**	**FY26A**
Gross margin	40%	86%	100%	100%
Net margin	12%	9%	-59%	-11%
FFO	12.5	6.1	(4.3)	(0.9)
Current ratio	-	3.65	0.02	3.10
Leverage	-	0.03	0.27	0.03
ROAA	92%	26%	-20%	-6%
ROAE	92%	26%	-22%	-7%
ROCE	68%	25%	-25%	-7%

A: Audited Accounts

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REGULATORY DISCLOSURES — Appendix II

Name of Rated Firm	VisualSoft Global LLP
Sector	Information Technology
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 RATINGS				
12-11-2026	B+	B3	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 Meetings Conducted

Name	Designation	Date
M. Rafiq Durrani	CEO	10-10-2026
Amer Bashir	COO	
Shahid Yasin	CTO	

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