awfis

Date: August 19, 2026

To, National Stock Exchange of India Limited ("NSE") Listing Department Exchange Plaza, C-1 Block G, Bandra Kurla Complex Bandra [E], Mumbai – 400051	To, BSE Limited ("BSE") Listing Department Corporate Relationship Department Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400001
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Subject: Transcript of the Earnings Conference Call w.r.t. Unaudited Financial Results of Awfis Space Solutions Limited ('the Company') for the quarter ended June 30, 2026

Dear Sir/ Madam,

Pursuant to Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, please find enclosed the transcript of the Earnings Conference Call held w.r.t. Unaudited Financial Results of the Company for the quarter ended June 30, 2026, held on Thursday, August 13, 2026, at 05:30 P.M. (IST) with the Management of the Company.

The above information will also be available on the website of the Company at https://www.awfis.com/investor-relations/initial-public-offer/financials.

We request you to kindly take this on your record.

Thanking You.

For Awfis Space Solutions Limited

SHWETA GUPTA

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Awfis Space Solutions Limited

Q1 FY27 Earnings Conference Call

August 13, 2026

"E&OE -This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on August 13, 2026 will prevail."

MANAGEMENT:
MR. AMIT RAMANI – CHAIRMAN AND MANAGING DIRECTOR
MR. SUMIT LAKHANI – CHIEF EXECUTIVE OFFICER
MR. SUMIT ROCHLANI – CHIEF FINANCIAL OFFICER

MODERATOR:
MR. RAHUL KUNDNANI – NIRMAL BANG INSTITUTIONAL EQUITIES

Moderator: Ladies and gentlemen, good day and welcome to Awfis Space Solutions Limited 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 on date of this call. These statements are not the guarantees of future performance, and it may involve risks and uncertainties that are difficult to predict.

As a reminder, all participants lines will be in the 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 an operator by pressing star then zero on your touch-tone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Rahul Kundnani from Nirmal Bang Institutional Equities. Thank you, and over to you, sir.

Rahul Kundnani: 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 Limited. The management is represented by Mr. Amit Ramani, Chairman and MD; Mr. Sumit Lakhani, CEO; Mr. Sumit Rochlani, 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: 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'm joined by Mr. Sumit Lakhani, our CEO; Mr. Sumit Rochlani, our Chief Financial Officer; and our Investor Relations Adviser from SGA. Our Q1 FY27 results presentation has been uploaded on the exchanges, and I hope you've 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 on 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 the demand, leasing 16.5 million square feet and growing 38% year-on-year, and now accounting for almost 38% of the total office leasing in the country.

Flexible workspace operators posted their strongest half year performance yet, leasing 8.4 million square feet, a 55% increase over H1 2025 and the highest ever half yearly volume the segment has recorded. India's GCC ecosystem itself has now crossed 2,100 centers, generating nearly $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 coworking alike.

Starting with performance highlights for this quarter, we are pleased to report another quarter of strong execution. Revenue grew by 27% year-on-year to INR425 crores, while EBITDA increased 28% to INR162 crores, with EBITDA margin expanding to 38.2%. Profit before tax stood at INR24 crores, and we continued to deliver industry-leading capital efficiency with a ROCE of 55%.

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

Our Transform business, 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'll 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.

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's client life cycle at Awfis follows a predictable pattern. Clients typically enter at 25 to 50 seats, expand to 100 to 300 seats as operations mature, and increasingly move into managed office mandates over time. This creates long-term revenue visibility, deep stickiness, and rising allied services attach rates as relationships deepen.

Premiumization at scale. During this quarter, we further strengthened our premium supply pipeline by signing a cobranded developer partnership with Malpani Estates for two grade A+ assets in Pune for 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 well-established real estate development track record across commercial, residential, and industrial projects in the city. Partnering with the developer of this pedigree gives us confidence in both the quality of the assets and the pace of delivery.

We have also signed ultra-premium grade A+ assets in 30,000 to 50,000 square foot bracket, spanning both live and under-construction buildings. We now have seven properties in our premium portfolio across micro-markets, including Hebbal, Golf Course, Whitefield, Worli, and two properties live and five under construction. These additions reinforce our presence in high-demand micromarkets and are expected to command pricing which 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 Elite 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. And 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 coworking brand with WELL ratings now spanning 35 centers. Our premium footprint now spans key GCC hubs, including all seven Tier 1 cities, giving us presence exactly where premium demand sits. These centers are increasingly the front door for enterprise conversion, large managed office mandates, and high allied service attachments. Our execution pipeline remains healthy with firm focus on adding supply where enterprise demand is deepest, not simply expanding for its own sake.

The next engine is multiformat supply. And this quarter, it's worth talking through in some depth because the strategy is now showing up clearly across all three distinct pillars. The first is our revamped MA, Managed Aggregation model, which runs into two arms. The first arm is developer partnerships.

During the quarter we signed a partnership with Malpani Estates, a leading Pune-based institutional developer for two Grade A+ properties spanning across 1.4 lakh square feet. This is a joint branding construct and to our knowledge, the first of a kind partnership model in Indian flex. 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 strict filters to build a distinct product from value format players, focused squarely on higher seat realization and higher velocity of sales. We have signed six Grade A+ properties across premium micro markets including Viman Nagar in Pune, Thane in Mumbai, Rajarhat in Kolkata, and Sector 62 in Noida, with seven more properties in the pipeline at approximately 3 lakh square feet.

The second pillar is selective lease. While we are using it deliberately for ultra premium assets, thus scapal not the default. These are signed in 30,000 to 50,000 square foot bracket live and under construction and our pipeline here now stands at seven properties. The strategy here is to build real depth in five to seven core micro markets and become the number one operator in each, rather than spreading ultra-premium supply thin.

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 more seats are already committed to an enterprise or GCC client, with the remainder filled through co-working. What particularly encouraging is how broadly this format is resonating.

We have now signed partial MA clients spanning across auto components player, a mobility platform, a global retail and luxury group, and a technology talent company. Four very different businesses, one format, that's real validation that this isn't a niche solution, it's a genuinely scalable model. Taken together, these three pillars give us 12,000 plus seats on track in H1 of 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 sale velocity with higher renewals across smaller cohorts and larger seat expansions from existing client base. This translated into real velocity this quarter.

We sold 13,000 seats in Q1 FY27 alone, reinforcing the 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 solution, and eventually engage Awfis Transform for design and build services.

This creates a powerful compounding effect that strengthens customer relationships while increasing wallet share over time. Alongside this, we continue to actively optimize our portfolio, where center no longer meets our return thresholds or fits our premium portfolio strategy, we exit, redeploy 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 solution platform continues to scale rapidly. This quarter alone, Transform delivered 73 crores in revenue and we are seeing significantly large mandates as enterprise increasingly engage Awfis for end-to-end workplace solutions. This comes with a 200 crore plus in mandates already won for this year.

The cross-sell flywheel underpinning is one of the most powerful aspects of the business. 80% of our external D&B revenue comes from clients who first enter through our flex portfolio, and it works the other way too. Transform clients are increasingly anchoring future flex and managed office demand back into the Awfis network.

Key wins span a genuine cross section of enterprise India. A global IT consulting major 3 lakh square feet, a renewable energy infrastructure group 1 lakh square feet. Global e-commerce major 67,000 square feet. A diversified conglomerate 65,000 square feet and a global BPO customer experience major at 50,000 square feet. Allied services across IT, F&B, transport, business support continue to scale rapidly as 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 five growth engines of premiumization, GCC demand, multi-format supply, organic growth, and workplace solutions serve as growth pillars to one another rather than standalone initiatives.

A premium center attracts a GCC client. A GCC client expands across multiple office locations and adopts additional workspace services. Managed office engagements create opportunities for transform. Each successful enterprise relationship strengthens our ability to secure future developer partnerships and partial managed office opportunity. 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 INR400 crores in new center openings.

Over this period, revenue grew by 65% from INR258 crores to INR425 crores, a 28.3% CAGR, while EBITDA grew to 105% from INR79 crores to INR162 crores, a 43.2% CAGR. Despite this expansion, and after raising only INR128 crores through our IPO, we continue to maintain a net cash position with a net debt-to-equity ratio at a negative 0.08 times.

Put simply, we have deployed more than three 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 balance sheet strength we have built is being recognized by lenders, not just visible on paper. 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 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 INR1,800 crores for the full year. On profitability, we expect cash EBITDA performance to improve in the second half relative to the first with a full year cash EBITDA in the range of INR190 crores to INR200 crores.

Looking ahead, we remain confident in the long-term opportunity. 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 give us multiple levers for sustained growth.

As the flexible workplace 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 30, 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 micro-markets. 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 five centers in three cities consolidated its operations into a 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-off exit, which speaks the underlying strength of demand across the rest of the portfolio.

It's also worth remembering that in a business of our scale, 1.5% to 2% of inventory naturally churns 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 chunk of the vacated capacity, and the balance is seeing healthy traction from enterprises and GCCs evaluating premium workspaces across our network, in several cases at a 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. The 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. Sector 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%, healthcare and life sciences 5%, with the balance spread across other sectors.

No single sector represents an outsized dependency, and our 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 India-headquartered, driving faster conversions and shorter ramp cycles, while 43% are North American or European headquartered, 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, our most premium and stickiest segment.

Let me also give you a fuller picture of our GCC business. As of June 30, we serve 100 plus unique GCC clients, contributing 24% of rental revenue across nine cities in India. The parentage skews heavily towards North American, 79% of our GCC clients are North America headquartered, with 15% from Europe and the remaining 6% from Asia and ANZ.

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 clear leadership in the micro and nano categories, which is 25 to 100 seats, and we are increasingly winning large GCC mandates too, with multiple mandates over 1,000 seats now closed.

The client lifecycle here follows a predictable pattern. Clients typically enter at 25 to 50 seats in co-working or Gold Elite formats, expand to 100 to 300 plus seats, and 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 launch operations, expansion, workspace strategy, planning, and 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 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'll hand over the call to Sumit Rochlani for the financial update.

Sumit Rochlani: 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 our business.

Over the last few quarters, we have received feedback and suggestions from investors and analysts covering the 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 additional view on the financial performance, over and above the reported Ind AS financials and other metrics that we have been reporting. The said metric has been reported on slide number 20.

For the current quarter, the metric and related reconciliation and necessary adjustments have been validated by MSKA & Associates LLP, which is part of BDO Network, under an agreed upon procedures engagement as a good corporate governance practice. For the quarter, reported revenue from operations as per Ind AS stood at INR425 crores, registering a growth of 27% year-on-year. Within this, our Co-working and Allied services segment grew 27% year-on-year to INR352 crores.

The construction and fit out services, our Transform business, grew 25% year-on-year to INR73 crores. Moving to profitability, reported EBITDA as per Ind AS was INR162 crores, up 28% year-on-year. The profit before tax as per Ind AS stood at INR24 crores, up 135% year-on-year. Referring to slide 20 of the presentation, under Ind AS 116, certain long-term lease arrangements are accounted for as finance leases which, impacts the timing of revenue recognition.

Adjusting for these accounting treatments, normalized revenue stood at INR437 crores, reflecting a healthy 35% growth 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 INR44 crores. Up approximately 34% year-on-year with cash EBITDA margins at 10.1%. Operating PBT stood at INR11 crores compared to INR10 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 -0.08x, reinforcing the financial discipline that underpins our growth. On return, ROCE sustained at 55%. Just as importantly, our revenue to gross fixed assets ratio came in at 1.5x. 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.

Moderator: Thank you very much. We will now begin the question-and-answer session. The first question is from the line of Shamit Ashar from Ambit. Please proceed with your question.

Shamit Ashar: Hello, am I audible?

Moderator: Yes, sir.

Shamit Ashar: Yeah. Hi. Thanks for the opportunity. So I wanted to know, if we look at your Q4 and Q1, so your rental payments have increased from INR85 crores to INR130 odd crores, and seats have been, I mean, the gross net seat additions have been in the range of 3,000 to 4,000. So can you please explain the jump in the rental payments

And secondly, I want to know that is your strategy of going for straight lease benefiting you, because clearly the margins aren't showing up. So will you continue to go more towards straight lease?

Because even if you look at your occupancies, they are kind of constant in the range of 76% since the last two, three quarters. So please could you just highlight what is going on and what's your strategy going forward?

Sumit Rochlani: Sure. To answer your first question, you are taking these numbers from the cash flow. A part of our rental expenses are also disposed in the other expenses. The other expenses, if you look at the detailed financials where they are available, the rental expenses in the other expenses have not grown, rather they are flat.

So the rental expenses that are part of other expenses primarily includes the rental paid as profits on managed aggregation model, and as well as rental paid on the lease transactions where we were out of lock-in which means that we were not doing the accounting for those leases under Ind AS116. And the rental was being accounted as it would get accounted in pre-Ind AS era. So if you now consider both, then the growth percentage is in line with the growth in the indices. I hope I answered your question.

Amit Ramani: The second part of your question let me take that. So the blended occupancy obviously has held flat at 76% matching the Q4, despite us having to absorb one large enterprise consolidation, as Sumit mentioned. And that's 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 chunk of the vacated capacity through signed agreements not just conversations, and in several cases at a better pricing than before. That gives us real confidence in recovery path, rather than just hope here. And had that single client not exited, we would have been on track to show clear improvement across both occupancy metrics.

Moderator: Hello, Shamit sir, is your question answered?

Shamit Ashar: Hello? Yeah. Yeah, and I also wanted to know like, you know, managed aggregation model is like your core strength, and since last quarter, I mean, it was 62% and now it's I think 57%. So now, just want to know that will you keep, continue doing more of straight lease going forward for the rest of the quarters?

Amit Ramani: So, you know, managed aggregation continues to be an important part of our supply strategy. It's 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 opportunities kind of decide this for us. We have becoming obviously more selective overall, choosing whichever structure, MA, Developer Partnership or Selective Lease that delivers the best realization for us, and the risk profile for a given asset and a micro market, rather than forcing every deal into one lease type. This is not a shift from MA, let me just be clear here. It is broadening of the playbook.

Commercial real estate obviously moves in cycles, and the right lease structure for a given micro-market or an asset changes as those cycles do. So [inaudible 0:32:23] is reduced intentionally, reserved deliberately for a handful of ultra-premium anchor value micro-markets. And within our MA model, we are utilizing both developer partnerships and classic MA to secure quality and low-risk supply together. Together, these give us more tools to capture demand profitably across a wide range of situations.

Shamit Ashar: Got it. And just one last small question. What would be your overall capex guidance for FY27?

Amit Ramani: So that capex guidance would be roughly in the range of about INR200 crores to INR210 crores.

Shamit Ashar: Okay. Thanks, and all the best for the remaining quarters.

Amit Ramani: Thank you, Shamit.

Moderator: The next question is from the line of Yashas Gilganchi from Bank of Baroda Capital Markets. Please proceed with your question.

Yashas Gilganchi: Hi, team. Thank you for taking my question. I'd like to know more about your developer partnerships. So 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?

Sumit Lakhani: So these are different across various deals. Now, specifically with respect to the developer partnerships, why we are calling it partnerships than a simple supply acquisition is because this entails a situation where we are making the supply acquisition risk-averse and capital efficient, where the developer is also investing capital into the fit-outs as well as giving us more preferable rent freeze as well as participating in the overall profit share.

Broadly, the way we are looking at it is a couple of these properties will go live over a period of six months to next 12 months where these properties will go live. And these I'm talking about are the buildings going live. So our centers could go live between 9 to 15-odd months kind of scenario.

Second, in terms of a couple of premium straight lease centers, which we are signing across various grade A properties, few of them we are signing up are in ready-to-move properties, but a few of them we are signing across in various forward leasing structures where the buildings are under various stages of construction.

So, as you know, we are on the path of working across a premium business model. So we are also taking a phase-wise approach of picking up these properties. But the idea is to lock the grade A+ supply across the no-brainer kind of micro-markets right now. And these we are signing up with properties which are going live from next six-odd months to next 24-odd months. So that's been the strategy from our side. But the core is we want to lock the strategic supply across the key micro-markets across the new upcoming assets.

Yashas Gilganchi: Thank you. That is really clear. Just a little bit more on this. Furthermore, what do Awfis's typical capital contributions to these projects look like over the six to 12 months that you mentioned? And lastly, under these partnerships, how long does Awfis have access to the space?

Sumit Lakhani: Sorry, the second part of it, how long the lease -- can you repeat the second part of your question?

Yashas Gilganchi: Yes, sure. Under such partnerships, how long does Awfis have access to the space to lease out, let's say, to your tenants?

Sumit Lakhani: So in terms of our capital contribution ranges from around 50-odd-percent of the overall fit-out value day one. It's a small kind of a security deposit, which gets committed till the property goes live. So from that perspective, it's not very capital-intensive day one at the time of signing. In terms of clients, we look at marketing these properties almost about four to six months before the center goes live. Does that answer your question?

Yashas Gilganchi: Yes. No, actually, just on the last bit, like I meant to ask, let's say, you sign this partnership and you get access to the space, how long do you have access to the space? What is your tenant tenure with the landlord?

Sumit Lakhani: Okay. So we are signing up nine-year agreements with these properties,. And our access starts from the date of signing where the property is under construction, and the nine years starts from the day when the OC of the building is received, and we get the possession of the property.

Yashas Gilganchi: Got it. Thanks again.

Sumit Lakhani: Thanks.

Moderator: Thank you, sir. The next question is from the line of Shrenik Mehta from IndoAlps Wealth. Please proceed with your question.

Shrenik Mehta: Yeah. Thank you. So my question here is, the chargeable area went from around almost 5 million square feet to 8.4 million square feet over the last eight quarters. It's up almost 68%, whereas the revenue went up from INR258 crores to INR425 crores. It's up only 65%. So the revenue is growing slower than the area. So per square feet revenue is probably stable to declining.

So can you give us a little bit idea about the operational seat per month cost between, say, Q1 FY25, Q1 FY26, and Q1 FY27, and some insight into what is really leading to this fairly stable kind of a revenue on a per square foot basis?

Sumit Lakhani: Sure. So Shrenik, I would like to correct you around on this analysis where 68% versus 65%, because one, this chargeable area also includes the seats, which are under fit-out. So those seats are not live. But it's an interesting kind of metrics which you put across. And I would want to highlight one point.

The net seats in Q1 of FY25 were about 100,000, which at the end of Q1 FY27 are 159,000, which is 59% is the net operational seat increase. Now corresponding to this 59% net seat increase, we had a 65% kind of revenue growth. So from that perspective, we are doing well.

And on top of it, if you factor in 76% as a blended occupancy, so revenue growth clearly is going to outgrow in terms of the overall seat growth as well.

Shrenik Mehta: Okay. But in this period, Sumit, you've also increased the number of Gold centers. You have 37 Gold centers and Elite Centers where probably the cost per seat would be much higher, right? In the other markets or other setups, do you see almost flat prices because the market is so robust. I mean we should expect price to go up on a per square foot basis?

Sumit Lakhani: So if you look at the overall seat realization trend, even over the last couple of quarters, let's say, 8 quarters also, you would see the price per seat as a trend almost going up every quarter. See, our business inherently, even in a single kind of a center from same kind of a customer also gives us an opportunity to have at least 4% to 7% of contractual escalation from the same customer. So from that perspective, we are seeing price realization increasing.

Second, last 12 to 14 months, the kind of focus we had with respect to getting more premium centers on board, that's also reflecting in the overall price realization. So I don't have a clear number, but if you think from Q1 of FY25 to Q1 of FY27, if we would look at the percentage kind of price increase on a seat basis, it would look very healthy.

Moderator: Shrenik sir, does that answer your question?

Shrenik Mehta: Yes. Thank you.

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

Rahul Kundnani: Yes, I had a couple of questions. The first one was on Transform, which is a third-party revenue share, which is at nearly 92% this quarter. So what is driving that? And is it sustainable at this level?

Amit Ramani: Yeah. Yes. So third-party mix obviously has flipped structurally. Transform started when we initially started, it started off as a captive fit-out arm serving our own centers today. And today, it is majorly third-party externally facing design and build business, compounding on its own momentum at this stage. The shift obviously is being driven by enterprise and GCCs increasingly engaging Awfis for multicity national fit-out mandates and self-reinforcing cross-sell loop where flex relationships convert into Transform and Transform clients turn into anchor future flex and managed office demands.

So, see, it's obviously worth noting the split will move around a bit quarter-to-quarter. But since it's partly a function of how many projects under MA are being delivered and built in any given period, not a fixed ratio. 92% is general reflection of this quarter's delivery mix. We would expect the number to stay structurally high, even if it moves within a range depending on project phasing.

Rahul Kundnani: What are the margins in this business now? Where do you see the stable-state margin in the business?

Amit Ramani: So the margin profile of the business is split into 2. What we do with our landlord partners, typically, it would be about a 15% gross margin. And if I was to look at the third-party margin, that ranges anywhere between 18% to 20%. And so between the 2 businesses, depending on the volume of each, it would somewhere be in the 17% to 18% range.

Rahul Kundnani: Right. And sir, on the industry side, how is this flex, how is the GCC industry evolving now? And where does Awfis sit with that in terms of percentage contribution from the GCC?

Amit Ramani: So obviously, India, as I mentioned in my commentary, that obviously the gross leasing has been about 43 million square feet in the commercial. And the flex operators today posted the strongest half year, obviously, 8.4 million square feet, which is 55% increase from FY25 and highest ever half yearly volume that the segment has done.

Flex penetration of overall leasing has climbed from single digits to 21% today, and this is on a clear path towards roughly 25% by 2027. Annual flex transaction stock has grown from 30 to 38 million square feet in 2020 to 110 million to 114 million square feet in 2025. It is almost fourfold increase, and this is no longer just a discretionary category, but it is a mainstream permanent part of our enterprise solution right now.

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

Awfis, we're obviously the largest network. We have the most capital-efficient model and model platform, specifically GCC enterprise demand, sits on the right side of every one of these trends. We, as I mentioned, 24% of our revenue today comes from GCC as we're serving about 100+ GCC clients. We look at that trend continuing to grow as the GCC story continues to expand and the robust commercial real estate market.

Rahul Kundnani: Right. And one on the deal, after this developer deal with Malpani, are there more such deals in the pipeline?

Amit Ramani: Yes. As Sumit mentioned, there are a couple more deals that we are curating right now. Obviously, these deals take a bit longer because there are much more complexities involved in terms of engaging in terms of the partnership overall than a straight lease structure. But yes, there are a couple more deals in the pipeline.

Also, we are doing this with only grade A+ developers where our continued direction for premiumization as well as engaging with the right partners becomes important. So obviously, there might be multiple developers, but the choice developers in the grade A category obviously are less than the overall developers. So we want to make sure that we partner with the right developer partner in this case.

Rahul Kundnani: The last one from my side, in terms of the entire growth reflecting in the margins and the occupancies moving up. When do you see this needle moving meaningfully for us on the occupancy and on the margin front?

Sumit Lakhani: See, so primarily, the way we are building the whole business and how the seats are going up, occupancy percentage, this is the first quarter where this has remained a bit more flat. Otherwise, across every quarter, the occupancy percentage had been on an uptick kind of scenario. What I see is overall H2 going to be better than H1. And I think Q4 is one quarter where you will at least start seeing a meaningful difference both in terms of occupancy, the impact of a couple of more elite and gold centers coming in the margins as well.

Rahul Kundnani: Got it. That's it from my end. Thanks so much.

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

Hitaindra Pradhan: Yeah, hi sir. I hope, I am audible.

Moderator: Yes, sir.

Hitaindra Pradhan: So sir my first question is regarding the pipeline of the premium and the Grade A assets that you commented earlier. So if you can give us some quantitative sense like you know, what percentage of our portfolio is currently premium and Grade A, and how will that mix evolve by end of FY27 and FY28? And are all these institutional or we have some non-institutional mix here as well?

Amit Ramani: So overall as Sumit has highlighted that we have about 242 centers that are live as we speak. Out of those, about roughly 37 centers are in the Gold and premium category. So that approximately makes it about roughly 15% of the portfolio is in the premium category. This year as we mentioned in our commentary, there are seven additional properties that are in LOI stage and there are six properties that are in fit-out stage.

All of these whatever 13 odd properties, I would say majority of these at least I would say 10 out of the 13 are in the premium category, which includes Gold and elite type of centers. So by the end of this year, we anticipate by FY27 ending this 85-15 split would be more closer to 80-20 split.

Hitaindra Pradhan: Okay. And sir, all of these are like institutional developers?

Amit Ramani: Yes. All of these are institutional assets in select micro-markets. Yeah, but all are institutional.

Hitaindra Pradhan: Okay, And my second one is on the outlook, the revenue and the cash EBITDA guidance that you provided and thanks for disclosing that by the way. So sir if I you know, take 25% of revenue growth and INR200cr of you know, cash EBITDA, that comes about 10%, sort of, margin right.

I mean, I was expecting this margin number to be slightly higher as long as we maintain the mature cohort occupancy intact at like 85%. So can you explain, I mean, is it understated or we are expecting some kind of attrition in our mature cohort, if you can just elaborate on that guidance? Thank you.

Sumit Lakhani: See, in terms of the overall guidance, one thing yes, you are right, our margins currently are, the cash EBITDA margins are looking somewhere in the range of 10-odd percent. What I would say is H1 we are seeing a couple of, you know, impacts on the margin, one, we mentioned a large kind of a customer moving out, where our model is a bit different than everyone else is, we follow a very diversified kind of approach.

So while the customer moved out across from five different centers, we prefer to refill those centers. So we are carrying on the fixed asset fixed cost around for those centers because we know that we would be able to continue with those centers over the next five years to seven years. We'll have to take a minor kind of a shock.

Second, specifically with respect to H1, we had been a bit under on margin pressure because a large portion of our portfolio was signed up in 2021. And there was across a couple of properties there was a kind of a commercial reset which was happening after five years. There is a kind of a timing gap between when the rental increases on what we pay to the developer or to the space owner versus what we receive from the customer because the customers, everyone has a very different kind of renewal cycle.

So while we are able to pass-on through the increased pricing, but there is, you know, three quarters to four quarters of a timing difference around on it. So these had been a kind of reason that H1 you are seeing around this way. Overall, H2 we think will outperform H1. And, you know, that's primarily the kind of a way, why we think in the whole of the year closer to INR1800-odd crores with INR195 crores to INR200 crores kind of cash EBITDA will come around. I am actually hopeful that in Q4 you will see a kind of a meaningful difference around on things.

Hitaindra Pradhan: Okay, thank you sir.

Moderator: Thank you, sir. Ladies and gentlemen, we'll take this as a last question for today. I would now like to hand the conference over to management for closing comments.

Amit Ramani: Do we have a last question or should we report it back to me.

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

Sumit Lakhani: Okay. Thank you. So thank you everyone for joining us today. To close, I would say the five 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. And thank you once again, and have a great evening.

Moderator: 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.