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INDEPENDENT AUDITOR'S REPORT TO THE MEMBERS OF GOLDFIN LIMITED

Report on the Audit of the Financial Statements

Opinion

We have audited the annexed financial statements of **GOLDFIN LIMITED** (the Company), which comprise the statement of financial position as at June 30, 2025, and the statement of profit or loss, the statement of other comprehensive income, the statement of cash flows, the statement of changes in equity for the year then ended, and notes to the financial statements, including material accounting policies and other explanatory information, and we state that we have obtained all the information and explanations which, to the best of our knowledge and belief, were necessary for the purposes of the audit.

In our opinion and to the best of our information and according to the explanations given to us, the statement of financial position, statement of profit or loss, statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes forming part thereof conform with the accounting and reporting standards as applicable in Pakistan and give the information required by the Companies Act, 2017 (XIX of 2017), in the manner so required and respectively give a true and fair view of the state of the Company's affairs as at June 30, 2025 and of the profit and comprehensive income, its cash flows and the changes in equity for the year then ended.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) as applicable in Pakistan. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants as adopted by the Institute of Chartered Accountants of Pakistan (the Code) and we have fulfilled our other ethical responsibilities in accordance with the Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Information Other than the Financial Statements and Auditor's Report Thereon

Management is responsible for the other information. The other information comprises the information included in the annual report but does not include the financial statements and our auditor's report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

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Responsibilities of Management and Board of Directors for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with the accounting and reporting standards as applicable in Pakistan and the requirements of Companies Act, 2017(XIX of 2017) and for such internal control as management determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Board of directors are responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs as applicable in Pakistan will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with ISAs as applicable in Pakistan, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

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- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the board of directors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Report on Other Legal and Regulatory Requirements

Based on our audit, we further report that in our opinion:

- a) proper books of account have been kept by the Company as required by the Companies Act, 2017 (XIX of 2017);
- b) the statement of financial position, the statement of profit or loss, the statement of comprehensive income, the statement of cash flows and the statement of changes in equity together with the notes thereon have been drawn up in conformity with the Companies Act, 2017 (XIX of 2017) and are in agreement with the books of account and returns;
- c) investments made, expenditure incurred and guarantees extended during the year were for the purpose of the Company's business; and
- d) no zakat was deductible at source under the Zakat and Ushr Ordinance, 1980 (XVIII of 1980).

The engagement partner on the audit resulting in this independent auditor's report is Muhammad Imran.

LAHORE

DATED: 10 DEC 2025

UDIN: AR202510131Gq2SPRcVw

Muhammad Imran

BDO EBRAHIM & CO.
CHARTERED ACCOUNTANTS

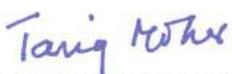
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GOLDFIN LIMITED
STATEMENT OF FINANCIAL POSITION
AS AT JUNE 30, 2025

	Note	2025 (Rupees)	2024 (Rupees)
ASSETS			
NON CURRENT ASSETS			
Property and equipment	7	44,506,207	53,026,004
Intangible assets	8	13,657,074	9,937,951
Long term advance	9	2,844,736	-
Long term deposits	10	930,000	880,000
Long term loan	11	484,283	-
Deferred tax - net	12	2,120,157	2,788,467
		<u>64,542,457</u>	<u>66,632,422</u>
CURRENT ASSETS			
Advances	13	711,921,408	428,790,000
Advances, prepayments and other receivables	14	19,828,201	13,410,247
Short term investments	15	13,825,341	101,216,795
Markup receivable	16	79,454,916	39,335,739
Tax refunds due from government	17	3,325,682	-
Taxation - net	26	-	3,722,148
Cash and bank balances	18	55,253,911	110,575,841
		<u>883,609,459</u>	<u>697,050,770</u>
		<u>948,151,916</u>	<u>763,683,192</u>
TOTAL ASSETS			
EQUITY AND LIABILITIES			
SHARE CAPITAL AND RESERVES			
Authorized share capital			
100,000 (June 30, 2024: 100,000) ordinary shares of Rs. 10/- each	19.1	<u>1,000,000</u>	<u>1,000,000</u>
Issued, subscribed and paid-up share capital	19.2	137,250	137,250
Share premium - capital reserve	20	226,228,959	226,228,959
Advance against issue of shares	21	547,817,311	488,799,600
Special reserve fund	22	4,114,915	1,279,059
Unappropriated profit		60,810,562	6,929,296
		<u>839,108,997</u>	<u>723,374,164</u>
NON-CURRENT LIABILITIES			
Lease liabilities	23	32,321,465	31,977,357
Deferred liability	24	5,557,438	2,370,391
		<u>37,878,903</u>	<u>34,347,748</u>
CURRENT LIABILITIES			
Short term borrowings	25	43,750,000	-
Markup payable on borrowings	25	1,757,201	-
Taxation - net	26	15,220,125	-
Trade and other payables	27	9,768,095	5,248,272
Current portion of lease liabilities	23	668,595	713,008
		<u>71,164,016</u>	<u>5,961,280</u>
		<u>109,042,919</u>	<u>40,309,028</u>
		<u>948,151,916</u>	<u>763,683,192</u>
TOTAL EQUITY AND LIABILITIES			
CONTINGENCIES AND COMMITMENTS			
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The annexed notes from 1 to 52 form an integral part of these financial statements.


CHIEF EXECUTIVE OFFICER




DIRECTOR

GOLDFIN LIMITED
STATEMENT OF PROFIT OR LOSS
FOR THE YEAR ENDED JUNE 30, 2025

	Note	2025 (Rupees)	2024 (Rupees)
Mark-up / return / interest earned	29	145,242,982	52,659,288
Non-markup / interest income			
Service fee	30	34,111,999	6,097,513
Processing fee	31	7,202,674	4,309,737
Other income	32	18,052,573	60,706,720
Total income		204,610,228	123,773,258
Non-markup / interest expense			
Cost of service	33	(8,633,740)	(5,178,937)
Selling and marketing expenses	34	(4,773,406)	(3,294,473)
General and administrative expenses	35	(100,085,179)	(72,510,672)
Finance cost	36	(10,773,014)	(6,435,323)
Other operating expenses	37	(1,818,158)	(834,287)
Total non-markup / interest expenses		(126,083,497)	(88,253,692)
Profit before taxation and levy		78,526,731	35,519,566
Levy	38	-	(727,322)
Profit before income tax		78,526,731	34,792,244
Taxation	39	(21,809,609)	(9,211,057)
Profit after income tax		56,717,122	25,581,187

The annexed notes from 1 to 52 form an integral part of these financial statements.

Taj Mohs
CHIEF EXECUTIVE OFFICER

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[Signature]
DIRECTOR

GOLDFIN LIMITED
STATEMENT OF COMPREHENSIVE INCOME
FOR THE YEAR ENDED JUNE 30, 2025

	2025 (Rupees)	2024 (Rupees)
Profit after income tax	56,717,122	25,581,187
Other comprehensive income		
Items that will be reclassified subsequently to statement of profit or loss	-	-
Items that will not be reclassified subsequently to statement of profit or loss	-	-
Total comprehensive income for the year	<u>56,717,122</u>	<u>25,581,187</u>

The annexed notes from 1 to 52 form an integral part of these financial statements.

Tarig Misher
CHIEF EXECUTIVE OFFICER

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[Signature]
DIRECTOR

GOLDFIN LIMITED
STATEMENT OF CHANGES IN EQUITY
FOR THE YEAR ENDED JUNE 30, 2025

Note	Issued, subscribed and paid up capital	Reserves				Total	
		Capital reserves			Revenue reserve		
		Share premium	Special reserve fund	Advance against issue of shares	Accumulated profit/(loss)		
Rupees							
	Balance as at July 01, 2023	137,250	226,228,959	-	-	(17,372,832)	208,993,377
	Profit for the year	-	-	-	-	25,581,187	25,581,187
	Other comprehensive income for the year	-	-	-	-	-	-
	Total comprehensive income for the year	-	-	-	-	25,581,187	25,581,187
22	Special reserve fund @ 5%	-	-	1,279,059	-	(1,279,059)	-
	Transactions with owners in their capacity as owners:						
	Advance received against issue of shares	-	-	-	488,799,600	-	488,799,600
	Balance as at June 30, 2024	137,250	226,228,959	1,279,059	488,799,600	6,929,296	723,374,164
	Profit for the year	-	-	-	-	56,717,122	56,717,122
	Other comprehensive income for the year	-	-	-	-	-	-
	Total comprehensive income for the year	-	-	-	-	56,717,122	56,717,122
22	Special reserve fund @ 5%	-	-	2,835,856	-	(2,835,856)	-
	Transactions with owners in their capacity as owners:						
	Advance received against issue of shares	-	-	-	59,017,711	-	59,017,711
	Balance as at June 30, 2025	137,250	226,228,959	4,114,915	547,817,311	60,810,562	839,108,997

The annexed notes from 1 to 52 form an integral part of these financial statements.

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Tanjitha
CHIEF EXECUTIVE OFFICER


DIRECTOR

GOLDFIN LIMITED
STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED JUNE 30, 2025

	2025 (Rupees)	2024 (Rupees)
CASH FLOWS FROM OPERATING ACTIVITIES		
Profit before taxation and levy	78,526,731	35,519,566
Adjustments for non-cash and other items		
Depreciation on property and equipment	7,012,535	5,470,951
Amortization of intangible assets	661,641	225,263
Depreciation on right-of-use asset	3,590,110	4,259,923
Workers' Welfare Fund	1,727,545	724,889
Loss on disposal of property plant and equipment	90,613	
Provision for gratuity	3,187,047	2,370,391
Exchange loss / (gain)	(1,428,192)	(1,172,300)
Finance cost	10,773,014	6,435,323
Return on investments and bank deposits	(16,624,381)	(59,425,022)
Operating profit / (loss) before working capital changes	87,516,663	(5,591,016)
Changes in working capital		
(Increase) / decrease in current assets		
Advances	(283,131,408)	(373,825,000)
Advances, prepayments and other receivables	(6,417,954)	34,465,257
Markup receivable	(40,119,177)	(31,303,879)
	(329,668,539)	(370,663,622)
Increase in current liabilities		
Trade and other payables	2,792,278	1,854,506
Cash used in operations	(239,359,598)	(374,400,132)
Tax paid	(5,524,708)	(9,167,626)
Finance cost paid	(902,990)	(235,617)
Net cash used in operating activities	(245,787,296)	(383,803,375)
CASH FLOWS FROM INVESTING ACTIVITIES		
Payments for capital expenditure	(6,463,612)	(30,771,613)
Short term investments	104,015,835	(60,000,000)
Accrued profit received	-	60,364,815
Long term advance paid	(2,844,736)	-
Long term loan provided	(484,283)	-
Long term security deposits paid	(50,000)	(440,000)
Net cash generate from / (used in) investing activities	94,173,204	(30,846,798)
CASH FLOWS FROM FINANCING ACTIVITIES		
Short term borrowings	43,750,000	-
Repayment of lease liabilities	(6,475,549)	(5,644,723)
Advance received against issue of shares	59,017,711	488,799,600
Net cash generated from financing activities	96,292,162	483,154,877
Net (decrease) / increase in cash and cash equivalents	(55,321,930)	68,504,704
Cash and cash equivalents at beginning of the year	110,575,841	42,071,137
Cash and cash equivalents at the end of the year	55,253,911	110,575,841

The annexed notes from 1 to 52 form an integral part of these financial statements.

Tanuj Mishra
CHIEF EXECUTIVE OFFICER

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[Signature]
DIRECTOR

GOLDFIN LIMITED
NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED JUNE 30, 2025

1 NATURE AND STATUS OF THE COMPANY

1.1 GoldFin Limited (GoldFin) is a licensed Non-Banking Finance Company (NBFC) for Investment Finance Services. It was incorporated in Pakistan on February 17, 2020 as a Private Limited Company under the Companies Act, 2017. It was converted into a Public Limited Company on July 06, 2022 and was granted NBFC license by SECP on June 09, 2023. The validity of the license is for three years.

Presently, GoldFin's principal line of business consists of gold backed loans (GBL) as a premier platform that serves individuals/SMEs to offer GBL products to their customers in partnership / collaboration with GoldFin. At the same time GoldFin has its own organic business to offer gold backed loans.

1.2 The Company is a 99.99% owned subsidiary of GoldFin Pte. Limited ("Parent Company") incorporated in Singapore having its registered office at 68 Circular Road # 02-01, Singapore. The primary activity of the Parent Company is to hold and manage its subsidiary companies.

2 GEOGRAPHICAL LOCATION AND ADDRESS OF BUSINESS UNIT

The registered office of the Company is situated at 264, Street 16, Sector AA, DHA, Phase 4, Lahore. The operational Head Office and branch offices of the Company are situated as listed below:

Office	Addresses
Head Office	280 Khursheed Plaza, Maulana Shaukat Ali Road , Kot Lakhpat. Lahore, Pakistan.
Branch office - Lahore	280 Khursheed Plaza, Maulana Shaukat Ali Road , Kot Lakhpat. Lahore, Pakistan.
Branch office - Lahore	House No. 9, Street No. 48, Mohallah Mahboob Park, Aziz Road, Charmian, Lahore, Pakistan.
Branch office - Gujranwala	Nobel Plaza, Shaheena Abad, Main G.T Road, Gujranwala.

3 BASIS OF PREPARATION

3.1 Statement of compliance

These financial statements have been prepared in accordance with the accounting and reporting standards as applicable in Pakistan. The approved accounting and reporting standards applicable in Pakistan comprise of:

- International Financial Reporting Standards (IFRS Standards) issued by the International Accounting Standards Board (IASB) as notified under the Companies Act, 2017;

- Provisions of and directives issued under the Non-Banking Finance Companies (Establishment and Regulations) Rules, 2003 ("NBFC Rules"), and the Non-Banking Finance Companies and Notified Entities Regulations, 2008 ("NBFC Regulations"); and

- Provisions of and directives issued under the Companies Act, 2017.

Where provisions of and directives issued under the Companies Act, 2017, NBFC Rules and NBFC Regulations differ from the IFRS Standards the provisions of and directives issued under the Companies Act, 2017 and Regulations are followed.

3.2 Basis of measurement

These financial statements have been prepared under the historical cost convention, except where specific basis of measurement has been mentioned in relevant notes. In these financial statements, except for cash flow statement, all the transactions have been accounted for on accrual basis.

3.3 Functional and presentation currency

These financial statements are presented in Pak Rupees which is the Company's functional and presentation currency. The figures have been rounded off to nearest rupee.

4 APPLICATION OF NEW STANDARDS, AMENDMENTS AND INTERPRETATIONS TO PUBLISHED APPROVED ACCOUNTING AND REPORTING STANDARDS

4.1 New accounting standards, amendments and IFRS interpretations that are effective for the year ended June 30, 2025

The following standards, amendments and interpretations are effective for the year ended June 30, 2025. These standards, amendments and interpretations are either not relevant to the Company's operations or did not have significant impact on the financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Supplier finance arrangements.	January 01, 2024
Amendments to IFRS 16 'Leases' - Amendments to clarify how a seller-lessee subsequently measures sale and leaseback transactions.	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Classification of liabilities as current or non-current.	January 01, 2024
Amendments to IAS 1 'Presentation of Financial Statements' - Non-current liabilities with covenants.	January 01, 2024
Amendments to IAS 7 'Statement of cashflows' - supplier finance agreements.	January 01, 2024

4.2 New accounting standards, amendments and interpretations that are not yet effective

The following standards, amendments and interpretations are only effective for accounting periods, beginning on or after the date mentioned against each of them. These standards, amendments and interpretations are either not relevant to the Company's operations or are not expected to have significant impact on the Company's financial statements other than certain additional disclosures.

	Effective date (annual periods beginning on or after)
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding the classification and measurement of financial instruments.	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding the classification and measurement of financial instruments.	January 01, 2026
Amendments to IAS 21 'The Effects of Changes in Foreign Exchange Rates' - Lack of Exchangeability.	January 01, 2025
Amendments to IFRS 7 'Financial Instruments: Disclosures' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs).	January 01, 2026
Amendments to IFRS 9 'Financial Instruments' - Amendments regarding nature-dependent electricity contracts that are often structured as power purchase agreements (PPAs).	January 01, 2026
IFRS 17 Insurance Contracts.	January 01, 2027

Certain annual improvements have also been made to a number of IFRSs and IASs.

IFRS 1 'First-time Adoption of International Financial Reporting Standards' has been issued by IASB effective from July 01, 2009. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 18 'Presentation and Disclosures in Financial Statements' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 19 'Subsidiaries without Public Accountability: Disclosures' has been issued by IASB effective from January 01, 2027. However, it has not been adopted yet locally by Securities and Exchange Commission of Pakistan (SECP).

IFRS 17 - 'Insurance contracts' has been notified by the IASB to be effective for annual periods beginning on or after January 1, 2023. However SECP has notified the timeframe for the adoption of IFRS - 17 which will be adopted by January 01, 2027.

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5 MATERIAL ACCOUNTING POLICIES

The principal accounting policies applied in the presentation of these financial statements are set out below. These policies have been consistently applied to all the years presented, unless otherwise stated.

5.1 Property and equipment

5.1.1 Operating fixed assets

Operating fixed assets are stated at cost less accumulated depreciation and impairment in value, if any.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefit associated with the item will flow to the Company and the cost of the item can be measured reliably. All other repairs and maintenance costs are charged to the statement of profit or loss during the year in which they are incurred.

5.1.2 Depreciation

Depreciation on all operating fixed assets is charged to statement of profit or loss on straight-line method so as to write off the historical cost of assets over estimated useful life at rates specified in the Note 7. The assets' residual values and useful lives are reviewed, at each financial year end, and adjusted if impact on depreciation is significant.

Full month's depreciation is charged on additions while no depreciation is charged in the month of disposals during the year. Impairment loss or its reversal, if any, is charged to the statement of profit or loss.

5.1.3 Impairment

The Company assesses at each reporting date whether there is any indication that property and equipment may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying amounts exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the depreciation charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

5.1.4 Useful lives, residual values and impairment of property and equipment

Estimates with respect to depreciable lives, residual values, and pattern of flow of economic benefits are based on the analysis of the management of the Company. Further, as explained in Note 7.1, the Company reviews the value of the assets for possible impairments on an annual basis. Any change in the estimates in the future might affect the carrying amount of respective item of property and equipment, with a corresponding effect on the depreciation charge and impairment.

5.1.5 De-recognition of asset

An item of property and equipment is derecognized upon disposal, or when no future economic benefits are expected from its use or disposal. The gain or loss on disposal or retirement of an asset, represented by the difference between the sale proceeds and the carrying amount of the asset, is recognized in statement of profit or loss.

5.1.6 Capital work in progress

Capital work in progress is stated at cost less any identified impairment loss. All expenditure connected with specific assets incurred during installation and construction period are carried under capital work in progress. These are transferred to specific assets as and when these are available for use.

5.2 Intangible assets

An intangible asset is an identifiable non-monetary asset without physical substance. An intangible asset is recognized if it is probable that the future economic benefits that are attributable to the asset will flow to the organization and if the cost of such asset can be measured reliably. Cost of the intangible asset includes its purchase cost and any directly attributable cost of preparing the asset for its intended use.

Intangible assets are stated at cost less accumulated amortization and accumulated impairment losses, if any. Amortization is charged over the estimated useful life of the asset on a systematic basis by applying the straight line method from the month when such asset is available for use.

Useful lives of intangible assets are reviewed at each year end and impact on amortization is adjusted, if significant.

The Company assesses at each reporting date whether there is any indication that intangible assets may be impaired. If such indication exists, the carrying amounts of such assets are reviewed to assess whether they are recorded in excess of their recoverable amount. Where carrying amounts exceed the respective recoverable amount, assets are written down to their recoverable amounts and the resulting impairment loss is recognized in the statement of profit or loss. The recoverable amount is the higher of an asset's fair value less costs to sell and value in use. Where an impairment loss is recognized, the amortization charge is adjusted in the future periods to allocate the asset's revised carrying amount over its estimated useful life.

5.3 Cash and bank balances

Cash and bank balances are carried in the statement of financial position at cost. For the purpose of cash flow statement, cash and cash equivalents comprise of cash and bank balances.

5.4 Long term deposits

Long term deposits are stated at cost and are refundable or adjustable on maturity.

5.5 Borrowing cost

Borrowing costs directly attributable to the acquisition, construction or production of a qualifying asset, which are assets that necessarily take a substantial period of time to get ready for their intended use or sale, are added to the cost of those assets, until such time as the assets are substantially ready for their intended use or sale. Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying asset is deducted from the borrowing costs eligible for capitalization. All other borrowing costs are recognized in the statement of profit or loss in the year in which they are incurred.

5.6 Leases

At inception of a contract, the Company assesses whether a contract is, or contains, a lease. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- the contract involves the use of an identified asset - this may be specified explicitly or implicitly, and should be physically distinct or represent substantially all of the capacity of a physically distinct asset. If the supplier has a substantive substitution right, then the asset is not identified;
- the Company has the right to obtain substantially all of the economic benefits from use of the asset throughout the period of use; and
- the Company has the right to direct the use of the asset. The Company has this right when it has the decision-making rights that are most relevant to changing how and for what purpose the asset is used. In rare cases where the decision about how and for what purpose the asset is used is predetermined, the Company has the right to direct the use of the asset if either:
 - the Company has the right to operate the asset; or
 - the Company designed the asset in a way that predetermines how and for what purpose it will be used.

At inception or on reassessment of a contract that contains a lease component, the Company allocates the consideration in the contract to each lease component on the basis of their relative stand-alone prices.

5.6.1 Lessee

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease, or if that rate cannot be readily determined, the Company's incremental borrowing rate.

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Lease payments include fixed payments, variable lease payment that are based on an index or a rate amounts expected to be payable by the lessee under residual value guarantees, the exercise price of a purchase option if the lessee is reasonably certain to exercise that option, payments of penalties for terminating the lease, if the lease term reflects the lessee exercising that option, less any lease incentives receivable. The extension and termination options are incorporated in determination of lease term only when the Company is reasonably certain to exercise these options.

The lease liability is subsequently measured at amortized cost using the effective interest method. It is re-measured when there is a change in future lease payments arising from a change in fixed lease payments or an index or rate, change in the Company's estimate of the amount expected to be payable under a residual value guarantee, or if the Company changes its assessment of whether it will exercise a purchase, extension or termination option. The corresponding adjustment is made to the carrying amount of the right-to-use asset, or is recorded in statement of profit or loss if the carrying amount of right-to-use asset has been reduced to zero.

The right-of-use asset is initially measured based on the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentive received. The right-of-use asset is depreciated on a straight line method over the lease term as this method most closely reflects the expected pattern of consumption of future economic benefits. The right-of-use asset is reduced by impairment losses, if any, and adjusted for certain re-measurements of the lease liability.

The Company has elected to apply the practical expedient and not to recognize right-of-use assets and lease liabilities for short term leases that have a lease term of 12 months or less and leases of low-value assets. The lease payments associated with these leases is recognized as an expense on a straight line basis over the lease term.

5.6.2 Short-term leases and leases of low-value assets

The Company applies the short-term lease recognition exemption to its short-term leases of its assets (i.e., those leases that have a lease term of 12 months or less from the commencement date and do not contain a purchase option). It also applies the lease of low-value assets recognition exemption to leases that are considered of low value. Lease payments on short-term leases and leases of low-value assets are recognized as expense on a straight-line basis over the lease term.

5.6.3 Significant judgement in determining the lease term of contracts with renewal options

The Company determines the lease term as the non-cancellable term of the lease, together with any periods covered by an option to extend the lease if it is reasonably certain to be exercised, or any periods covered by an option to terminate the lease, if it is reasonably certain not to be exercised.

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5.6.4 Lease term and discount rates for lease

Estimates with respect to lease term are based on the analysis of the management of the Company keeping in view the contractual arrangement with the lessors. The rate used on transition to discount future lease payments under lease agreements represents the Company's incremental borrowing rate. The rate has been estimated using the KIBOR rates and adjusted to reflect the underlying lease term based on observable inputs.

Further, as explained in Note 5.6.1, the Company reviews incremental borrowing rate, life of right-of-use asset, and which contracts have a lease component, annually. Any change in the estimates in the future might affect the carrying amount of respective item of right-of-use asset, with a corresponding effect on the depreciation charge and lease liabilities.

5.7 Revenue recognition

Revenue is recognized when it is probable that the economic benefits associated with the transaction will flow to the Company, the amount of revenue and the associated cost incurred or to be incurred can be measured reliably and performance obligations are satisfied by transferring control of a good or service to a customer, either at a point in time or over time, of an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services.

Revenue is recognized in accordance with the aforementioned principle by applying the following steps:

- Identify the contract with a customer;
- Identify the performance obligation in the contract;
- Determine the transaction price of the contract;
- Allocate the transaction price to each of the separate performance obligations in the contract; and
- Recognize the revenue when (or as) the Company satisfies a performance obligation.

a) Markup on loan portfolio

Markup on the loan portfolio is accounted for on an accrual basis and collected with loan principal. This is calculated on the contractual rate of 26% (2024: 23%).

b) Income other than markup on loans

- Service income is recognized on contractual rates.
- The processing income is 1% for new and repeat customers, and 0.5% for rollover customers, capped at a maximum of Rs. 6,000. The fee is charged at the time of disbursement or rollover and recognized as income at a point in time.
- Profit on bank deposits is recognized as it accrues under the effective interest method.
- Return on investments is recognized on accrual basis.
- Other income is recognized on the currency translation on foreign currency balances.

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5.8 Loan portfolio

Loan portfolio includes secured loans, provided for a maximum tenure of 12 months.

Loan portfolio is stated net of impairment for non-performing loans, if any. At each reporting date, impairment for non-performing loans is recognized at higher of:

- Expected Credit Loss (ECL) as per IFRS 9; and
- Applicable regulatory requirements as disclosed in Note 3.1.

5.8.1 Impairment under IFRS 9

IFRS 9 requires a Company to determine an ECL amount on a probability-weighted basis as the difference between the cash flows that are due to the Company in accordance with the contractual terms of financial instruments and the cash flows that the Company expects to receive. ECL is measured based on the risk of default over one of two different time horizons, depending on whether the credit risk of the borrower has increased significantly since the exposure was first recognized.

- The loss allowance for those exposures that have not increased significantly in credit risk ('stage 1' exposures) is based on 12-months ECLs.
- The allowance for those exposures that have suffered a significant increase in credit risk ('stage 2' and 'stage 3' exposures) is based on lifetime ECLs.

Discount rate

This is the rate to discount an ECL to a present value at the reporting date using effective interest rate (EIR) at initial recognition.

Staging of loans portfolio

Stage 1 includes assets that have not had a significant increase in credit risk since initial recognition or that have low credit risk at the reporting date. For these assets, 12-month ECL is recognized and interest revenue is calculated on the gross carrying amount of the asset. Portfolio not exceeding 29 days past due is deemed as Stage 1 by the Company.

Stage 2 includes financial assets that have had a significant increase in credit risk since initial recognition (unless they have low credit risk at the reporting date) but that do not have objective evidence of impairment. Portfolio that has transitioned beyond 29 days but does not exceed 210 days past due is deemed as Stage 2 by the Company. Further to Stage 2 of the Company, this assessment incorporates all relevant, reasonable and supportable information, including forward-looking information, that is available without undue cost or effort. Such information might include:

- qualitative information; and
- non-statistical quantitative information.

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Stage 3 includes financial assets that have objective evidence of impairment at the reporting date. Portfolio that has transitioned beyond 210 days is deemed as Stage 3 by the Company. There is a rebuttable presumption that default takes place no later than 90 days past due. The Company rebuts the presumption based on their normal operating cycle for recovering delayed receivables which is a common industry practice. Further to Stage 3 of the Company, default is dependent on occurrence of an event that establishes adverse credit condition of the obligor. In addition to the 210 day back-stop, the Company may refer to specific qualitative information to mark exposures that have defaulted.

5.8.2 Impairment under NBFC regulations

Non-Banking Finance Companies and Notified Entities regulations, 2008 ('Regulations') require the Company to classify its assets in a time based criteria and recognize impairment for non performing loans in accordance with regulation 25 and 25A.

Specific provision - Regulation 25

As per the criteria mentioned in Schedule X to the Regulations and circular SC/NBFC-1-196/Circular/2021/253, the Company is required to classify and recognize specific provision for portfolio at risk as follows:

Category	No. of days	Provisions to be recognized as a % of outstanding portfolio
OAEM (Other Assets Especially Mentioned)	0 to 89 days later	0%
Sub-standard	90 to 179 days later	25%
Doubtful	1 year to 1.5 year later	50%
Loss	1.5 year or more	100%

General provision - Regulation 25A

The Company, in light of the Regulation has assessed not to maintain the general provisions in respect of loan portfolio because of the highly liquid collateral maintained by the Company in the form of gold.

5.8.3 Expected credit loss for loan portfolio at risk

At each reporting date, impairment on receivables is determined at higher of criteria mentioned in Non-Banking Finance and Notified Entities Regulations, 2008 ('Regulations') rule 25 and 25A and expected credit loss model under IFRS 9. Judgment by management is required in the estimation of the amount and timing of future cash flows while determining the extent of impairment required. Such estimates are based on assumption about a number of factors including credit history of the counterparty. Actual cash flows may differ resulting in subsequent changes to the provisions.

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5.9 Foreign currency translations

All monetary assets and liabilities in foreign currencies are translated into Pak Rupees at the exchange rate prevailing at the financial position date. Transactions in foreign currencies are translated into Rupees at the spot rates. All non-monetary items are translated into Rupees at exchange rates prevailing on the dates of transactions or on dates when fair values are determined. Exchange differences are included in statement of profit or loss, if any.

5.10 Short term investments

Investments classified as financial asset at amortized cost are recognized initially at fair value, plus attributable transaction costs. Subsequent to initial recognition, these are measured at amortized cost using the effective interest method.

5.11 Staff retirement benefits

5.11.1 Defined benefit plan

The Company operates an un-funded gratuity scheme for all its permanent employees who have attained retirement age, died or resigned during service period and have served for the minimum qualification period. The gratuity benefits provided by the Company are calculated by multiplying last drawn gross salary with number of years of service.

Due to the lower annual increment rate of salary in the Company, the values determined by actuarial valuation method would not be materially different from the provision in the financial statements, hence, actuarial valuation is not carried out.

5.12 Taxation

5.12.1 Current

Current tax is the expected tax payable on the taxable income for the year based on taxable profits, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

5.12.2 Deferred

Deferred tax is provided using the balance sheet method for all temporary differences at the reporting date between tax base of assets and liabilities and their carrying amounts for financial reporting purposes.

Deferred tax liability is recognized for all taxable temporary differences and deferred tax assets are recognized for all deductible temporary differences, carry forward of unused tax credits and unused tax losses, if any, to the extent that it is probable that future taxable profit will be available against which the deductible temporary differences, carry-forward of unused tax credits and unused tax losses can be utilized.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply to the period when the liability is settled based on tax rates that have been enacted or substantially enacted at the reporting date.

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5.12.3 Estimate

The Company establishes provisions, based on reasonable estimates taking into account the applicable tax laws and the decisions by appellate authorities on certain issues in the past. Instances where the Company's view differs from the view taken by the income tax department at the assessment stage and where the Company considers that its views on items of material nature is in accordance with law, the amounts are shown as contingent liabilities.

A deferred tax liability is recognized for all taxable temporary differences and deferred tax assets are recognized for deductible temporary differences and unused tax losses to the extent that it is probable that taxable profits will be available against which the losses can be utilized. Significant management judgment is required to determine the amount of deferred tax assets that can be recognized, based upon the likely timing and level of future taxable profits together with future tax planning strategies.

5.13 Levy

The amount calculated on taxable income using the notified tax rate is recognized as current income tax expense for the year in statement of profit or loss. Any excess of expected income tax paid or payable for the year under the Income Tax Ordinance, 2001 over the amount designated as current income tax for the year, is then recognized as a levy.

5.14 Provisions

Provisions are recognized when, and only when, the Company has a present obligation (legal or constructive) as a result of a past event and it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

Where there are a number of similar obligations, the likelihood that an outflow shall be required in settlement is determined by considering the class of obligations as a whole. A provision is recognized even if the likelihood of an outflow with respect to any one item included in the same class of obligations may be small.

Provisions are reviewed at each reporting date and adjusted to reflect the current best estimate.

5.15 Advances, prepayments and other receivables

Advances, prepayments and other receivables are carried at original cost less expected credit loss based on a review of all outstanding amounts at the year end.

5.16 Trade and other payables

Liabilities for trade and other amounts payable are carried at cost, which is the fair value of the consideration to be paid in the future for goods and services, whether or not billed to the Company.

5.17 Financial instruments

Financial assets and financial liabilities are recognized at the time when the Company becomes a party to the contractual provisions of the instrument and derecognized when the Company loses control of contractual rights that comprise the financial assets and in the case of financial liabilities when the obligation specified in the contract is discharged, cancelled or expired. Any gain or loss on derecognition of financial assets and financial liabilities is included in statement of profit or loss for the year.

Major categories of financial assets represent investments, advances, deposits, loan portfolio, other receivables and cash and bank balances.

Financial liabilities are classified according to the substance of the contractual arrangements entered into and mainly comprise creditors, accrued expenses, lease liabilities and other payables.

The classification depends on the purpose for which the financial assets were acquired. Management determined the classification of its financial assets at initial recognition. Subsequent to the initial recognition, loans, receivables and financial assets were carried at amortized cost using the effective interest method.

5.17.1 Non-derivative financial assets

At initial recognition, the Company measures a financial asset at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in the statement of profit or loss.

Debt instrument

Subsequent measurement of debt instruments depends on the Company's business model for managing the asset and the cash flow characteristics of the asset. There are three measurement categories into which the Company classifies its debt instruments:

(a) Financial assets at amortized cost

Financial assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in finance income using the effective interest rate method. Any gain or loss arising on derecognition is recognized directly in profit or loss and presented in other income/(expenses) together with foreign exchange gains and losses.

(b) Financial assets at fair value through other comprehensive income

The Company accounts for financial assets at fair value through other comprehensive income if they are held under a business model whose objective is "hold to collect" the associated cash flows, and sell, and the contractual terms of the financial assets give rise to cash flows that are solely payments of principal and interest on the principal amount outstanding. Any gains or losses recognized in other comprehensive income (OCI) will be recycled upon derecognition of the asset.

(c) Financial assets at fair value through profit or loss

Financial assets that are held within a different business model other than 'hold to collect' or 'hold to collect and sell' are categorized at fair value through profit or loss. Further, irrespective of business model financial assets whose contractual cash flows are not solely payments of principal and interest are accounted for at fair value through profit or loss. Assets in this category are classified as current assets. Assets in this category are measured at fair value with gains or losses recognized in profit or loss. The fair values of financial assets in this category are determined by reference to active market transactions or using a valuation technique where no active market exists.

Equity instruments

The Company subsequently measures all equity investments at fair value. Where the Company's management has elected to present fair value gains and losses on equity investments in OCI, there is no subsequent reclassification of fair value gains and losses to the profit or loss following the derecognition of the investment. Dividends from such investments are recognized in profit or loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at FVPL are recognized in other income / expenses in the statement of profit or loss as applicable. Impairment losses (and reversal of impairment losses) on equity investments measured at FVOCI are not reported separately from other changes in fair value.

5.17.2 Non-derivative financial liabilities

Financial liabilities are initially measured at fair value, and, where applicable, adjusted for transaction costs unless the Company designated a financial liability at fair value through profit or loss. Subsequently, financial liabilities are measured at amortized cost using the effective interest method except for financial liabilities designated at fair value through profit or loss, which are carried subsequently at fair value with gains or losses recognized in profit or loss. All interest-related charges and, if applicable, changes in an instrument's fair value that are reported in profit or loss are included within finance costs or finance income.

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expired. Where an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as a derecognition of the original liability and the recognition of a new liability, and the difference in respective carrying amounts is recognized in the statement of profit or loss.

5.18 Contingencies and commitments

Contingent liabilities are disclosed when:

There is a possible obligation that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company; or

There is a present obligation that arises from past events, but it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation or the amount of the obligation cannot be measured with sufficient reliability.

5.19 Transactions with related parties

The transactions with related parties are based on mutually agreed terms as approved by the Board.

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6 SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

The preparation of financial statements in conformity with approved accounting standards requires management to make judgments, estimates and assumptions that affect the application of policies and reported amounts of assets, liabilities, income and expenses. The estimates, associated assumptions and judgments are continually evaluated and are based on historical experience and various other factors that are believed to be reasonable under the circumstances, the result of which form the basis of making the judgments about carrying values of assets and liabilities that are not readily apparent from other sources. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revision to accounting estimates are recognized in the period in which the estimate is revised if the revision affects only that period or in the period of revision and future periods if the revision affects both current and future periods. The areas where various assumptions and estimates are significant to Company's financial statements or where judgments were exercised in application of accounting policies are as follows:

	Note
- Estimate of useful lives, residual values and impairment of property and equipment	5.1.4
- Expected credit loss for loan portfolio at risk	5.8.3
- Lease term and discount rates for lease	5.6.4
- Contingencies and commitments	5.18
- Provisions	5.14
- Taxation	5.12

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7 PROPERTY AND EQUIPMENT

	Note	2025 Rupees	2024 Rupees
Operating fixed assets	7.1	20,220,858	23,166,687
Capital work in progress	7.2	-	1,983,858
Right-of-use assets	7.3	24,285,349	27,875,459
		<u>44,506,207</u>	<u>53,026,004</u>

7.1 Operating fixed assets

Description	Leasehold Improvements	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
	Rupees					

Year ended June 30, 2025

Net carrying value basis

Opening net book value (NBV)	8,279,527	6,297,719	4,740,540	1,483,943	2,364,958	23,166,687
Additions (at cost)	-	-	205,400	545,800	-	751,200
Transferred from capital work in progress	3,419,419	-	-	-	-	3,419,419
Disposal at NBV	-	-	(9,210)	(94,703)	-	(103,913)
Depreciation charge for the year	(2,741,088)	(1,706,724)	(1,287,937)	(703,986)	(572,800)	(7,012,535)
Closing net book value	<u>8,957,858</u>	<u>4,590,995</u>	<u>3,648,793</u>	<u>1,231,054</u>	<u>1,792,158</u>	<u>20,220,858</u>

Gross carrying value basis

Cost	13,986,487	8,533,619	6,509,716	3,044,830	2,864,000	34,938,652
Accumulated depreciation	(5,028,629)	(3,942,624)	(2,860,923)	(1,813,776)	(1,071,842)	(14,717,794)
Net book value	<u>8,957,858</u>	<u>4,590,995</u>	<u>3,648,793</u>	<u>1,231,054</u>	<u>1,792,158</u>	<u>20,220,858</u>

Year ended June 30, 2024

Net carrying value basis

Opening net book value (NBV)	3,209,921	3,852,947	2,072,812	474,203	-	9,609,883
Additions (at cost)	6,824,743	3,935,251	3,715,781	1,687,980	2,864,000	19,027,755
Transferred from capital work in progress	-	-	-	-	-	-
Depreciation charge for the year	(1,755,137)	(1,490,479)	(1,048,053)	(678,240)	(499,042)	(5,470,951)
Closing net book value	<u>8,279,527</u>	<u>6,297,719</u>	<u>4,740,540</u>	<u>1,483,943</u>	<u>2,364,958</u>	<u>23,166,687</u>

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Description	Leasehold Improvements	Furniture and fixtures	Office equipment	Computer equipment	Vehicles	Total
	Rupees					
Gross carrying value basis						
Cost	10,567,068	8,533,619	6,335,016	2,621,030	2,864,000	30,920,733
Accumulated depreciation	(2,287,541)	(2,235,900)	(1,594,476)	(1,137,087)	(499,042)	(7,754,046)
Net book value	<u>8,279,527</u>	<u>6,297,719</u>	<u>4,740,540</u>	<u>1,483,943</u>	<u>2,364,958</u>	<u>23,166,687</u>
Useful life (years)	<u>5</u>	<u>5</u>	<u>5</u>	<u>3</u>	<u>5</u>	

7.1.1 The depreciation charge for the year has been allocated as follows:

	Note	2025 Rupees	2024 Rupees
General and administrative expenses	35	<u>7,012,535</u>	<u>5,470,951</u>

7.1.2 Operating fixed assets include fully depreciated assets amounting to Rs. 0.453 million (2024: Rs. 0.453 million) that are still in use as of the reporting date.

7.1.3 Leasehold improvements amount to Rs. 8.958 million (2024: Rs. 8.279 million) on buildings obtained through a right-of-use, as disclosed in Note 7.3.

7.1.4 The following operating fixed assets were disposed off during the year:

Description	Cost	Accumulated depreciation	Net Book value	Adjustments/ Proceeds	Gain / (Loss)	Mode of disposal	Particulars of buyers
			(Rupees)				
Office equipment	30,700	21,490	9,210	13,300	4,090	Negotiation	General public
Computer equipment	122,000	27,297	94,703	-	(94,703)	Lost	N/A
	<u>152,700</u>	<u>48,787</u>	<u>103,913</u>	<u>13,300</u>	<u>(90,613)</u>		
Total - 2025	<u>152,700</u>	<u>48,787</u>	<u>103,913</u>	<u>13,300</u>	<u>(90,613)</u>		
Total - 2024	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>		

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	Note	2025 Rupees	2024 Rupees
7.2 Capital work in progress			
Office improvements			
Opening balance		1,983,858	-
Additions	7.2.1	1,435,561	1,983,858
Transfer to operating fixed assets		(3,419,419)	-
Closing balance		<u>-</u>	<u>1,983,858</u>

7.2.1 This represents the advance to supplier against construction of a new gold vault at the branch office, Lahore.

7.3 Right-of-use assets

The following is the statement of right of use assets:

7.3.1 Buildings

Net carrying value basis

Opening net book value (NBV)		27,875,459	-
Additions (cost)		-	32,135,382
Depreciation charge	35	(3,590,110)	(4,259,923)
Closing net book value (NBV)	7.3.2	<u>24,285,349</u>	<u>27,875,459</u>

Gross carrying value basis

Cost		32,135,382	32,135,382
Accumulated depreciation		(7,850,033)	(4,259,923)
Closing net book value (NBV)		<u>24,285,349</u>	<u>27,875,459</u>

Depreciation rate % per annum		<u>10</u>	<u>10</u>
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7.3.2 This represents the lease contract for the operational Head office and branch offices of the Company, with a lease term of 10 years. The leases will expire between March 2030 to July 2033. Right-of-use assets are measured at the amount of lease liability at initial recognition, adjusted for any prepaid or accrued lease expenses.

7.3.3 The depreciation charge for the year has been allocated as follows:

General and administrative expenses	35	<u>3,590,110</u>	<u>4,259,923</u>
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	Note	2025 Rupees	2024 Rupees
8 INTANGIBLE ASSETS			
Net carrying value basis:			
Opening net book value		9,937,951	403,214
Additions		4,380,764	9,760,000
Amortization charge for the year	35	(661,641)	(225,263)
Closing net book value		<u>13,657,074</u>	<u>9,937,951</u>
Gross carrying value basis:			
Cost		14,816,553	10,435,789
Accumulated amortization		(1,159,479)	(497,838)
Net book value		<u>13,657,074</u>	<u>9,937,951</u>
Useful life in years		<u>3</u>	<u>3</u>

8.1 The amortization charge for the year has been allocated as follows:

General and administrative expenses	35	<u>661,641</u>	<u>225,263</u>
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9 LONG TERM ADVANCE

Advance against development of software	9.2	<u>2,844,736</u>	<u>-</u>
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9.1 Movement of long term advance:

Opening balance		-	-
Addition during the year		7,225,500	-
Transfer to intangible asset		(4,380,764)	-
Closing balance		<u>2,844,736</u>	<u>-</u>

9.2 This represents advance payments made to vendors for development of enterprise resource planning (ERP) and loan management system (LMS) softwares for the Company.

10 LONG TERM DEPOSITS

Security deposits	10.1	<u>930,000</u>	<u>880,000</u>
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10.1 This represents security deposits given against leased rent premises. These deposits do not carry any interest or mark-up and are not recoverable within one year. IFRS 9 requires long-term non interest bearing financial assets to be discounted at average borrowing rate of the Company. The impact of discounting is immaterial, hence, these are not discounted.

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	Note	2025 Rupees	2024 Rupees
11 LONG TERM LOAN			
Loan to employees	11.1	484,283	-

11.1 This represent the loan provided to employees. These loans do not carry any interest or mark-up and are not recoverable within one year. IFRS 9 requires long-term non interest bearing financial assets to be discounted at average borrowing rate of the Company. The impact of discounting is immaterial, hence, these are not discounted.

12 DEFERRED TAX - NET

Deferred tax asset - Net	12.1	2,120,157	2,788,467
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12.1 Deferred tax arisen during the year on the following items:

Deductible temporary differences

- Accelerated tax depreciation on operating fixed assets	(1,792,499)	140,140
- Accelerated tax amortization on intangible	(223,367)	238,617
- Lease liability-Net	2,524,366	1,396,323
- Provision for gratuity	1,611,657	-
- Business loss	-	966,418
- Alternative corporate tax	-	46,969
	2,120,157	2,788,467

12.2 The recognition of deferred tax asset is based upon whether it is more likely than not that sufficient taxable profits will be available against which the unutilized losses can be deducted. The deferred tax asset has been recognized on tax losses aggregating to Rs. Nil (2024: Rs. 3.332 million) for tax year 2023, and minimum taxes aggregating to Rs. Nil (2024: Rs. 0.047 million) based on the projections keeping in view the future business prospects. Expiry of aggregate tax losses and minimum taxes is as follows:

Expiry Tax Year	Nature		
2029	Business loss - 2023	-	3,332,476
		-	3,332,476
2026	Minimum tax - 2023	-	46,969
		-	3,379,445

12.3 The gross movement in the deferred tax asset during the year is as follow:

Opening deferred tax		2,788,467	7,004,744
Charged to profit and loss	38	(668,310)	4,216,277
Closing deferred tax		2,120,157	2,788,467

	Note	2025 Rupees	2024 Rupees
13 ADVANCES			
Secured			
Advances- gross	13.1	711,921,408	428,790,000
Provision for doubtful loans	13.2	-	-
		<u>711,921,408</u>	<u>428,790,000</u>
Number of borrowers as at June 30		<u>2,179</u>	<u>1,528</u>

13.1 Movement of advances:

Opening balance		428,790,000	54,965,000
Disbursement made during the year		891,575,000	446,920,000
Recoveries made during the year		(608,443,592)	(73,095,000)
		<u>711,921,408</u>	<u>428,790,000</u>
Bad debts written off	13.2	-	-
Closing balance		<u>711,921,408</u>	<u>428,790,000</u>

13.2 Provision for doubtful loans

13.2.1 As at June 30, 2024, there are no past due advances. Therefore, no specific provision is required to be recognized in the financial statements. Furthermore, no balances have been written off as bad debts during the year.

13.2.2 The general provision is not required due to the gold collateral backing, as per Clause 25A of the Non-Banking Finance Companies Regulations ("NBFC Regulations"), 2008.

13.3 Sources of funding used to finance Gross Loan Portfolio (GLP) are as follows:

	2025		2024	
	Rupees	Percent	Rupees	Percent
GoldFin Pte.	447,084,701	81.61%	419,232,240	85.77%
Tariq Mohar	44,793,250	8.18%	27,774,000	5.68%
Nadeem Hussain	28,077,120	5.13%	13,931,120	2.85%
Planet N (Private) Limited	27,862,240	5.09%	27,862,240	5.70%
	<u>547,817,311</u>	<u>100%</u>	<u>488,799,600</u>	<u>100%</u>

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13.4 Portfolio quality report

The Company measures loan delinquency in form of an aged Portfolio at Risk (PAR) ratio. Loans are separated into classes depending on the number of days they are over-due. For each class of loan, the aged PAR ratio is calculated by dividing the outstanding principal balance of such class by outstanding principal balance of gross loan portfolio.

Loans are considered overdue if any due installment remains unpaid for more than 29 days. The number of days delay is based on the difference between reporting date (Cut off date) and repayment date. The classification and provisioning will be undertaken at the end of every month.

During the year, loans were disbursed relating to single project with maximum tenure of 12 months, in accordance with needs of the borrowers. Loan repayments are scheduled on maturity dates based on the repayment terms.

The Company's main measure of credit delinquency is an aged portfolio-at-risk ratio. Loans are separated into classes depending on the number of days they are over-due. For each such class of loan, the outstanding principal balance of such loan is divided by the outstanding principal balance of the gross loan portfolio.

The following is the loan portfolio and specific provision loss as per aging as at June 30, 2025:

No. of days	Outstanding loan portfolio (Principal)			Loss reserve as per specific provision	
	Category	Share of total Percent	Amount in Rupees	Percent	Rupees
Current and up to 89 days late	OAEM	100.00%	711,921,408	0%	-
90 to 179 days later	Sub-standard	0.00%	-	25%	-
1 year to 1.5 year later	Doubtful	0.00%	-	50%	-
1.5 year or more	Loss	0.00%	-	100%	-
		<u>100.00%</u>	<u>711,921,408</u>		<u>-</u>

The following is the loan portfolio and specific provision loss as per aging as at June 30, 2024:

	Outstanding loan portfolio (Principal)			Loss reserve as per specific provision	
	Category	Share of total Percent	Amount in Rupees	Percent	Rupees
Current and up to 89 days late	OAEM	100.00%	428,790,000	0%	-
90 to 179 days later	Sub-standard	0.00%	-	25%	-
1 year to 1.5 year later	Doubtful	0.00%	-	50%	-
1.5 year or more	Loss	0.00%	-	100%	-
		<u>100.00%</u>	<u>428,790,000</u>		<u>-</u>

	Note	2025 Rupees	2024 Rupees
14 ADVANCES, PREPAYMENTS AND OTHER RECEIVABLES			
Advances: unsecured-considered good			
- to employees - against salary	14.1	1,982,981	1,200,806
Prepayments	14.2	3,674,771	2,740,946
Other receivables			
Receivable from Parent Company	14.3	8,654,577	6,793,493
Other receivables	14.4	5,515,872	1,483,400
		14,170,449	8,276,893
Sales tax receivable - Net		-	1,191,602
		<u>19,828,201</u>	<u>13,410,247</u>

14.1 This represents advance to employees against salaries in accordance with the terms of their employment. These advances are unsecured, interest free and are deductible from their salaries. These advances have not been discounted to present value using the effective interest rate method as the effect of discounting is considered to be immaterial by the management.

14.2 This represents payment made against group health policy for employees to EFU Health Insurance Limited.

14.3 This represents receivables due from the Parent Company for expenses incurred by the Company on behalf of the Parent Company. The markup charged on these balances at the rate of 1- year KIBOR (2024: 1 - year KIBOR) per annum.

14.3.1 The aging of receivable balances from the parent company at reporting date is as follows:

0 to 6 months	-	-
6 to 12 months	1,861,084	1,102,415
Above 12 months	6,793,493	5,691,078
	<u>8,654,577</u>	<u>6,793,493</u>

14.3.2 The maximum aggregate amount outstanding at any time during the year was Rs. 8.654 million (2024: Rs. 6.793 million).

14.4 This includes short term receivables from different companies on account of formal service agreements.

15 SHORT TERM INVESTMENTS

Conventional

Term Deposit Receipts (TDRs)

Principal amount	12,500,000	100,000,000
Amortization- accrued income on TDRs	1,325,341	1,216,795
Amortized cost	<u>13,825,341</u>	<u>101,216,795</u>

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15.1 Term Deposit Receipts (TDRs)

	2025				Maturity Date
	Rate of Interest	Principal amount	Accrued Interest	Amortized Cost	
	% per	Rupees	Rupees	Rupees	
National Rural Support Programme	15-20%	12,500,000	1,325,341	13,825,341	October 16, 2025

	2024				Maturity Date
	Rate of Interest	Principal amount	Accrued Interest	Amortized Cost	
	% per	Rupees	Rupees	Rupees	
U Microfinance Bank Limited	22-24%	30,000,000	793,973	30,793,973	August 16, 2024
Bank Alfalah Limited	18.5-21%	20,000,000	113,918	20,113,918	July 20, 2024
National Rural Support Programme	21%-21.50%	50,000,000	308,904	50,308,904	July 20, 2024
		<u>100,000,000</u>	<u>1,216,795</u>	<u>101,216,795</u>	

15.2 These represent investments in TDRs with terms ranging from 1 month to 1 year. These investments carry a markup rate ranging from 15% to 21% (2024: 18.50% to 24%) per annum.

	Note	2025 Rupees	2024 Rupees
16 MARKUP RECEIVABLE			
Profit on Parent Company	16.1	2,238,894	1,281,698
Profit on savings accounts		123,004	430,047
Profit on loans receivables	29	77,093,018	37,623,994
		<u>79,454,916</u>	<u>39,335,739</u>

16.1 This represents the markup charged on balances outstanding from GoldFin PTE. LTD at the rate of 1- year KIBOR (2024: 1 - year KIBOR) per annum.

17 TAX REFUNDS DUE FROM GOVERNMENT

Income tax	<u>3,325,682</u>	-
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17.1 Movement of income tax refunds

Opening balance	-	-
Transferred from taxation net	3,325,682	-
Received during the year	-	-
Closing balance	<u>3,325,682</u>	-

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	Note	2025 Rupees	2024 Rupees
18 CASH AND BANK BALANCES			
Cash in hand		5,389	13,640
Cash with banks:			
In current accounts - local currency		3,111,820	27,376,585
In saving accounts - local currency	18.1	52,136,702	83,185,616
		55,248,522	110,562,201
		<u>55,253,911</u>	<u>110,575,841</u>

18.1 The balance in saving accounts bear mark-up ranging from 10% to 12% (2024: 20.50%) per annum.

19 SHARE CAPITAL

19.1 Authorized share capital

100,000 (June 30, 2024: 100,000) ordinary shares of Rs. 10/- each	<u>1,000,000</u>	<u>1,000,000</u>
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19.2 Issued, subscribed and paid up share capital

	2025	2024	
Number of ordinary shares			
<u>13,725</u> <u>13,725</u> Fully paid in cash	<u>137,250</u>	<u>137,250</u>	

19.3 Movement of share capital is as follows:

Opening balance	137,250	137,250
Additions	-	-
Deletions	-	-
Closing balance	<u>137,250</u>	<u>137,250</u>

19.3.1 All ordinary shares rank equally with regard to the residual assets of the Company. Ordinary shareholders are entitled to receive all distributions including dividends and other entitlements in the form of bonus and right shares as and when declared by the Company. Voting and other rights are in proportion to the shareholding.

20 SHARE PREMIUM - CAPITAL RESERVE

Share premium reserve	<u>226,228,959</u>	<u>226,228,959</u>
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20.1 This reserve can be utilized by the Company only for the purposes specified in section 81(2) and 81(3) of the Companies Act, 2017.

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	Note	2025 Rupees	2024 Rupees
21 ADVANCE AGAINST ISSUE OF SHARES			
GoldFin PTE. LTD	21.1	447,084,701	419,232,240
Shareholders	21.1	44,793,250	27,774,000
Directors	21.1	28,077,120	13,931,120
Planet N (Private) Limited	21.2 & 21.3	27,862,240	27,862,240
		<u>547,817,311</u>	<u>488,799,600</u>

21.1 The Company has received an advance from GoldFin Pte. Limited, Tariq Mohar and Nadeem Hussain amounting to Rs. 447.085 million, Rs. 44.793 million and Rs. 28.077 million, respectively, against issue of further shares.

21.2 The Company has received an advance from Planet N (Private) Limited on behalf of the Parent Company and shares will be issued to the Parent Company against this amount in the future. The Parent Company will issue the share in Singapore to Planet N (Private) Limited. However, the approval of the State Bank of Pakistan for the transaction is in process. The foreign exchange manual chapter 20, section 13, subsection- B (a) (iii) where resident Companies/firms and Founders are allowed to acquire the shares issued by the Parent Company against payment of funds to the Company locally in PKR. Consequently, the Company can issue shares of equal value in favor of the non-resident Parent Company on a repatriation basis.

21.3 Based on the management intention and agreement the advance has been classified as advance against issues of shares.

22 SPECIAL RESERVE FUND

Special reserve fund	<u>4,114,915</u>	<u>1,279,059</u>
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22.1 As per Clause 32(3) of the NBFC Regulations, 2008 "A Non-Bank Micro Finance Company shall create a special reserve fund wherein at least 5% of its after-tax profits shall be credited and the special reserve fund shall be separately disclosed in the statement of financial position as part of the equity". Accordingly, the Company has created a special reserve fund during the year.

23 LEASE LIABILITIES

Buildings:

Opening balance	32,690,365	-
Add: Additions (cost)	-	32,135,382
Add: Interest expense for the year	6,775,244	6,199,706
Less: Payments made during the year	<u>(6,475,549)</u>	<u>(5,644,723)</u>
Closing balance	32,990,060	32,690,365
Less: Current portion of lease	<u>(668,595)</u>	<u>(713,008)</u>
	<u>32,321,465</u>	<u>31,977,357</u>

23.1 The contractual undiscounted cash flows to which the Company is committed under the lease agreement and the years in which they became due are as follows:

	Note	2025 Rupees	2024 Rupees
Maturity analysis-contractual undiscounted cash flow			
Less than one year		7,019,372	6,464,554
One to five year		34,676,413	31,919,777
More than five year		28,958,281	38,734,289
Total undiscounted lease liability		<u>70,654,066</u>	<u>38,384,331</u>

23.2 The Company discounted lease payments using its incremental borrowing rate applied at the range of 23.02% to 23.19% per annum.

24 DEFERRED LIABILITY

Staff retirement benefits-gratuity

Opening balance		2,370,391	-
Charge during the year	24.1	3,187,047	2,370,391
Repayment during the year		-	-
Closing balance		<u>5,557,438</u>	<u>2,370,391</u>

24.1 The provision for gratuity has been made for employees at one gross salary for each completed year of service. The management believes that due to lower annual increment rate of salary in the Company the values determined by actuarial valuation method would not be materially different from the provision in the financial statements.

25 SHORT TERM BORROWINGS

Loan from PMIC

Opening balance		-	-
Received during the year	25.1	50,000,000	-
Repayments during the year		(6,250,000)	-
		<u>43,750,000</u>	<u>-</u>

25.1 This represents outstanding amount of Rs. 43.75 million (2024: Nil) obtained from Pakistan Microfinance Investment Company Limited ('PMIC') to enhance the existing microcredit loan portfolio.

25.2 Terms of markup

The facilities carry markup of six months KIBOR plus 4% per annum. Markup is payable quarterly in arrears.

25.3 Terms of repayment

The due amount for facility of Rs. 50 million is repayable in four quarterly installments of Rs. 6.25 million, 12.5 million, 12.5 million and 18.75 million respectively. Last installment is payable on December 31, 2025.

25.4 Security

It is secured against lien over Term Deposit Receipts (TDRs) amounting to Rs. 12.5 million.

25.5 Markup Payable

	2025		
	Principal	Markup payable	Total amortized cost
	Rupees	Rupees	Rupees
Pakistan Microfinance Investment Company Limited	43,750,000	1,757,201	45,507,201
	2024		
	Principal	Markup payable	Total amortized cost
	Rupees	Rupees	Rupees
Pakistan Microfinance Investment Company Limited	-	-	-
	Note	2025 Rupees	2024 Rupees

26 TAXATION - NET

Provision for the year	21,141,299	6,038,326
Advance income tax	(5,921,174)	(9,760,474)
	<u>15,220,125</u>	<u>(3,722,148)</u>

26.1 Movement of provision

Opening balance	6,038,326	611,295
Charged during the year	21,141,299	6,038,326
Less: payment during the year	(6,038,326)	(295,071)
Less: prior year adjustment	-	(316,224)
	<u>21,141,299</u>	<u>6,038,326</u>

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	Note	2025 Rupees	2024 Rupees
27 TRADE AND OTHER PAYABLES			
Accrued expense		3,748,346	4,147,704
Withholding tax		741,593	345,679
Workers' Welfare Fund	27.1	2,452,434	724,889
Other payables		30,000	30,000
Payable to insitor	27.2	2,188,305	-
Sales tax payable - net		607,417	-
		<u>9,768,095</u>	<u>5,248,272</u>
27.1 Workers' Welfare Fund			
Opening balance		724,889	-
Provision for the year		1,727,545	724,889
Payment during the year		-	-
Closing balance		<u>2,452,434</u>	<u>724,889</u>
27.2	This represent the excess advance received from Insitor against advertisement expenses incurred by the company.		
28 CONTINGENCIES AND COMMITMENTS			
28.1	The Company has no contingencies as at June 30, 2025 (2024: Nil).		
28.2	The Company has rental lease commitments amounting to Rs. 57.60 million as at June 30, 2025 (2024: 28.28 million).		
29 MARK-UP ON FINANCING			
Local (Pakistan)			
Markup charged on loans over the period		<u>145,242,982</u>	<u>52,659,288</u>
29.1	This includes the markup charged on the loans disbursed to the borrowers at the rate of 26% to 27% (2024 : 22 to 23%) per annum.		
30 SERVICE FEE			
Service fee		39,575,830	7,085,582
Less: Sales tax		(5,463,831)	(988,069)
		<u>34,111,999</u>	<u>6,097,513</u>
31 PROCESSING FEE			
Processing fee	31.1	8,355,102	4,998,983
Less: Sales tax		(1,152,428)	(689,246)
		<u>7,202,674</u>	<u>4,309,737</u>

31.1 This represents that the processing fee is 1% for new and repeat customers, and 0.5% for rollover customers, capped at a maximum of Rs. 6,000. The fee is charged at the time of disbursement or rollover.

	Note	2025 Rupees	2024 Rupees
32 OTHER INCOME			
Profit on investments and bank deposit		16,624,381	59,425,022
Exchange gain		470,996	-
Profit on Parent Company advances	16.1	957,196	1,281,698
		<u>18,052,573</u>	<u>60,706,720</u>
33 COST OF SERVICE			
Collateral insurance expense		4,951,581	3,371,390
Shroff incentive		2,838,850	1,143,750
Collateral security bags		786,120	600,000
Customer verification		57,189	-
Platform fee expense		-	63,797
		<u>8,633,740</u>	<u>5,178,937</u>
34 SELLING AND MARKETING			
Advertisement expense		322,500	622,525
Other marketing expense		4,450,906	2,671,948
		<u>4,773,406</u>	<u>3,294,473</u>
35 GENERAL AND ADMINISTRATIVE EXPENSES			
Salaries and allowances	35.1	55,033,224	40,207,519
Repair and maintenance		3,058,035	1,632,884
Bad debts waive off		238,041	-
Legal and professional charges	35.2	11,159,712	7,483,075
Postage and courier		142,636	45,539
Printing and stationery		596,706	450,349
Utilities expense		3,116,399	2,402,060
Security expenses	35.3	6,693,843	4,456,177
Conveyance and travelling		1,901,179	1,021,774
Auditors' remuneration	35.4	1,265,000	500,000
General administrative expense		3,700,735	2,594,323
IT expense		1,867,413	1,678,040
Insurance expense		47,970	82,795
Depreciation on operating fixed assets	7.1	7,012,535	5,470,951
Depreciation on right of use asset	7.3	3,590,110	4,259,923
Amortization expense	8	661,641	225,263
		<u>100,085,179</u>	<u>72,510,672</u>

- 35.1 This includes Rs. 3.19 million (2024: Rs. 2.37 million) in respect of staff retirement benefits - gratuity.
- 35.2 This includes consultancy fee paid to Syed Nadeem Hussain amounting to Rs. 6.60 million (2024: 6.00 million) as per his agreement with the Company.
- 35.3 This represents the amount paid to Chagai Security Services (Private) Limited against security services as per the agreement with the Company.

	Note	2025 Rupees	2024 Rupees
35.4 Auditors' remuneration			
Statutory audit fee		700,000	476,190
Interim review fee		400,000	-
Sales tax		55,000	23,810
Out of pocket		110,000	-
		<u>1,265,000</u>	<u>500,000</u>
36 FINANCE COST			
Markup on borrowings from banks		3,941,694	-
Markup on borrowings from associates		-	-
Finance cost on lease liabilities		6,775,244	6,199,706
Bank charges		56,076	235,617
		<u>10,773,014</u>	<u>6,435,323</u>
37 OTHER OPERATING			
Exchange loss - Net		-	109,398
Loss on disposal of PPE		90,613	-
Workers' Welfare Fund	27.1	1,727,545	724,889
		<u>1,818,158</u>	<u>834,287</u>
38 LEVY			
Minimum tax differential		-	727,322
38.1 Reconciliation:			
Current tax liability for the year as per the Ordinance		21,141,299	5,722,102
Portion of current tax liability as per tax laws, representing income tax under IAS 12		(21,141,299)	(4,994,780)
Portion of current tax computed as per tax laws, representing levy in terms of requirements of IFRIC 21/IAS 37		-	(727,322)
		<u>-</u>	<u>-</u>

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	Note	2025 Rupees	2024 Rupees
39 TAXATION			
Current year	26.1	21,141,299	5,311,004
Prior year adjustment		-	(316,224)
		21,141,299	4,994,780
Deferred tax - relating to origination of temporary differences	12	668,310	4,216,277
		<u>21,809,609</u>	<u>9,211,057</u>

39.1 Reconciliation between tax expenses and accounting profit

Accounting profit before taxation		<u>78,526,731</u>	<u>35,519,566</u>
Tax at applicable rate of 29% (2024: 29%)		22,772,752	10,300,674
Tax effect of deductions		3,650,743	(4,989,670)
		(1,362,349)	
Deferred taxation impact		668,309	4,216,277
ACT impact		(3,919,847)	
Prior year adjustment		-	(316,224)
		<u>21,809,608</u>	<u>9,211,057</u>

39.2 Comparison of tax provision against tax assessments

Years	Excess/ (Short)	Tax provision Rupees	Tax assessment/ tax return
2023-24	-	6,038,326	6,038,326
2022-23	316,224	611,295	295,071
2021-22	-	46,969	46,969

39.2.1 As at June 30, 2025, as per the treatments adopted in tax returns filed that are based on the applicable tax laws and decisions of appellate authorities on similar matters, the provision in accounts for income tax is sufficient as there are strong grounds that the said treatments are likely to be accepted by the tax authorities.

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40 REMUNERATION OF CHIEF EXECUTIVE, DIRECTORS AND EXECUTIVES

The aggregate amounts charged in the financial statements for remunerations, including all benefits to Chief Executive, directors and Executives of the Company were as follows:

	2025			
	Chief Executive	Directors	Executives	Total
	Rupees			
Managerial remuneration	4,980,936	11,280,650	3,794,175	8,775,111
House rent allowance	1,067,343	1,024,425	813,039	1,880,382
Utilities allowance	355,782	341,475	271,014	626,796
Medical allowance	711,564	682,950	542,025	1,253,589
	<u>7,115,625</u>	<u>13,329,500</u>	<u>5,420,253</u>	<u>12,535,878</u>
Number of persons	<u>1</u>	<u>3</u>	<u>2</u>	<u>3</u>
	2024			
	Chief Executive	Directors	Executives	Total
	Rupees			
Managerial remuneration	4,357,500	9,990,000	3,180,800	7,538,300
House rent allowance	933,750	855,000	681,600	1,615,350
Utilities allowance	622,500	570,000	454,400	1,076,900
Medical allowance	311,250	285,000	227,200	538,450
	<u>6,225,000</u>	<u>11,700,000</u>	<u>4,544,000</u>	<u>10,769,000</u>
Number of persons	<u>1</u>	<u>3</u>	<u>2</u>	<u>3</u>

40.1 The number of directors at reporting date is 3 (2024: 3), excluding the Chief Executive. The directors have not been paid any meeting fee during the year.

40.2 Executives are employees, other than directors, drawing a basic monthly salary exceeding Rs. 100,000.

	2025 Number	2024 Number
41 NUMBER OF EMPLOYEES		
Number of employees as at June 30	<u>49</u>	<u>39</u>
Average employees during the year	<u>45</u>	<u>33</u>

42 **RECONCILIATION OF MOVEMENT OF LIABILITY AND ADVANCE AGAINST ISSUE OF SHARES TO CASH FLOWS ARISING FROM FINANCING ACTIVITIES**

	2025			
	Advance against issue of shares	Lease liabilities	Short term borrowings	Total
Balance as at July 01, 2024	488,799,600	32,690,365	-	521,489,965
Changes from financing cash flows				
Advance received against issue of shares	59,017,711	-	-	59,017,711
Short term borrowings	-	-	43,750,000	43,750,000
Repayment of lease liabilities	-	(6,475,549)	-	(6,475,549)
Total changes from financing activities	59,017,711	(6,475,549)	43,750,000	96,292,162
Other changes				
Lease obtained	-	-	-	-
Interest expense for the year	-	6,775,244	-	6,775,244
As at June 30, 2025	<u>547,817,311</u>	<u>26,214,816</u>	<u>43,750,000</u>	<u>617,782,127</u>

	2024			
	Advance against issue of shares	Lease liabilities	Short term borrowings	Total
Balance as at July 01, 2023	-	-	-	-
Changes from financing cash flows				
Proceeds against issue of shares	488,799,600	-	-	488,799,600
Repayment of lease liabilities	-	(5,644,723)	-	(5,644,723)
Total changes from financing activities	488,799,600	(5,644,723)	-	483,154,877
Other changes				
Lease obtained	-	32,135,382	-	32,135,382
Interest expense for the year	-	6,199,706	-	6,199,706
As at June 30, 2024	<u>488,799,600</u>	<u>32,690,365</u>	<u>-</u>	<u>521,489,965</u>

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43 TRANSACTIONS AND BALANCES WITH RELATED PARTIES

The related parties comprise of parent company, associated companies and directors of the Company. Significant transactions and balances with related parties, other than those disclosed elsewhere in these financial statements are as follows:

Name of parties	Nature of relationship	Nature of transactions	Note	2025		2024	
				Transactions during the year	Closing balance	Transactions during the year	Closing balance
Rupees							
GoldFin PTE. Ltd.	Parent	Advance against issue of shares	21	-	447,084,701	-	419,232,240
		Funds received		27,852,461	-	419,232,240	-
		Receivable balance	14	-	8,654,577	-	6,793,493
		Expenses paid by the company		1,861,084	-	1,211,813	-
		Exchange loss		-	-	109,398	-
		Markup receivable	16	-	2,238,894	-	1,281,698
		Markup charged on advances given		957,196	-	1,281,698	-
Directors	Key management personnel	Advance against issue of shares	21	-	72,870,370	-	41,705,120
		Remuneration		4,680,650	-	3,990,000	-
Planet N (Private) Limited	Associate	Advance against issue of shares	21	-	27,862,240	-	27,862,240
		Funds received		27,862,240	-	27,862,240	-
Syed Nadeem Hussain	Nominee director	Fee for advisory services		6,600,000	-	6,000,000	-

43.1 The details of compensation paid to key management personnel are shown under the heading of "Remuneration of Chief Executive, Directors and Executive (Note 40)". There are no transactions with key management personnel other than under their terms of employment except otherwise stated.

43.2 Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the entity. The Company considers all members of its management team, including the Chief Executive Officer and the Directors to be key management personnel.

44 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's financial liabilities include creditors, liabilities against assets subject to finance lease, accrued and other liabilities. The major portion of these financial liabilities include liabilities against assets subject to finance lease. The Company's financial assets include long term deposits, advances - net of provisions, advances, prepayments and other receivables, short term investment, markup receivables, and cash and bank balances.

The Company may be exposed to credit risk, liquidity risk, and market risk. The Company's senior management oversees the risk profile and is supported by the finance department that advises on financial risks and the appropriate financial risk governance framework for the Company. This department also provides assurance to the Company's senior management that the Company's financial risk-taking activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with Company's policies and risk appetite. The Board of Directors reviews and approves policies for managing each of these risks which are summarized below:

44.1 Credit risk

Credit Risk is the risk of financial loss to the Company if a borrower to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from borrowers. The Company's exposure to credit risk is influenced mainly by the individual characteristics of each borrower. The Company manages the customers with due emphasis on customers centricity and transparency, while controlling the credit risk by the following methods:

- Effective verification of customers demographics
- Cash flow based assessment to determine the credit worthiness of borrowers
- Effective credit history of the borrowers
- Retaining an appropriate loan to value ratio of the Gold Collateral
- Monitoring of debt on a continuous basis
- Proper follow up

44.1.1 Exposure to credit risk

The management of the Company believes that it is not exposed to major concentration of credit risk. The carrying amount of financial assets represents the maximum credit exposure before any credit enhancements. The maximum exposure to credit risk at the reporting date is as follows:

	2025 Rupees	2024 Rupees
Advances - Net of provisions	711,921,408	428,790,000
Bank balances	55,248,522	110,562,201
Short term investments	13,825,341	101,216,795
Long term deposits	930,000	880,000
Markup receivable	79,454,916	39,335,739
Advances and other receivables	16,153,430	9,477,699
	<u>877,533,617</u>	<u>690,262,434</u>

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44.1.2 The loss allowances for the loan portfolio as of June 30, 2025, reconcile with the opening loss allowances, which are Nil (2024: Nil).

44.1.3 Bank balances

The credit quality of Company's bank balances can be assessed with reference to external credit ratings as follows:

2025	Short Term	Long Term	Rating Agency	Rupees
Bank Alfalah Limited	A1+	AAA	PACRA	1,727,683
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	861,946
Telenor Microfinance Bank Limited	A1	A	PACRA	522,191
United Bank Limited	A1+	AAA	JCR-VIS	39,439,104
NRSP Microfinance Bank Limited	A2	A-	PACRA	7,177,671
U Microfinance Bank Limited	A1	A+	PACRA	5,519,927
				<u>55,248,522</u>

2024	Short Term	Long Term	Rating Agency	Rupees
Bank Alfalah Limited	A1+	AA+	PACRA	2,953,240
Habib Metropolitan Bank Limited	A1+	AA+	PACRA	15,651,930
Telenor Microfinance Bank Limited	A1	A	PACRA	8,771,415
United Bank Limited	A1+	AAA	JCR-VIS	64,851,687
NRSP Microfinance Bank Limited	A2	A-	PACRA	12,157,996
U Microfinance Bank Limited	A1	A+	PACRA	6,175,933
				<u>110,562,201</u>

44.1.4 Short term investments

The credit quality of Company's short term investments can be assessed with reference to external credit ratings as follows:

2025	Short Term	Long Term	Rating Agency	Rupees
National Rural Support Programme	-	AA-	PACRA	<u>13,825,341</u>

2024	Short Term	Long Term	Rating Agency	Rupees
U Microfinance Bank Limited	-	AA-	PACRA	30,793,973
Bank Alfalah Limited	-	AA+	PACRA	20,113,918
National Rural Support Programme	-	A-	PACRA	50,308,904
				<u>101,216,795</u>

44.2 Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting obligations associated with financial liabilities, that are settled by delivering cash or other financial asset, or that such obligation will have to be settled in a manner unfavorable to Company. The Company's approach to managing liquidity is to ensure, as far as possible that it will always have sufficient liquidity to meet its liabilities when due, under both normal and stressed conditions. The Company finances its operations through equity, borrowings and working capital with a view to maintaining an appropriate mix between various sources of finance to minimize risk. The management aims to maintain flexibility in funding by keeping regular committed credit limits.

The following are the contractual maturities of financial liabilities:

2025					
	Carrying amount	Contractual cash flow	Less than one year	Between one and five years	More than five years
Rupees					
Trade and other payables	9,768,095	9,768,095	9,768,095	-	-
Short term borrowings	43,750,000	43,750,000	43,750,000	-	-
Markup payable	1,757,201	3,787,502	3,787,502	-	-
Lease liabilities	32,990,060	70,654,066	7,019,372	34,676,413	28,958,281
	<u>88,265,356</u>	<u>127,959,663</u>	<u>64,324,969</u>	<u>34,676,413</u>	<u>28,958,281</u>
2024					
	Carrying amount	Contractual cash flow	Less than one year	Between one and five years	More than five years
Rupees					
Trade and other payables	5,248,272	5,248,272	5,248,272	-	-
Markup payable	-	-	-	-	-
Lease liabilities	32,690,365	77,118,620	6,464,554	31,919,777	38,734,289
	<u>37,938,637</u>	<u>82,366,892</u>	<u>11,712,826</u>	<u>31,919,777</u>	<u>38,734,289</u>

44.3 Market risk

(a) Foreign exchange risk

Foreign exchange risk is the risk that the fair value or future cash flows of financial instrument will fluctuate because of changes in foreign exchange rates.

The Company has outstanding receivables from its Parent Company, GoldFin PTE. LTD. and is exposed to foreign exchange risk arising from the currency rate fluctuation, primarily with respect to the USD. The Company's exposure to currency risk is as follows:

	2025 USD	2024 USD
Receivable from Parent Company		
GoldFin PTE. LTD	<u>33,832</u>	<u>24,407</u>

The following exchange rates were applied during the year:

	Average rate for the year		Reporting date rate	
	2025	2024	2025	2024
USD to PKR	296.50	282.95	284.10	278.80

Foreign Currency Sensitivity analysis

At June 30, 2025, if the rupee has weakened/strengthened by 5% against the US dollar with all other variable held constant, profit for the year would have been Rs. 0.481 million (2024: Rs. 0.340 million) lower/higher mainly as result of foreign exchange losses/gains on transaction of US dollar-denominated financial assets and liabilities.

(b) Interest rate risk

Interest rate risk is the risk that the value of financial instrument will fluctuate due to changes in market interest rates. Significant interest rate risk exposures are primarily managed by a mix of borrowing at fixed and variable interest rates. At the reporting date the interest rate profile of the Company's significant interest bearing financial instruments was as follows:

	Interest rate (%)	Note	2025 Rupees	2024 Rupees
Assets				
Advances - Net of provisions	26-27	13	711,921,408	428,790,000
Short term investments	15 to 21	15	13,825,341	101,216,795
Saving accounts	9 to 11	18	<u>52,136,702</u>	<u>83,185,616</u>
			<u>777,883,451</u>	<u>613,192,411</u>
Liabilities				
Short term borrowings	16	25	43,750,000	-
Lease liabilities	23.02 to 23.19	23	<u>32,990,060</u>	<u>32,690,365</u>
			<u>76,740,060</u>	<u>32,690,365</u>

Fairvalue Sensitivity analysis for fixed rate instruments

The Company does not account for any fixed rate financial assets and liabilities at fair value through profit or loss. Therefore, a change in interest rate at the date of statement of financial position would not affect the profit or loss of the Company.

Interest rate sensitivity analysis for instruments

	Increase / decrease in rate	Effect on (deficit) / surplus (Rupees)
Financial Assets	%	
2025	1%	7,778,835
	-1%	(7,778,835)
2024	1%	6,131,924
	-1%	(6,131,924)
Financial Liabilities		
2025	1%	(767,401)
	-1%	767,401
2024	1%	(326,904)
	-1%	326,904

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(c) **Other price risk**

Other price risk represents the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market prices (other than those arising from interest rate risk or currency risk), whether those changes are caused by factors specific to the individual financial instrument or its issuer, or factors affecting all similar financial instruments traded in the market. The Company is not exposed to equity price risk as it does not have any exposure in equity securities.

44.4 Operational risk management

The Company is closely monitoring the situation and has invoked required actions to ensure the safety and security of the company staff and uninterrupted services to customers. Business Continuity Plans (BCP) for respective areas are in place and tested. The Company has significantly enhanced monitoring of cyber security risk during these times. Remote work capabilities were enabled for staff, where required, and related risk and control measures were assessed to ensure the Company's information assets are protected from emerging cyber threats and comply with regulatory protocols required under the circumstances. The Company is communicating with its customers on how they can connect with company through its full suits of channel including digital and online channels as well as enhancing customer's awareness pertaining to online fraud risk. The Company has taken all measures to ensure that services levels are maintained, customer complaints are resolved and turn around times are monitored and the company continues to meet the expectations of its employees and customers.

44.5 Liquidity risk management

In view of the relaxation granted by SECP for deferral of principal and rescheduling of loans there will be an impact on the maturity profile of the Company. The management of the Company is continuously monitoring the liquidity position and the Company is confident that the liquidity buffer currently maintained is sufficient to cater to any adverse movement in the cash flow maturity profile.

44.6 Equity risk management

The Company doesn't have any investment in shares, accordingly the Company is not exposed to equity risk.

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45 FINANCIAL INSTRUMENTS BY CATEGORY

The carrying values of all financial assets and liabilities reflected in the financial statements approximate their fair values. Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e. an exit price) regardless of whether that price is directly observable or estimated using another valuation technique.

Underlying the definition of fair value is the presumption that the Company is a going concern and there is no intention or requirement to curtail materially the scale of its operations or to undertake a transaction on adverse terms.

A financial instrument is regarded as quoted in an active market if quoted price is readily and regularly available from an exchange dealer, broker, industry group, pricing service, or regulatory agency, and that price represents actual and regularly occurring market transactions on an arm's length basis.

IFRS 13 'Fair Value Measurement' requires the Company to classify fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities that entity can access at measurement date (Level 1)
- Inputs other than quoted prices included within level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices) (level 2)
- Inputs for the asset or liability that are not based on observable market data (i.e. unobservable) inputs (Level 3)

Transfer between levels of the fair value hierarchy are recognized at the end of the reporting period during which the changes have occurred.

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

	Carrying amount	Total	Fair value			
			Level 1	Level 2	Level 3	Total
As at June 30, 2025						
Financial assets at amortized cost						
Advances - Net of provisions	13	711,921,408	711,921,408	-	-	-
Cash and bank balances	18	55,253,911	55,253,911	-	-	-
Short term investments	15	13,825,341	13,825,341	-	-	-
Long term deposits	10	930,000	930,000	-	-	-
Markup receivable	16	79,454,916	79,454,916	-	-	-
Advances and other receivables	14	16,153,430	16,153,430	-	-	-
		877,539,006	877,539,006	-	-	-
Financial liabilities at amortized cost						
Short term borrowings		43,750,000.00	43,750,000	-	-	-
Markup payable on borrowings		1,757,201.00	1,757,201	-	-	-
Trade and other payables	27	9,768,095	9,768,095	-	-	-
Lease liabilities	23	32,990,060	32,990,060	-	-	-
		42,758,155	42,758,155	-	-	-

		Carrying amount	Total	Fair value			
				Level 1	Level 2	Level 3	Total
				Rupees			
As at June 30, 2024							
Financial assets at amortized cost							
Advances - Net of provisions	13	428,790,000	428,790,000	-	-	-	-
Cash and bank balances	18	110,562,201	110,562,201	-	-	-	-
Short term investments	15	101,216,795	101,216,795	-	-	-	-
Long term deposits	10	880,000	880,000	-	-	-	-
Markup receivable	16	39,335,739	39,335,739	-	-	-	-
Advances and other receivables	14	9,477,699	9,477,699	-	-	-	-
		<u>690,262,434</u>	<u>690,262,434</u>	-	-	-	-
Financial liabilities at amortized cost							
Short term borrowings		-	-	-	-	-	-
Markup payable on borrowings		-	-	-	-	-	-
Trade and other payables	27	5,248,272	5,248,272	-	-	-	-
Lease liabilities	23	32,690,365	32,690,365	-	-	-	-
		<u>37,938,637</u>	<u>37,938,637</u>	-	-	-	-

45.1 There are no financial instruments classified as fair value through other comprehensive income (FVOCI) or fair value through profit or loss (FVPL).

45.2 Due to the Company's long standing business relationships with these counterparties and after giving due consideration to their strong financial standing, management does not expect non performance by these counter parties on their obligations to the Company. Accordingly, the credit risk is minimal.

45.3 Offsetting financial assets and financial liabilities

There is no significant financial assets and financial liabilities that are subject to offsetting, enforceable master netting arrangement and similar agreements.

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46 CAPITAL MANAGEMENT

The Board's policy is to maintain an efficient capital base so as to maintain investor / stakeholders, creditor and market confidence and to sustain the future development of its business. The Company's objectives when managing fund are to safeguard the Company's ability to continue as a going concern in order to provide services for the general public. The Company manages its fund structures and makes adjustments to it, in the light of changes in economic conditions. There were no changes to Company's approach to fund management during the period.

The Company's objectives when managing capital are:

- (i) to safeguard the entity's ability to continue as a going concern, so that it can continue to provide returns for shareholders and benefits for other stakeholders, and
- (ii) to provide an adequate return to shareholders.

The Company manages the capital structure in the context of economic conditions and the risk characteristics of the underlying assets.

Neither there were any changes in the Company's approach to capital management during the year nor the Company is subject to externally imposed capital requirements. The Company is subject to externally imposed capital requirements and the Company has met the requirements.

	2025 Rupees	2024 Rupees
The proportion of debt to equity at the year end was:		
Borrowings	43,750,000	-
Lease liabilities	32,990,060	32,690,365
Less: Cash and bank balances	(55,253,911)	(110,575,841)
Net debt	21,486,149	(77,885,476)
Total equity	839,108,997	723,374,164
Total capital employed	<u>860,595,146</u>	<u>645,488,688</u>
Gearing ratio	<u>9:91</u>	<u>5:95</u>

47 RISK MANAGEMENT FRAMEWORK

The Board of Directors has overall responsibility for establishment and over sight of the Company's risk management framework. The executive management team is responsible for developing and monitoring the Company's risk management policies. The team regularly meets and any changes and compliance issues are reported to the Board of Directors through management. The management oversees compliance with the Company's risk management policies and procedures, and reviews the adequacy of the risk management framework in relation to the risks faced by the Company.

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48 STATUTORY MINIMUM CAPITAL REQUIREMENT AND MANAGEMENT OF CAPITAL

Capital requirements applicable to the Company are set and regulated by the Securities and Exchange Commission of Pakistan ("SECP"). These requirements are put in place to ensure sufficient solvency margins. The Company manages its capital requirements by assessing its capital structure against the required level on a regular basis at the reporting date, the minimum equity requirement as per the NBFC Regulations for the non deposit taking NBFC is Rs. 100 million. As at June 30, 2025, the Company's total equity is Rs. 291.398 million.

The Company manages its capital structure and makes adjustments to it in light of the changes in regulatory and economic conditions. In order to maintain or adjust the capital structure, the Company may adjust the return on capital to shareholders or issue new shares.

49 CORRESPONDING FIGURES

Corresponding figures where necessary, have been rearranged for the purpose of comparison. However, no significant rearrangement or reclassification has been made during the year ended June 30, 2025.

50 SUBSEQUENT EVENTS

No significant events have occurred subsequent to June 30, 2025 other than those mentioned elsewhere in the financial statements.

51 DATE OF AUTHORIZATION FOR ISSUE

These financial statements was authorized for issue on 25 NOV 2025 by the Board of Directors of the Company.

52 GENERAL

Figures have been rounded off to the nearest rupee unless otherwise stated.

Tariq Mehmood

CHIEF EXECUTIVE

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DIRECTOR