

Awfis Space Solution

13 August 2026

Operator: Ladies and gentlemen, good day and welcome to the Awfis Space Solutions Ltd. Q1 FY27 earnings conference call, hosted by Nirmal Bang Institutional Equities. Before we begin, a brief disclaimer: This conference call may contain forward-looking statements about the company, which are based on the beliefs, opinions, and expectations of the company as of the date of this call. These statements are not guarantees of future performance and involve risks and uncertainties that are difficult to predict. As a reminder, all participant lines will be in listen-only mode, and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during this conference call, please signal the operator by pressing star and then zero on your touchtone phone. Please note that this conference is being recorded. I now hand the conference over to Mr. Rahul Kulshrestha from Nirmal Bang Institutional Equities. Thank you, and over to you, sir.

Rahul Kulshrestha – Nirmal Bang Institutional Equities: Thank you, Palak. Good evening, everyone. On behalf of Nirmal Bang Institutional Equities, I welcome you all to the Q1 FY27 earnings call of Awfis Space Solutions Ltd. The management is represented by Mr. Amit Ramani, Chairman and MD; Mr. Sumit Lakhani, CEO; and Mr. Sumit Roshlani, the CFO. I will now hand over to the management for their opening remarks, after which we will open the floor for Q&A. Over to you, sir.

Amit Ramani – Chairman & MD: Thank you, Rahul. Thank you, and good evening, everyone. A very warm welcome to all of you for joining us on the call today. I am joined by Mr. Sumit Lakhani, our CEO; Mr. Sumit Roshlani, our Chief Financial Officer; and our investor relations advisor from SGA. Our Q1 FY27 results presentation has been uploaded on the exchanges, and I hope you have had a chance to review it. Before I get into our performance, I want to spend a moment on the broader landscape because the momentum we are building continues to strengthen.

India's office market delivered its strongest first half on record, H1 2026, with gross leasing of approximately 43 million square feet, up 5% year-on-year. GCCs remain the single biggest driver of demand, leasing 16.5 million square feet and growing 38% year-on-year, and now accounting for almost 38% of total office leasing in the country. Flexible workspace operators posted their strongest half-yearly performance yet, leasing 8.4 million square feet, a 55% increase over H1 2025 and the highest-ever half-yearly volume recorded by the segment.

India's GCC ecosystem itself has now crossed 2,100 centers, generating nearly USD 100 billion in revenue, with installed talent exceeding 2.3 million people and accounting for over 40% of India's commercial real estate leasing. The AI wave continues to accelerate this. India now ranks number one globally in AI hiring intensity across GCC markets, and GCCs are increasingly choosing India not just as a cost destination, but as a genuine innovation and product hub. This plays directly to our strengths across GCCs, managed office, and co-working alike.

Starting with the performance highlights for this quarter, we are pleased to report another quarter of strong execution. Revenue grew by 27% year-on-year to 425 crores, while EBITDA increased 28% to 162 crores, with EBITDA margin expanding to 38.2%. Profit before tax stood at 24 crores, and we continue to deliver industry-leading capital efficiency with a ROCE of 55%.

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Our co-working business grew 27% year-on-year, driven by sustained demand from enterprises and Global Capability Centers. Alongside the continued premiumization of our portfolio, GCCs and Fortune 100 companies have become a structural part of our client base. Today, we serve 100-plus unique GCC clients, contributing 24% of our rental revenue, up from a smaller base just a few years ago, with additional mandates already secured and expected to commence operations over the coming quarters.

Our Transform business, which provides construction and fit-out solutions, delivered 25% year-on-year growth, supported by a healthy pipeline of projects from large enterprises and GCCs, particularly those expanding into new geographies or consolidating operations into hybrid, technology-enabled workplaces. This business has evolved well beyond its in-house capability, a shift I will come back to shortly, and is now contributing meaningfully to revenue growth while accelerating project execution across our portfolio.

Let me walk you through the five growth engines we outlined last quarter, each of which continues to strengthen the business. The GCC demand environment remains robust, led by enterprises and Global Capability Centers expanding their footprint across India. As clients increasingly prioritize high-quality workspaces in prime business districts, our focus on premium Grade A+ assets continues to position us well to capture this opportunity. The GCC client life cycle at Awfis follows a predictable pattern: clients typically enter at {? 22 to 25 to 50 ?} seats, expand to 100 to 300 seats as operations mature, and increasingly move to a managed office mandate over time. This creates long-term revenue visibility, deep stickiness, and rising allied service attach rates as relationships deepen.

Premiumization at scale: During this quarter, we further strengthened our premium supply pipeline by signing a co-branded developer partnership with Malpani Estates for 2 Grade A+ assets in Pune spanning 1.4 lakh square feet, a first-of-its-kind capital-light construct for Awfis in this format. Malpani Estates is a Pune-based, headquartered business group with a legacy of over 100 years and a well-established real estate development track record across commercial, residential, and industrial projects in the city. Partnering with a developer of this pedigree gives us confidence in both the quality of the assets and the pace of delivery.

We are also signing ultra-premium Grade A+ assets in the 30,000 to 50,000 square foot bracket, spanning both live and under-construction buildings. We now have 7 properties in our premium {? collection ?} across micro-markets including {? Tebal ?}, Golf Course, Whitefield, Worli, and 2 properties live and 5 under construction. These additions reinforce our presence in high-demand micro-markets and are expected to command pricing that is 30% to 50% higher than our existing portfolio, providing a strong runway for future revenue growth and margin expansion.

As of June 30, we operated 37 Gold and {? LEED ?} centers across key enterprise and GCC hubs. Premiumization is translating into structurally better realization, stronger pricing power, longer client relationships, and a high-quality revenue mix. Importantly, the full financial benefit is still ahead of us as these centers continue to mature. We have also continued to build on our wellness and compliance credentials. Awfis remains the first portfolio-wide certified co-working brand, with a WELL rating now spanning 35 centers.

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Our premium footprint now spans {? 3 ?} GCC hubs, including all 7 Tier-1 cities, giving us a presence exactly where premium demand sits. These centers are increasingly the front door for enterprise conversion, large managed office mandates, and high allied service attach. Our execution pipeline remains healthy, with a firm focus on adding supply where enterprise demand is deepest, not simply expanding for its own sake.

The next engine is multi-format supply, and this quarter it is worth discussing in some depth because the strategy is now showing up clearly across all 3 distinct pillars. The first is our revamped MA, or managed aggregation model, which runs into 2 arms. The first arm is developer partnerships. During the quarter, we signed a partnership with Malpani Estates, a leading Pune-based institutional developer, for 2 Grade A+ properties spanning 1.4 lakh square feet. This is a joint-branding construct and, to our knowledge, the first-of-its-kind partnership model in the Indian market. It gives us Grade A+ supply at scale with low balance sheet drag, directly strengthening our industry-leading ROCE. The second arm is classic MA, where we apply this across sectors to build a distinct product from value-format players, focused squarely on higher seat realization and higher velocity of sales.

We have signed 6 Grade A properties across premium micromarkets, including Viman Nagar in Pune, Thane in Mumbai, Rajarhat in Kolkata, and Sector 62 in Noida, with 7 more properties in the pipeline at approximately 3 lakh square feet.

The second pillar is {? selectively ?}. While we are using {? deliberately ?} for ultra-premium assets, the capital-light model is the default. These are signed in a 3,000 to 5,000 square foot basket, both live and under construction, and our pipeline here now stands at 7 properties. The strategy here is to build real depth in 5 to 7 core micromarkets and become the number one operator in each, rather than spreading ultra-premium supply thinly.

The third pillar is partial managed office, our hybrid model that gives us anchor unit economics from day one and co-working yield on the balance of the center. We sign a property only once 50% of the seats are already committed to an enterprise GCC client, with the remainder filled through co-working. What is particularly encouraging is how broadly this format is resonating. We have now signed partial managed office clients spanning auto component players, a mobility platform, a global retail and luxury group, and a technology talent company. Four very different businesses, one format—that is real validation that this is a niche solution and a genuinely scalable model.

Taken together, these 3 pillars give us 12,000-plus seats on track in H1 FY27, and we remain on course to meet our full-year supply guidance. Organic growth is the fourth engine: expansion from within our existing client base, and one of the most powerful, often underappreciated levers we have. We are seeing faster sales velocity, higher renewals across smaller cohorts, and larger seat expansion from existing clients.

This translated into real velocity this quarter. We sold 13,000 seats in Q1 FY27 alone, reinforcing that demand across our client base remains large, long-tenure, and structurally sticky. More importantly, we continue to see a natural expansion journey within our client base. A customer may initially enter through co-working, subsequently move into managed office solutions, and eventually engage Transform for design-build services. This creates a powerful compounding effect that strengthens customer relationships while increasing wallet share over time.

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Alongside this, we continue to actively optimize our portfolio. Where a center no longer meets our return threshold or fits our premium portfolio strategy, we exit, redeploying capital into better opportunities. This disciplined portfolio management remains one of the key advantages of our capital-light business model.

Beyond co-working, our integrated workplace solutions platform continues to scale rapidly. In this quarter alone, Transform delivered 73 crores in revenue, and we are seeing significantly larger mandates as enterprises increasingly engage Awfis for end-to-end workplace solutions. This comes with more than 200 crores in mandates already won for this year. The cross-sell flywheel underpinning this is one of the most powerful aspects of the business. 80% of our external D&B revenue comes from clients who first entered through our flex portfolio, and we work our way up to the end, while it works the other way too. Transform clients increasingly enter for future flex and managed office demand back into the Awfis network.

We span a genuine cross-section of enterprise India: a global IT consulting major with 3 lakh square feet, a renewable energy infrastructure group with 1 lakh square feet, a global e-commerce major with 67,000 square feet, a diversified conglomerate with 65,000 square feet, and a global BPO and customer experience major with 50,000 square feet. Allied services across IT, F&B, transport, and business support continue to scale rapidly as a high-margin layer over our core seat economics.

This not only validates the strength of our execution capability, but also expands our addressable market well beyond managed workspaces. Together, these 5 growth engines—premiumization, GCC demand, multi-format supply, organic growth, and workplace solutions—serve as growth pillars for one another rather than standalone initiatives. A premium center attracts a GCC client, a GCC client expands across multiple office locations and adopts additional workplace services, and managed office engagements create opportunities for Transform. Each successful enterprise relationship strengthens our ability to secure future development partnerships and partial managed office opportunities. This interconnected flywheel is steadily gaining momentum and provides us with a strong foundation for sustainable, long-term growth.

Finally, our growth continues to be underpinned by strong financial discipline, and this is worth dwelling on for a moment because the scale of what we have built runs directly counter to how much capital we have actually needed. Between Q1 FY25, the quarter we went public, and Q1 FY27, we added 59,000 net seats while investing close to 400 crores in new center openings. Over this period, revenue grew by 65%, from 258 crores to 425 crores, a 28.3% CAGR, while EBITDA grew 105%, from 79 crores to 162 crores, a 43.2% CAGR. Despite this expansion, and after raising only 128 crores through our IPO, we continue to maintain a net cash position, with a net debt-to-equity ratio of negative 0.08 times.

Put simply, we have deployed more than 3 times what we raised at listing entirely through our own operating cash flows, without a single subsequent capital raise. The discipline shows up in our cost of capital too. Overall cost of borrowing stands at 9.05%, with the incremental cost of new borrowing even lower at 8.5%. This is a direct reflection of the A+ stable-outlook credit rating we carry and further proof that the balance sheet strength we have built is being recognized by lenders, not just visible on paper.

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This reflects the strength of our operating cash flows and demonstrates that Awfis can continue to scale while maintaining industry-leading capital efficiency. Looking ahead to the remainder of FY27, we remain on track to add 22,000 to 25,000 seats on a gross basis for the year. We expect our co-working business to grow by 23% to 25% year-on-year, with Transform continuing to scale at about 20%, taking overall revenue past 1,800 crores for the full year. On profitability, we expect cash EBITDA performance to improve in the second half relative to the first, with full-year cash EBITDA in the range of 190 to 200 crores.

Looking ahead, we remain confident in the long-term opportunity presented by our expanding premium portfolio, deepening enterprise and GCC relationships, growing workplace solutions platform, proven ability to serve clients across sizes and sectors, and disciplined capital allocation. Together, these will give us multiple levers for sustained growth. As the flexible workspace industry continues to evolve, we believe Awfis is uniquely positioned to capture this opportunity while continuing to deliver sustainable, profitable, and capital-efficient growth. With that, let me hand over the call to Sumit Lakhani, who will take you through the operational highlights for the quarter in greater detail. Thank you.

Sumit Lakhani: Thank you, Amit, and good evening, everyone. Let me walk you through the operational highlights for Q1 FY27. Our network continued to expand in a disciplined manner during the quarter. As of June 2026, Awfis operated 242 centers across 18 cities, with another 9 centers under fit-out, taking our total network to 251 centers. Including signed LOIs, our pipeline stands at 267 centers.

On the seat front, our operational capacity increased to approximately 159,000 seats, while total capacity, including centers under fit-out, reached 170,000 seats. Including signed LOIs, our total supply stands at over 185,000 seats. During the quarter, we added approximately 4,600 gross seats against roughly 1,800 seats exited as part of our portfolio consolidation. We remain on track to accelerate additions through the balance of the year as our premium pipeline becomes operational.

Consistent with our strategy, virtually all our new supply continues to be concentrated in premium Grade A assets across high-demand micromarkets. During the quarter, our elite portfolio expanded from 8 to 10 centers, while our gold portfolio remained at 27 centers, further strengthening our premium offerings for enterprise and GCC clients.

Before I get into our network metrics, I want to address one development that shaped the quarter's occupancy. One of our enterprise clients, with nearly 3,000 seats across 5 centers in 3 cities, consolidated its operations into conventional office space in May 2026, following its acquisition by a multinational company roughly 15 months ago. As a result, occupancy across centers operational for more than 12 months stood at 83%, marginally lower than last quarter, while overall portfolio occupancy held steady at 76%, in line with Q4. Despite absorbing this one exit, which speaks to the underlying strength of demand across the rest of the portfolio, it is also worth remembering that in a business of our scale, 1.5% to 2% of inventory naturally turns every month as enterprise clients expand, consolidate, or relocate. This was simply a larger, more concentrated instance of the same pattern.

Importantly, the replacement cycle has already begun. We have pre-committed a significant portion of the vacated capacity, and the balance is seeing healthy traction from enterprises and

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GCCs evaluating premium workspaces across the network, in several cases at better pricing than the existing client was paying.

On the demand side, our active client base increased to over 3,600 clients. Client stickiness continues to improve: weighted average client tenure has increased to 38 months, while average lock-in tenure improved to 26 months, providing greater revenue visibility and reinforcing the resilience of our business model. Our enterprise-led positioning remains intact. Corporates and MNCs continue to account for approximately 64% of our client base, supported by a well-diversified mix of SMEs and startups. Sectoral diversification also remains healthy, with technology, professional services, and BFSI continuing to be key demand drivers during the quarter.

Our client base remains deliberately diversified by design rather than by chance. By industry, technology accounts for 39% of our client mix, professional services 21%, manufacturing 12%, BFSI 13%, and healthcare and life sciences 5%, with the balance spread across other sectors. No single sector represents an outsized dependency, and resilient sectors, those less exposed to cyclical downturns, account for over 40% of the base, insulating occupancy through cycles.

By domicile, 52% of our clients are headquartered in India, driving faster conversions and shorter ramp cycles, while 43% are headquartered in North America or Europe, bringing structured mandates, better tenures, and higher allied services realizations. From a portfolio perspective, we continue to maintain a balanced mix across seat cohorts. Large enterprise clients remain an important part of the network, while smaller and mid-sized clients continue to provide occupancy velocity and a healthy funnel for future managed office opportunities. Clients with 500-plus seats account for 37% of our portfolio and represent our most premium and sticky segment.

Let me also give you a fuller picture of our GCC business. As of June 30, we serve 100-plus global GCC clients contributing 24% of rental revenue across 9 cities in India. The percentage is skewed heavily toward North America: 79% of our GCC clients are headquartered in North America, 15% are from Europe, and the remaining 6% are from APAC and MEA. Our focus remains deliberately mid-market. These are global enterprises, not legacy captives, and we continue to see strong traction from first-time and early-stage GCCs entering India. We hold strong leadership in the micro and nano categories, which comprise 25 to 100 seats, and we are increasingly winning large GCC mandates too, with multiple mandates of over 1,000 seats now closed.

The client life cycle here follows a predictable pattern. Clients often enter at 25 to 50 seats in co-working or gold-elite formats, expand to 100 to 300-plus seats, and move into managed office as operations mature and deepen their allied services attachment as tenures lengthen. This is why GCCs choose Awfis specifically: one platform for the launch of operations, expansion, workspace strategy planning, and great Grade A+ fit-outs entirely in-house; a single partner across IT, F&B, transport, and business support; and long-standing consultant relationships that give us the first right to pitch on new mandates.

Overall, the operational indicators continue to move in the right direction. We are expanding our premium network in a disciplined manner, occupancy has held firm despite a one-off client event, client relationships are becoming deeper and stickier, and the quality of demand remains robust. Combined with our healthy supply pipeline, we believe the business is well-positioned to sustain its growth momentum over the coming quarters. With that, I will hand over the call to Sumit {?} Lakhani

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}} for the financial update.

Management {? Sumit ?}: Thank you, Sumit, and good evening, everyone. Let me walk you through the financial performance for Q1 FY27 in detail. At the outset, from this quarter onwards, we have introduced cash EBITDA as an additional financial metric to provide investors with greater visibility into the underlying operating performance of the business.

Over the last few quarters, we have received feedback and suggestions from investors and analysts covering our sector to use cash EBITDA as one of the key metrics. Therefore, we have adopted it as one of the financial metrics going forward to give investors an additional view of the financial performance over and above the reported IndAS financials and other metrics that we have been reporting. This metric has been reported on slide 20. For the current quarter, the metric and related reconciliation and adjustments have been validated by NSC&A and Associates LLP, which is part of the BDO Network, under an agreed-upon procedures engagement as a good corporate governance practice.

For the quarter, reported revenue from operations as per IndAS stood at 425 crores, registering growth of 27% year-on-year. Within this, our co-working and allied services segment grew 27% year-on-year to 352 crores. Construction and fit-out services, our Transform business, grew 25% year-on-year to 73 crores.

Moving to profitability, reported EBITDA as per IndAS was 162 crores, up 28% year-on-year. Profit before tax as per IndAS stood at 24 crores, up 135% year-on-year. Referring to slide 20 of the presentation, under IndAS 116, certain long-term lease arrangements are accounted for as finance leases, which impacts the timing of revenue recognition. Adjusting for this accounting treatment, normalized revenue stood at 437 crores, reflecting healthy growth of 35% year-on-year.

To better reflect the operating performance of the business, we adjust for finance lease accounting, deduct the actual cash lease rentals paid during the quarter, and exclude non-cash ESOP expenses. On this basis, cash EBITDA stood at 44 crores, up approximately 34% year-on-year, with cash EBITDA margins at 10.1%. Operating PBT stood at 11 crores compared to 10 crores in the corresponding quarter last year.

Our balance sheet remains in excellent shape. We continue to maintain a net cash position, with net debt-to-equity at 0.08 times, reinforcing the financial discipline that underpins our growth. On returns, ROCE is sustained at 55%. Just as importantly, our revenue-to-gross-fixed-assets ratio came in at 1.5 times. Overall, the quarter reflects continued healthy growth in our core business and improving profitability. With that, we conclude our opening remarks and would like to open the floor for questions and answers.

Operator: Thank you very much. We will now begin the question-and-answer session. Anyone who wishes to ask a question may please press star and one on their touchtone telephone. If you wish to remove yourself from the question queue, you may press star and two. Participants are requested to use handsets while asking a question. Ladies and gentlemen, we will wait for a moment while the question queue assembles.

The first question is from the line of Shamit Ashar from Ambit. Please proceed with your question.

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Shamit Ashar – Ambit: Hello, am I audible?

Operator: Yes, sir.

Shamit Ashar – Ambit: Hi. Thanks for the opportunity. I wanted to know, if we look at your Q4 and Q1, rental payments have increased from 85 crores to approximately 130 crores, and gross and net seat additions have been in the range of 3,000 to 4,000. Can you please explain the jump in rental payments?

Secondly, I want to know whether your strategy of going for straight lease is benefiting you, because clearly the margins are not showing up. Will you continue to move more toward straight lease? Even if we look at your occupancies, they have remained constant in the range of 76% over the last 2 to 3 quarters. Could you highlight what is going on and what your strategy is going forward?

Management: To answer your first question, the jump in these numbers from the cash part of our rental expenses is also disclosed in other expenses. If you look at the detailed financials, which are available, rental expenses in other expenses have not grown; rather, they are flat. The rental expenses that are part of other expenses primarily include rentals paid as part of the managed aggregation model, as well as rentals paid on lease transactions where we were out of the lock-in period, which means that we were not accounting for those leases under IndAS 116 and the rental was being accounted for as it would have been in the pre-IndAS era. If you now consider both, the growth percentage is in line with the growth in seats. I hope I have answered your question.

The second part of your question, let me take that. Blended occupancy has obviously held flat at 76%, matching Q4, despite us having to absorb a large enterprise consolidation, as Sumit mentioned. That is a sign of real underlying strength, not a stumble. The mature cohort dipped marginally to 83% from 84%, entirely attributable to that same one-off exit. We have already pre-committed a significant portion of the vacated capacity through signed agreements, not just conversations, and in several cases at better pricing than before. That gives us real confidence in recovery rather than just hope. Had that single client not exited, we would have been on track to show clear improvement across both occupancy metrics.

Shamit Ashar – Ambit: Got it. I also wanted to know, managed aggregation is your core strength, and since last quarter it was 62% and now it is, I think, 57%. I just want to know whether you will continue doing more straight leases going forward for the remaining quarters.

Management: Managed aggregation continues to be an important part of our supply strategy, accounting for 57% of our current supply, as you mentioned. We are not fixated on the MA split versus the SL split. We let the market and the specific opportunity decide this for us. We are becoming more selective overall, choosing whichever structure—MA, developer partnership, or select lease—delivers the best realization for us and the appropriate risk profile for a given asset in a micro-market.

Rather than forcing every deal into one lease type, this is not a shift from MA; let me be clear here. It is a broadening of the playbook. Commercial real estate obviously moves in cycles, and the right lease structure for a given micro-market or asset changes as those cycles do. Straight lease is

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intentionally used and deliberately reserved for a handful of ultra-premium anchor-value micro-markets. Within our MA model, we are utilizing both developer partnerships and classic MA to secure quality, low-risk supply. Together, these give us more tools to capture demand profitably across a wide range of situations.

Shamit Ashar – Ambit: Got it. One last small question: What would be your overall capex guidance for FY27?

Management: That capex guidance could be roughly in the range of 200 to 210.

Shamit Ashar – Ambit: Okay, thanks, and all the best for the relevant quarters.

Management: Thank you, Shamit.

Operator: Thank you, sir. The next question is from the line of Yashas Gulkanshi from Bank of Baroda Capital Markets. Please proceed with your question.

Yashas Gulkanshi – Bank of Baroda Capital Markets: Hi, team. Thank you for taking my question. I would like to know more about your developer partnerships. To start with, at what stage of construction do you sign these deals? More specifically, from the date of signing, when is a typical office asset expected to be delivered?

Management: These vary across different deals. Specifically with respect to the developer partnerships, we call them partnerships rather than simple supply acquisitions because this entails a situation where we make the supply acquisition risk-averse and capital-efficient. The developer also invests capital in the fit-outs, gives us more favorable rentals, and participates in the overall profit share.

Broadly, the way we are looking at it, a couple of these properties will go live over the next 6 to 12 months. I am referring to the buildings going live. Our centers could go live within a 9- to 15-month timeframe.

Second, in terms of the premium straight-lease centers that we are signing across various Grade A properties, some of them are in ready-to-move-in properties, while others are being signed through various forward-leasing structures where the buildings are at various stages of construction. As you know, we are on the path of developing a premium business model. We are also taking a phased approach to taking up these properties, but the idea is to lock in Grade A+ supply across the no-brainer micro-markets right now. We are signing these properties with go-live timelines ranging from the next 6 months to the next 24 months. That has been the strategy from our side. The core objective is to lock in strategic supply across key micro-markets and upcoming assets.

Yashas Gulkanshi – Bank of Baroda Capital Markets: Thank you, that is really clear. Just a little more on this: What do Awfis's typical capital contributions to these projects look like over the 6 to 12 months that you mentioned? Lastly, regarding these partnerships, how long does Awfis have access to the space to lease out, essentially? What is the tenure?

Management: Sorry, could you repeat the second part of your question—how long the lease...?

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Yashas Gulkanshi – Bank of Baroda Capital Markets: Yes, sure. Under these partnerships, how long does Awfis have access to the space to lease out, essentially?

Management: In terms of our capital contribution, it ranges from about 50% of the overall fit-out value. On day one, it is just a small security deposit that is committed until the property goes live. From that perspective, it is not very capital-intensive on day one at the time of signing. In terms of clients, we look at marketing these properties approximately 4 to 6 months before the center goes live.

Yashas Gulkanshi – Bank of Baroda Capital Markets: Okay, that answers my question. Actually, just on the last point, I meant to ask: Let us say you sign this partnership and get access to the space. How long do you have access to the space? What is your overall lease tenure with them?

Management: We are signing 9-year agreements with these properties, with a tenure of around 9 years. Our access starts from the date of signing while the property is under construction, and the 9-year term starts from the day the OC in the building is received and we get possession of the property.

Yashas Gulkanshi – Bank of Baroda Capital Markets: Got it. Thanks again.

Management: Thanks.

Operator: Thank you, sir. Ladies and gentlemen, to ask a question, please press star and one now. Participants who wish to ask questions may please press star and one at this time. The next question is from the line of Shrinik Mehta from Indo-Ed Wealth. Please proceed with your question.

Shrinik Mehta – Indo-Ed Wealth: Thank you. My question is that the chargeable area went from almost 5 million square feet to 8.4 million square feet over the last 8 quarters, which is up almost 68%, whereas revenue went up from 258 crores to 425 crores, up only 65%. Revenue is growing more slowly than the area, so per-square-foot revenue is probably stable to declining. Can you give us some idea about the operational seat-per-month cost, if we take Q1 FY25, Q1 FY24...

Shrinik Mehta – Indo-Ed Wealth: ...leading to Q1 FY27, and provide some insight into what is really leading to this fairly stable revenue on a per-square-foot basis.

Management: Shrenik, I would like to correct you regarding this analysis of 68% versus 65%. First, this structural area also includes fit-out under set-out, so those areas are not live. However, this is an interesting metric that you have put forward, and I want to highlight one point. Net seats in Q1 FY25 were about 100,000, which increased to 159,000 at the end of Q1 FY27. This represents a 59% increase in net additional seats. Corresponding to this 59% net seat increase, we had revenue growth of 65%. From that perspective, we are doing well. On top of it, if you factor in 76% blended occupancy, revenue growth is clearly going to outgrow overall seat growth as well.

Shrinik Mehta – Indo-Ed Wealth: Okay. But during this period, Amit, you have also increased the number of gold centers—your 37 gold and elite centers—where the cost per seat would probably be much higher, right? In the other markets or other setups, do you see prices remaining almost flat because the market is so robust? We should expect prices to increase on a per-square-foot basis, right? Much more.

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Management: If you look at the overall seat realization trend, even over the last couple of quarters, or over the last 8 quarters, you would see the price per seat trending upward almost every quarter. Our business inherently, even within a single center and with the same customer, gives us an opportunity to have at least 4% to 7% contractual escalation from that customer. From that perspective, we are seeing price realization change.

Second, the focus we have had over the last 12 to 14 months on bringing more premium centers on board is also reflected in the overall price realization. I do not have a clear number, but at least from Q1 FY25 to Q1 FY27, if you look at the percentage price increase on a per-seat basis, it would look very healthy.

Operator: Shrenik, does that answer your question?

Shrinik Mehta – Indo-Ed Wealth: Yes, thank you.

Operator: Thank you, sir. The next question is from the line of Rahul Kothari from Nirmal Bang Institutional Equities. Please proceed with your question.

Rahul Kothari – Nirmal Bang Institutional Equities: Hi. I had a couple of questions. The first one was on Transform's third-party revenue share, which is nearly 92% this quarter. What is driving that, and is it sustainable at this level?

Management: Yes, I am audible. Third-party mix has obviously changed structurally. Transform initially started as a captive fit-out arm serving our own centers. Today, it is essentially a third-party, externally facing design-and-build business, compounding on its own momentum.

The shift is being driven by enterprises and GCCs increasingly engaging Awfis for multi-city, national fit-out mandates, along with a self-reinforcing cross-sell loop where flex relationships convert into Transform, and Transform clients become anchor future flex and managed office demand. It is worth noting that this split will move around somewhat from quarter to quarter, since it is partly a function of how many projects under NA are being delivered and billed in any given period; it is not a fixed ratio. The 92% is a general reflection of the success of this quarter's delivery mix. We would expect the number to remain structurally high, even if it moves within a range depending on project phasing.

Rahul Kothari – Nirmal Bang Institutional Equities: What are the margins in this business now? Where do you see sustainable margins in this business?

Management: The margin profile of the business is split into 2 parts. When we do work with our landlord partners, it would typically be about a 15% gross margin. If I look at the third-party margins, they range anywhere between 18% and 20%. Between the 2 businesses, depending on the volume of each, the margin would be somewhere in the 17% to 18% range.

Rahul Kothari – Nirmal Bang Institutional Equities: And on the industry side, how is the flex industry evolving now? Where does Awfis sit in terms of percentage contribution from GCCs?

Management: India, as I mentioned in my commentary, has seen gross leasing of approximately 43 million square feet in the commercial market, and flex operators posted their strongest half-year

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performance, at 10.4 million square feet, which is a 155% increase over FY25 and the highest-ever half-yearly volume recorded by the segment. Flex penetration of overall leasing has climbed from single digits to 21% today, and this is on a clear path toward roughly 25% by 2027.

Annual flex transaction stock has grown from 38 million square feet in 2020 to 110 to 114 million square feet in 2025. This is almost a fourfold increase. Flex is no longer just a discretionary category; it is now a mainstream, permanent part of the enterprise solution.

Layered on top of this is the GCC opportunity, the single strongest structural tailwind in the commercial real estate market. GCC-led H1 2026 demand leasing was 16.5 million square feet, growing 38% year-on-year and now accounting for almost 38% of core office leasing. India's GCC ecosystem has crossed almost 2,100 centers, generating nearly 100 million in revenue. This represents 2.3 million people employed across these GCCs. Over 40% of India's commercial real estate leasing is happening in this category.

Awfis, being the largest network, has the most capital-efficient model and platform that caters to GCC enterprise demand. We sit on the right side of every one of these trends. As I mentioned, 24% of our revenue today comes from GCCs, serving 100-plus GCC clients. We expect that trend to continue growing as the GCC story continues to expand and the commercial real estate market remains robust.

Rahul Kothari – Nirmal Bang Institutional Equities: And one question on the deals: After the developer deal with Malpani, are there more such deals in the pipeline?

Management: Yes, as Sumit mentioned, there are a couple more deals that we are curating right now. These deals take a bit longer because there are more complexities involved in engaging in the partnership than in a straight-lease structure. But yes, there are a couple more deals in the pipeline.

We are also doing this only with Grade A+ developers, where our continued direction toward premiumization, as well as engaging with the right partner, becomes important. There might be multiple developers, but the choice of developers in the Grade A category is smaller within the overall developer community. We want to make sure that we develop and partner with the right developer in this case.

Rahul Kothari – Nirmal Bang Institutional Equities: The last question from my side is regarding the entire growth reflecting in margins and occupancies moving up. When do you see this meaningfully reflected for us in occupancy and margins?

Management: The way we are building the business and growing the seat base, occupancy percentage has remained somewhat flat in this first quarter. Otherwise, across every quarter, occupancy percentage has been on an upward trend. I expect H2 to be better than H1. I think Q4 is one quarter where you will at least start seeing a meaningful difference, both in terms of occupancy and the impact of a couple more elite and gold centers coming in, as well as in margins.

Rahul Kothari – Nirmal Bang Institutional Equities: Got it. That is all from my side. Thanks so much for the opportunity.

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Operator: Thank you, sir. The next question is from the line of Hitendra Pradhan from Maximal Capital. Please proceed with your question.

Hitendra Pradhan – Maximal Capital: Hi, sir. I hope I am audible. My first question is regarding the pipeline of premium and Grade A assets that you commented on earlier. Can you give us some quantitative sense of what percentage of our portfolio is currently premium and Grade A, and how that mix will evolve by the end of FY27 and FY28? Are all these institutional assets, or do we have some non-institutional mix here as well?

Management: Overall, as Sumit highlighted, we have approximately 250 centers, of which 242 are live as we speak. Of those, approximately 31 centers are in the gold category and 37 centers are in the gold and premium category. That means approximately 15% of the portfolio is in the premium category.

This year, as we mentioned in our commentary, there are 7 additional properties at the LOI stage and 6 properties in the fit-out stage. All of these 13 properties are in the premium category. I would say the majority of these, at least 10 out of the 13, are in the premium category, including gold and elite types of centers. By the end of this year, we anticipate that by FY27, the 85-15 split could move closer to an 80-20 split.

Hitendra Pradhan – Maximal Capital: And are all of these institutional developers?

Management: All of these are institutional assets in select micromarkets. All are institutional.

Hitendra Pradhan – Maximal Capital: Okay. My second question is on the revenue and cash EBITDA guidance that you provided, and thank you for disclosing that. If I take 25% revenue growth and 200 crores of cash EBITDA, that comes to approximately an 11% margin. I was expecting this margin number to be slightly higher as long as we maintain mature cohort occupancy at approximately 85%. Can you explain whether this is conservative, or whether we are expecting some attrition in our mature cohort? Could you elaborate on that guidance? Thank you.

Management: In terms of the overall guidance, you are right that our cash EBITDA margins are currently hovering somewhere in the range of 10%. What I would say is that in H1 we are seeing a couple of impacts on the margin.

First, as you mentioned, a large customer moved out, while our model is somewhat different from everyone else's. We follow a very diversified approach. While the customer moved out across 5 different centers, we prefer to resell those centers. Therefore, we are carrying the fixed costs for those centers because we know that we will be able to continue with those centers over the next 5 to 7 years. We had to absorb a minor shock.

Second, specifically with respect to H1, we have faced somewhat higher margin pressure because a large portion of our portfolio was signed up in 2021. Across a couple of properties, there was a commercial reset after 5 years. There is a timing gap between when the rent increases on what we pay to the developer or space owner and what we receive from the customer. The customer's agreement has a very different renewal cycle. While we are able to pass on the increased pricing, there is a pricing-timing difference of approximately 3 to 4 quarters.

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These have been the reasons for what you are seeing in H1. Overall, we think H2 will outperform H1, and that is primarily why we believe full-year revenue will be closer to 1,800 crores, with cash EBITDA of approximately 195 to 200 crores. I am hopeful that in Q4 you will see a meaningful difference in these areas.

Hitendra Pradhan – Maximal Capital: Okay, thank you, sir. Thanks.

Operator: Thank you, sir. Ladies and gentlemen, to ask a question, please press star and one now. Ladies and gentlemen, we will take this as the last question for today. I would now like to hand the conference over to management for closing comments.

Management: Do we have a last question, or should we put it back to the...

Operator: Sir, for closing comments, I have handed it over to you.

Management: Okay, thank you. Thank you, everyone, for joining us today. To close, I would say that the 5 engines of growth are in place, and the business is in its strongest position yet to compound on this foundation through the whole of FY27. Should you have any further questions or require clarifications, please feel free to reach out to SGA, our investor relations advisors. Thank you once again, and have a great evening.

Operator: Thank you, sir.

Management: Thank you. [overlap] Thank you.

Operator: On behalf of Nirmal Bang Institutional Equities, that concludes this conference call. Thank you all for joining us, and you may now disconnect your lines. Thank you.

Note: {? ... ?} indicates a figure or name where audio clarity was insufficient for confident transcription. Verify against the source audio or the company's published filings.

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