

Establishing IT Offshoring Hub

Investment pitchbook

September 2025



Disclaimer

This pitchbook has been prepared for informational purposes only and should not be considered as an offer, solicitation, or recommendation to invest in any securities, projects, or financial instruments. The information contained herein is based on sources believed to be reliable; however, the party providing the information (nor its officers, directors, employees, affiliates, advisors or consultants) make any representations or warranties, express or implied, as to the accuracy, completeness, or reliability of the information provided.

This document is not intended to constitute investment, financial, legal, or tax advice. Any prospective investor should conduct their own due diligence and seek independent professional advice before making any investment decisions. Neither the party providing the information nor its officers, directors, employees, affiliates, consultants or advisors, accept any liability for any direct, indirect, or consequential loss arising from the use of this information.

This pitchbook may contain forward-looking statements, including projections, estimates, and expectations about future performance. These statements are based on current assumptions and are subject to risks, uncertainties, and changes that could cause actual results to differ materially. Neither the party providing the information, nor its officers, directors, employees, affiliates, consultants, or advisors, assume any obligation to update or revise these statements in light of future events.

Neither the party providing the information, nor any of their respective officers, directors, employees, affiliates, consultants or advisors shall be held liable for any reliance by any third party on the information provided. The recipient assumes full responsibility for any investment or business decisions made based on this pitchbook

Executive Summary

Attractive Investment Destination

- **Pakistan** is emerging as a **regional powerhouse**, with a **reformed economy** (inflation stabilized at the lowest level in the past 50 years and GDP expected to cross USD 3.3T by 2050) and **vibrant talent** (7th largest global workforce, with 64% of the workforce under 30, 3rd largest English-speaking population in the world, 70k annual IT university graduates)
- The country's geographic position allows it to **serve clients effectively across timezones**, from Australia to the US
- Investors can count on a **strong IT ecosystem**, with more than 1,600 local and international players in the Pakistan IT industry association (P@SHA) **and attractive incentives**, including tax holidays and profit repatriation




Local and Global Market Reach

- **Businesses around the world** are aiming to improve **operational efficiency** and are increasingly turning to **offshore destinations for cost-efficient services**; Pakistan-based IT providers are therefore well-positioned to cater to the **USD 550B global IT services market**
- At the same time, **Pakistan's surging digital demand** opens an **attractive local market** for potential investors, estimated at **USD 2.2B in 2024** and expected to grow at 8% p.a. (double the global rate)

Cost Arbitrage

- Industry surveys and reports suggest that **Pakistan IT professionals** are **20 to 40% less expensive** compared to **regional IT hubs** such as India or Philippines, with similar levels of productivity and lower office rent
- While a shortage of IT professionals is observed around the world, Pakistani IT professionals are **building skillsets according to latest industry trends**, with a **wide range of potential applications**: from traditional coding, to cloud, data analysis, project management, and AI, among others
- Companies can therefore establish a Pakistan office as a hub for offshore and local delivery of IT services, with the ability **scale their operations** up and down seamlessly
- Setting up a **mid-size IT team** (500 people) would cost c.a. **\$6M in Pakistan**, inclusive of rent and utilities, vs. **\$11M in India**, and **>\$50M in China, Saudi Arabia or UAE**

Pakistan: Your IT Hub

Pakistan Value Proposition						
Reformed Economy 	USD 3.3Tn¹ Expected GDP in 2050 (from USD >410Bn ² today)	B- Improved Credit Rating ³ from CCC-	Top 10 In Business Entry Regulations ranking ⁵	Stabilized Inflation At lowest levels since 1968 ⁶	Stabilized Currency Achieved since 2023 in coordination with IMF	Special Economic Zones (SEZs) Robust fiscal and trade incentive packages ⁷
Vibrant Demographics and Talent 	255 million Large and growing population ⁸	64% Population younger than 30 ⁸	7th largest Global workforce ⁹	2 million University students enrolled every year ¹⁰	3rd largest English speaking population in the world ⁹	
Emerging IT Ecosystem¹¹ 	USD 5Bn¹¹ Expected IT services exports in 2025	>140 Mn Internet users	4G/ 5G Deployment in the next five years	8% Growth In local IT services market (2024-2028)	>70,000 IT graduates annually from Pakistani Universities ^{10,11}	Tax incentives In SEZs & growth targeted gov. policy

1. Goldman Sachs; 2. National Accounts Committee; 3 Fitch Ratings; 4. Bloomberg, 84% in PKR; 5. World Bank's B-READY assessment; 6. US (St Louis) Federal Reserve Bank; 7. Pakistan Government; 8. United Nations, SIFC; 9. CIA World Factbook; 10. Higher Education Commission; 11. P@SHA

Investors have an opportunity to establish Pakistan as a hub for offshore and local delivery of IT services

Opportunity overview and key highlights

Opportunity Description		Invest in an IT offshoring operation in Pakistan to cater the growing global demand, either through brownfield investment in existing IT offshoring operator or greenfield operation.
High-Level Opportunity Facts		Value Proposition
A	Project Details	
	<div>Scalable organization</div>	<div>Skilled and Large Workforce: Pakistan is currently the fourth largest freelance provider in the world</div>
	<div>Access to local demand</div>	<div>Surging Digital Demand: Global and local rapid digital transformation is driving robust demand for IT services</div>
B	Large and growing demand	Affordable IT Offshoring Location
C	Investment Model	Strong Government Backing: Robust policies and incentives enhance project viability.
D	Cost Efficiency	

Source: Kearney 2023 GSLI, expert input
1. Based on local reports / salary surveys in Pakistan (P@SHA), India and Philippines (see section D)



1. Based on local reports / salary survey in Pakistan (P@SHA), India & Philippines (see section D)
Source: P@SHA, Straits Research, Cushman & Wakefield 2024, Statista

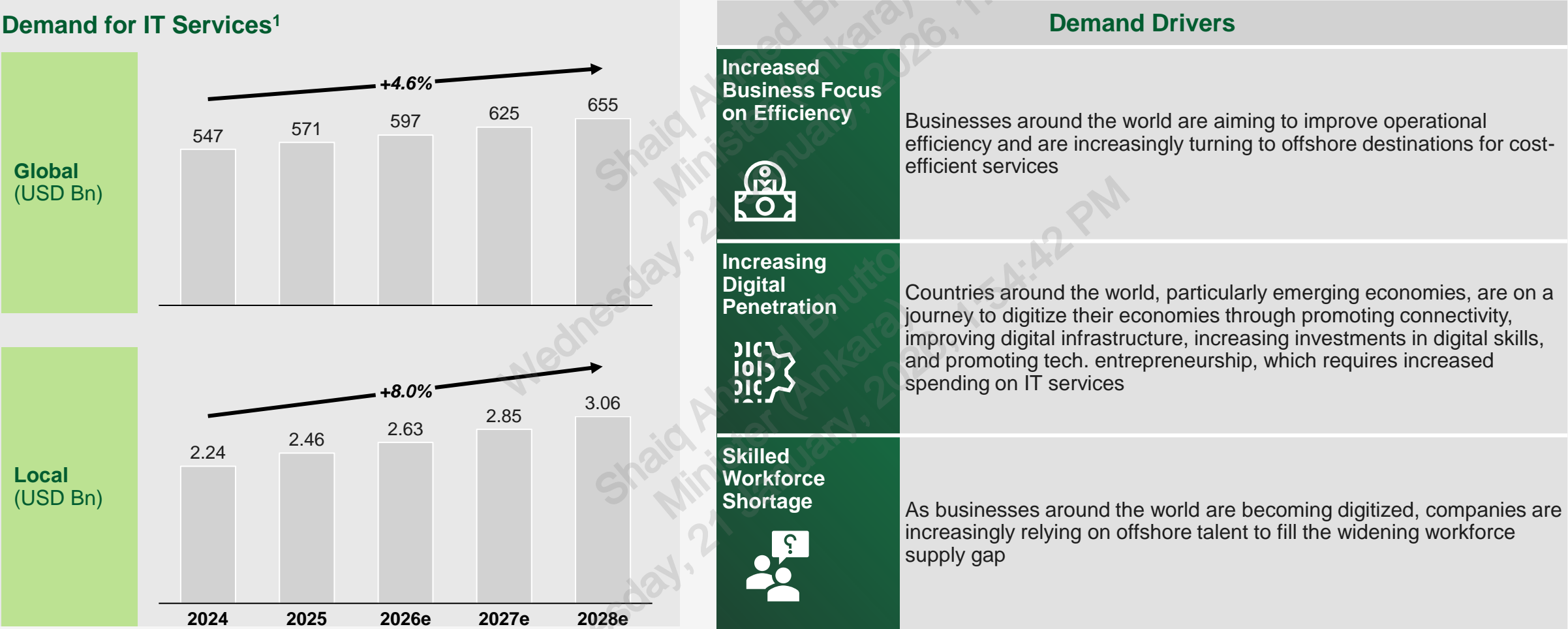
A. This opportunity is focused on catering to both local and offshore demand for IT services

Project details

Target Model		Select Services	
Establish an office to provide IT services to both local and foreign companies		Application Development	Involves designing, coding, testing, and deploying software applications tailored to business needs. Offshored teams often handle full-stack development, including web and mobile platforms, and can cover the entire DevOps lifecycle, from planning to continuous delivery
Offshoring	The relocation of existing IT-related business functions from another country to Pakistan, aimed at leveraging cost efficiencies, accessing a broader talent pool, and improving scalability for global operations	IT Operations	Refers to the ongoing management, maintenance, and optimization of the infrastructure, applications, and services that support software delivery
Local Demand Servicing	The domestic capture of demand for IT services and solutions within Pakistan, including sectors such as technology, government, banking, telecom, and retail, which rely on local providers for digital transformation and software development	IT Support & Maintenance	Includes providing technical support to end users and maintaining IT systems post-deployment. Typical services involve help desks, troubleshooting, software updates, and bug fixes, ensuring systems run smoothly and efficiently
		IT Managed Services & Manpower	Refers to outsourcing entire IT functions or specialized staff, such as system administrators, network engineers, or cybersecurity experts, on a long-term basis. These managed services help companies scale their tech capacity without hiring full-time in-house teams

B. The opportunity aims to leverage the growing local and global demand for IT services

Data center demand tailwinds



C. Investors will be supported by public and private parties in a robust IT ecosystem



Ministry of Information Technology and Telecommunication (MoITT)

- Responsible for policy planning and implementation oversight of Pakistan's ICT sector
- Mandate spans digital infrastructure, software and hardware industry development, broadband expansion, digital governance and cyber regulation



Special Investment Facilitation Council (SIFC)

- Facilitates and fast-tracks foreign and domestic investments
- Provides a streamlined, one-window operation for investor support and coordination across government entities

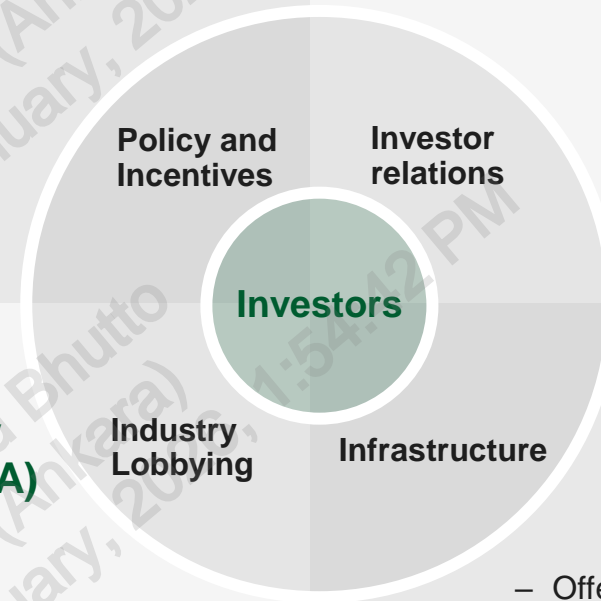


Pakistan IT Industry Association (P@SHA)

- Represents IT sector interests
- Focuses on working with the government to develop favorable policies and initiatives to attract IT companies to Pakistan

Special Economic Zones

- Offer fiscal and trade benefits
- Ensure robust infrastructure (e.g., electricity stability)



C. Investors will benefit from the Government support to create an attractive business and regulatory environment

Key opportunity enablers and incentives

Ease of Doing Business

- Ongoing review and simplification / deregulation across sectors
- One-stop licensing and digital registration
- Government intermediation with public entities



Demand Attractiveness

- Work with government to be included in preferred vendor list for government entities



Tax & Fiscal Incentives

- Income tax exemptions for 10 years
- Zero income tax on IT services exports
- 100% foreign ownership of IT services companies
- 100% repatriation of profits for foreign IT services investors



Infrastructure Incentives

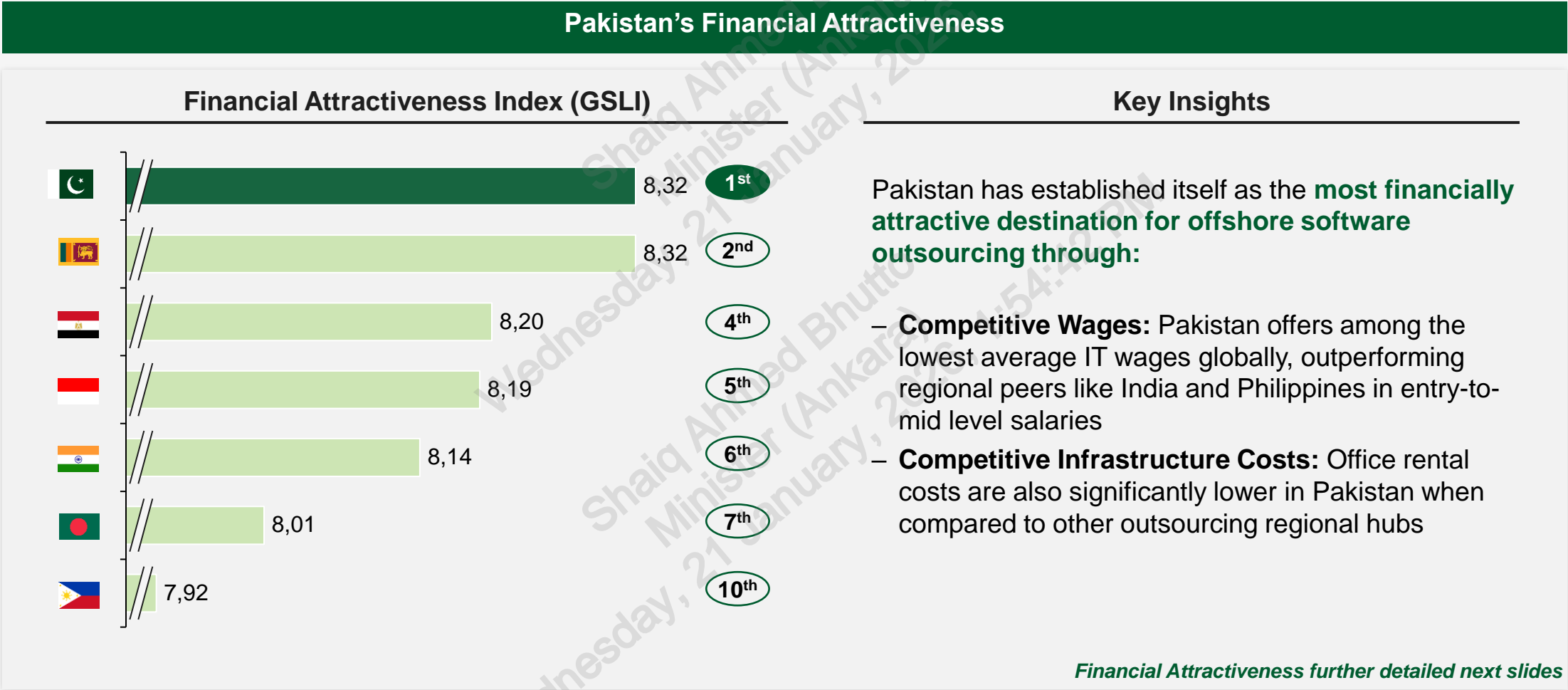
- Special Economic Zones
- Guaranteed electricity and internet stability
- Subsidized office lease rates



Special Economic Zones (SEZs) Incentives








Source: SIFC, P3A, other Pakistan Government entities

D. Pakistan offers significant financial attractiveness in terms of wages and infrastructure, and a large, skilled IT workforce



D. Compared to other IT offshoring hubs, Pakistan stands as the most financially attractive destination for offshore software outsourcing, highlighting the country’s cost efficiency

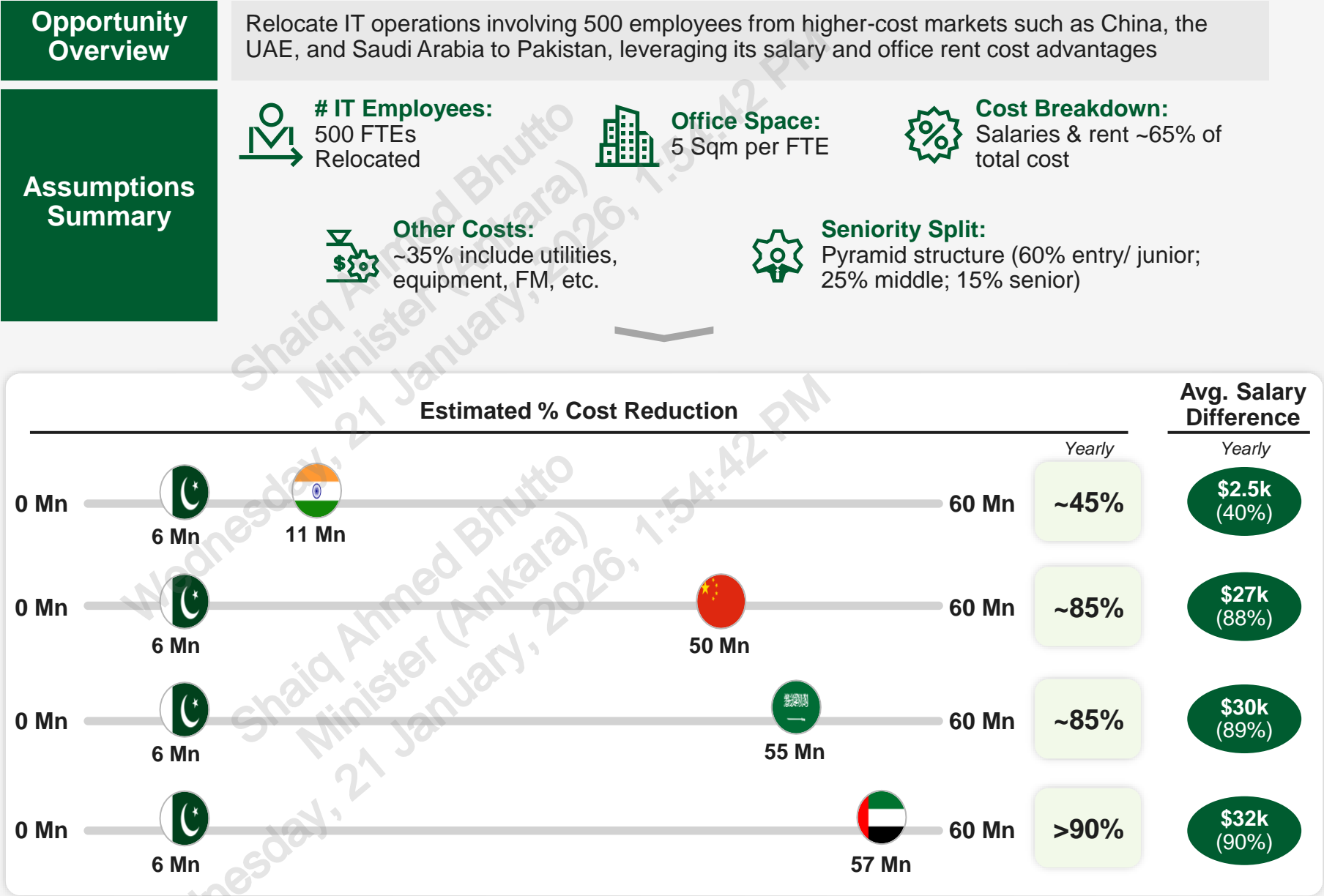
Average Yearly Salaries for IT Professionals and Office Rents (USD)
(Figures provided are estimations based on available information)

Seniority Level	Pakistan ¹ 	India ² 	Philippines ² 	Poland ² 	China ² 	KSA ² 	UAE ² 
Entry Level (0-1 years)	~3,300	~6,200	~6,000	~36,000	~45,000	~51,000	~55,000
Junior Level (1-3 years)	~5,300	~9,000	~8,000	~40,000	~55,000	~65,000	~52,000
Middle Level (3-6 years)	~9,300	~14,500	~11,000	~45,000	~78,000	~85,000	~90,000
Senior Level (6+ years)	~16,700	~30,000	~14,200	~55,000	~90,000	~93,000	~110,000
Annual Office Rent ³	~350,000	~460,000	~590,000	~860,000	~1,100,000	~1,200,000	~1,600,000

Across all seniority levels, Pakistan stands as the most cost-effective IT offshoring hub, and also offers the lowest annual office rental costs

1. Based on P@SHA’s Salary Benchmarking 2023-2024; 2. For India, Philippines, Poland, China, UAE, and KSA salaries were reported for Entry, Middle, and Senior Level; Junior level salaries were estimated; 3. Assumes 500 FTEs requiring a 5 sqm / FTE office space as per best practice guidelines
Source: P@SHA Salary Benchmarks 2023-2024, upGrad, desktop research










D. Business Case:
Relocating IT
operations to
Pakistan can
reduce annual
costs significantly
while also
enabling future
domestic market
access



In addition to cost savings, presence in Pakistan could potentially unlock revenue upside by serving its large, fast-growing domestic market

Support mechanisms are in place to support the mitigation of potential risks impacting the investment case

Key investment risks and mitigation measures

Risk type 	Description 	Degree of Risk 	Investor Mitigation Actions 	Public Sector Support 
Demand/ Revenue 	Risk of not achieving projected revenues or sales targets due to lower demand or competitive pressure	Medium – Presence of multiple companies in Pakistan offering similar IT services, leading to lower sales or intense price competition	Focus on providing differentiated IT solutions (e.g., AI, IoT) and on securing contracts early on with local and multinational companies	Support demand through the provision of potential government contracts
Macroeconomic Conditions 	Risk of inflation or currency depreciation affecting profitability	Medium – Recent stable track record of currency and inflation (at lowest levels since 1968 ¹)	Arrange local currency financing for the project and enforce USD-indexed pricing for major long-term contracts	Facilitate access to local currency loans
Unreliable Internet Connectivity and Costly Electricity 	Unreliable internet connectivity and elevated electricity tariffs affecting investment profitability	Low – Government is developing dedicated zones with stable and reliable internet connectivity – Electricity prices in Pakistan are above regional ones; however, SEZs provide special tariffs	Establish IT hub in one of Pakistan's SEZ to ensure reliable and cost-effective digital connectivity and electricity	Ensure continuity of SEZ's more cost-effective tariffs structure
Regulatory / Legal 	Risk of sudden policy changes impacting contract or taxes	Low – Recent regulatory clarity and ease of doing business reforms suggesting commitment to private sector partnerships	Include independent jurisdiction (e.g., UK) in contract; include robust stabilization and early termination clauses in concession contract	Offer legal protections and enable international arbitration where applicable

Connect with SIFC
to learn more



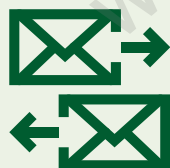
Website

<https://sifc.gov.pk/>



SIFC E-Service Gate

<https://ticketinghub.sifc.gov.pk/>



Email

invest@sifc.gov.pk

Stay connected



APPENDIX

Shaig Ahmed Bhutto
Minister (Ankara)
Wednesday, 21 January, 2026, 1:54:42 PM

Shaig Ahmed Bhutto
Minister (Ankara)
Wednesday, 21 January, 2026, 1:54:42 PM

A. Pakistan counts with key skills in IT operations, and international firms are leveraging Pakistan to provide IT services

- **1,600 members** of P@SHA
- **USD 5Bn** expected IT exports in 2025

Top 25 Tech Stacks in Pakistan

Javascript Fullstack (MEAN/MERN)	UI / UX (Indesign, Captivate, Adobe Photoshop)
.Net Fullstack (JavaScript/Angular/React)	C, C++
C# .NET	Data Analyst Tools (Power BI, Tableau, Splunk, Qlik)
Python (Native, Django)	Java
AWS Developer Certifications	Flutter (Hybrid)
Relational Database (Oracle, MS SQL, MySQL, DB2, Postgres)	OpenAI
PHP Fullstack (JavaScript/Angular/React)	ISTQB
Java Full stack (JavaScript/Angular/React)	Salesforce
Project Management Software (Asana, Trello, Jira)	Microsoft Dynamics 365
React Native (Hybrid)	Non-relational Databases (MongoDB, Cassandra)
Game Development (Unity / Unreal)	Selenium (Java/C#/Python/JavaScript)
Project Management Methodology & certification (Agile, Scrum, PMP)	Cypress (JavaScript)
PHP (Laravel/CodeIgnitor/Yii/Zend/Drupal)	

Top Local and International Firms with IT Teams in Pakistan (not exhaustive)

IT firms offering IT services and offshoring in Pakistan

arbisoft
Imagine. Build. Test. Repeat.

systems

10Pearls

folio3

OVEXTECH
PAKISTAN

TechMatter

Industry leaders with offshored teams in Pakistan

IBM

S&P Global

SIEMENS

telenor group

ORACLE

NETSOL

A. Pakistan has reemerged as an investment destination thanks to macroeconomic stability

Pakistan's Economic Turnaround in the News

**Pakistan Isn't That Risky Anymore.
Its Economy Is a Mini-Miracle.**

BARRON'S

**Pakistan Economy Grows Faster Than
Expected on IMF Aid Boost**

Bloomberg

**Fitch Upgrades Pakistan to 'B-';
Outlook Stable**

Fitch Ratings

**Azerbaijan to invest \$2 billion in
economic sector of Pakistan**

ARAB NEWS

A. Pakistan has a track record of successful Foreign Direct Investments across sectors

Examples of Foreign Direct Investment (FDI) projects in Pakistan

FDI projects (non-exhaustive)

Alibaba (China)
Investment not public



- Acquisition of Daraz from Alibaba in 2018
- Daraz became a whole owned unit of Alibaba

Al Mirqab Capital (Qatar)
Power Construction Corp. (China) USD 2.09Bn



- Construction of coal-powered power plant in Port Qasim, under build-own-operate (BOO) model
- USD 2.09Bn investment, of which c.a. USD 500Mn in equity

DP World (UAE) and National Logistics Corp. (Pakistan) JV investment not public



- Joint venture (DP World: 60%) focused on road freight logistics approved
- Development of 50km freight corridor from Karachi Port to Pripri

Sunwalk Group (China)
USD 2 Bn



- Sunwalk Group is planning on investing in deploying 100,000 Km in fiber optic cables to connect multiple cities across the country
- The Chinese telecom company has already invested USD 5 Mn in the project to date

Other Announcements and MoUs (non-exhaustive)

- Reportage Properties (UAE): JV with Empire Holding Pakistan for USD 300Mn real estate development in Islamabad and Lahore
- Emaar Group (UAE): JV with Giga Group Pakistan for USD 2.4Bn Crescent Bay real estate
- Saudi Development Fund (KSA): Potential investment in mining infrastructure (USD 100Mn)
- Manara Minerals (KSA): Exploring stake in Reko Diq copper and gold mine (USD 7Bn)
- China-Pakistan Economic Corridor (China): Umbrella FDI initiative covering roads, railways, ports, energy, among others (USD 65Bn)

Annual office rent cost comparisons with benchmarks

Average Yearly Office Rents (USD)

Office Rents (USD)	Pakistan ² 	India ³ 	Philippines ⁴ 	Poland ⁵ 	China ⁶ 	KSA ⁷ 	UAE ⁸ 
Office Rent (sqft/yr)	13	17	22	32	42	45	60
Annual Office Rent ¹	~350,000	~460,000	~590,000	~860,000	~1,100,000	~1,200,000	~1,600,000



% of Annual Office Rent Saved in Pakistan vs. Alternative Locations

Pakistan 	India 	Philippines 	Poland 	China 	KSA 	UAE 
% Office Cost Saving in Pakistan	~24%	~40%	~60%	~68%	~70%	~78%

1. Assumes 500 FTEs requiring a 5 sqm / FTE office space as per best practice guidelines; 2. Savills Market Overview; 3. JLL; 4. JLL; 5. Knight Frank; 6. Knight frank; 7. CBRE KSA; 8. CBRE UAE
Source: desktop research

Thank You



Shaig Ahmed Bhutto
Minister (Ankara)
Wednesday, 21 January 2026, 1:54:42 PM

Shaig Ahmed Bhutto
Minister (Ankara)
Wednesday, 21 January 2026, 1:54:42 PM

