TISL Tasdeeq Information Services Limited

PSX · FINANCIAL INFORMATION SERVICES / CREDIT BUREAU

With Tasdeeq back in profit after two loss-making years and heading into its IPO, is its licensed-bureau moat and improving track record the story worth watching as it comes to market?

THE STORY

As you know, we like to look past the headline of an IPO to the business underneath it, and Tasdeeq Information Services Limited gives us a fairly distinctive one. It primarily serves banks, NBFCs, leasing companies, microfinance institutions, and other regulated financial entities, and it also plans to expand into the business-to-consumer (B2C) segment by offering value-added credit services.

What stands out to us is the business model itself: Tasdeeq follows an asset-light approach and does not provide loans or manufacture products. Instead, it generates revenue by monetizing trusted credit data and analytical services, with demand closely linked to lending activity. We think of its model as comparable to global credit bureaus such as Experian and Equifax, which is a useful reference point for how this kind of business tends to behave through a credit cycle.

We also see a strong competitive position here. Tasdeeq is one of only two licensed credit bureaus in Pakistan, which creates an oligopolistic market with high regulatory barriers to entry. Supporting that position is a borrower database of approximately **41.5mn** records, backed by a broad institutional network. As you'd expect, this extensive dataset enhances the quality of its credit information and strengthens its competitive advantage.

On profitability, our reading is that the turnaround is encouraging but still young. Following losses in CY23 and CY24, Tasdeeq returned to profitability in CY25 and reported a net profit of **PKR 36mn** during 5MCY26. We would flag that the company's track record as a profitable business remains relatively limited, so we are watching for continuity here rather than treating one good stretch as the full picture.

On the IPO itself, the offer size is **150mn** ordinary shares, with a price range of **PKR 1.90** (Floor Price) to **PKR 3.00** (Strike Price). The Book Building Period runs **August 5-6, 2026**, and the Public Subscription Period runs **August 11-12, 2026**. We are sharing these terms as part of the fundamental picture, not as an instruction on how to act on them.

THE NUMBERS

Net profit, 5MCY26
PKR 36mn
following losses in CY23 and CY24, and a return to profit in CY25

Borrower database
~41.5mn records
supported by a broad institutional network

Offer size
150mn ordinary shares

Price range
PKR 1.90 (Floor Price) to PKR 3.00 (Strike Price)

Book Building Period
August 5-6, 2026

Public Subscription Period
August 11-12, 2026

WHAT WE ARE WATCHING

- Whether Tasdeeq's profitability seen in CY25 and 5MCY26 proves durable given its still-limited track record as a profitable business.
- Progress on the planned expansion into the business-to-consumer (B2C) segment and value-added credit services.
- How closely revenue continues to track lending activity across banks, NBFCs, leasing companies and microfinance institutions.
- Any changes to the regulatory landscape given the company's position as one of only two licensed credit bureaus in Pakistan.

GENERAL CONCEPT · EDUCATION, NOT A VIEW ON THIS STOCK

Asset-light business model

An asset-light business is one that generates revenue without needing to own significant physical assets, inventory, or extend its own credit. Instead of manufacturing a product or lending money directly, it monetizes information, expertise, or a service that others rely on. This tends to reduce capital intensity and can support higher margins, but it also means the business's fortunes are closely tied to the health and activity levels of the broader industry it serves.

GENERAL CONCEPT · EDUCATION, NOT A VIEW ON THIS STOCK

Licensed bureau / oligopoly moat

A market with only a small number of licensed participants, protected by regulatory approval requirements, is described as an oligopoly. When a business holds one of a limited number of licenses needed to operate in a given activity, new entrants generally cannot compete away that position easily. This regulatory barrier to entry can be a durable source of competitive advantage, though it also means the business's growth is often linked to the health of the regulated sector it depends on.