

Dev Accelerator Limited

(Formerly known as Dev Accelerator Private Limited)

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February 05, 2026

To, BSE Limited Phiroze Jeejeebhoy Towers Dalal Street Mumbai 400 001	To National Stock Exchange of India Limited Exchange Plaza, Plot No. C/1, G Block, Bandra Kurla Complex, Bandra (East) Mumbai 400 051
Script Code: 544513	Trading Symbol: DEVX

Dear Sir/ Madam,

Sub: Disclosure under Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 – Transcript of the Earnings Conference call

Pursuant to the provisions of Regulation 30 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time), we are enclosing herewith the transcript of the earnings conference call, conducted on February 02, 2026, in relation to the unaudited financial results of the Company for the quarter ended December 31, 2025.

The above information will also be hosted on the Company's website viz. <https://www.devx.work/investor-relations/financials>

This is for your information and records.

Thanking you

Yours faithfully,
For Dev Accelerator Limited
(Formerly Known as Dev Accelerator Private Limited)

Anjan Trivedi
Company Secretary & Compliance Officer

Encl: As above



“Dev Accelerator Limited
Q3 & 9M FY26 Earnings Conference Call”
February 02, 2026



MANAGEMENT: **MR. PARTH SHAH – CHAIRMAN AND WHOLE-TIME DIRECTOR – DEV ACCELERATOR LIMITED**
MR. UMESH UTTAMCHANDANI – MANAGING DIRECTOR – DEV ACCELERATOR LIMITED
MR. RUSHIT SHAH – WHOLE-TIME DIRECTOR – DEV ACCELERATOR LIMITED
MR. PARIN SHAH – JOINT CHIEF FINANCIAL OFFICER – DEV ACCELERATOR LIMITED
MR. PARTHIV PANCHAL – JOINT CHIEF FINANCIAL OFFICER – DEV ACCELERATOR LIMITED
MR. ANJAN TRIVEDI – COMPANY SECRETARY AND COMPLIANCE OFFICER – DEV ACCELERATOR LIMITED
MR. YASH SHAH – NON-EXECUTIVE, NON-INDEPENDENT DIRECTOR – DEV ACCELERATOR LIMITED

Moderator:

Ladies and gentlemen, good day and welcome to the Dev Accelerator Limited Q3 and 9 months FY26 Earnings Conference Call. I have with me Mr. Parth Shah, Chairman and Whole Time-Director, Mr. Umesh Uttamchandani, Managing Director, Mr. Rushit Shah, Whole-Time Director, Mr. Parin Shah, Joint Chief Financial Officer, Mr. Parthiv Panchal, Joint Chief Financial Officer, Mr. Anjan Trivedi, Company Secretary and Compliance Officer, Mr. Yash Shah, Non-Executive, Non-Independent Director.

Before we proceed, I would like to bring to your attention that certain statements made during this discussion may constitute forward-looking statements. These statements are based on current expectations, assumptions and beliefs regarding future development and are inherently subject to various risks, uncertainties and factors beyond our control. Such forward-looking statements involve both known and unknown risks and we advise you to interpret them with caution.

As a reminder, all participant lines will be in a listen-only mode and there will be an opportunity for you to ask questions after the presentation concludes. Should you need assistance during the conference call, please signal an operator by pressing star then zero on your touch-tone phone. I now hand the conference over to Mr. Umesh Uttamchandani, Managing Director for his opening remarks.

Umesh Uttamchandani:

Thank you, Moderator. Good afternoon everyone and a warm welcome to Dev Accelerator Limited's earnings conference call for the quarter and nine-months ended December 31, 2025. I trust all of you had an opportunity to review the results that we have shared on our website and also on the stock exchanges and along with it, we have also shared investor presentations and the media releases.

I'll start by sharing a quick brief as to what we do as an organization. Dev Accelerator Limited, which we brand as DevX, is an enterprise-focused, full-solution managed workspace platform. What we essentially do is design, build and provide custom-built offices, which covers end-to-end site selection, bespoke fit-outs, technology integration, payroll management and facility management, all under a single service level agreement.

So technically a client gives or issues a single check to us for seeking all the services which I mentioned about. So we started this company back in 2017 with a clear conviction that India's Tier 2 cities would become the frontier for future commercial real estate consumption. Back then when we were starting, not only in the country but even in Ahmedabad, the city where we started from, the closest competition that we had was a 50-seater service provider and we started with 700 seats being offered to the city.

And that's when the belief became stronger. Instead of Bangalore, Mumbai and Delhi, we started to build our foundation in Ahmedabad, Baroda, Jaipur, Rajkot, Udaipur and a few other emerging cities, which we believe would pave the way for the next growth of the country. Seven years later, the budget which has been announced yesterday showcased the condition that the next growth would come in from the Tier 2 cities.

And this transition is not just by numbers, it is a structural reform that's happening in the country as well as in the industry. Today, DevX operates 28 centers across 12 cities, managing almost 9 lakh square feet of area with 13,500 seats, operating at an 88% occupancy level, which is being consumed by more than 300 clients. And astonishingly, which is not the truth of the industry, 95% of our seats or inventory is sourced directly.

What makes us fundamentally different from other flex operators is our core focus on Tier 2 strategy. 75% of our revenue today comes from Tier 2 cities. Just to define a few of the Tier 2 cities is cities like Ahmedabad, Baroda, Jaipur, Gandhinagar, Surat, Indore, Rajkot and Udaipur. The remaining 25% of our revenue comes from tier one cities like Pune, Hyderabad, Noida and Mumbai, wherein we expand categorically with a back-to-back demand coming in from clients.

And this shift or focus in Tier 2 cities is not merely by accident, it is a deliberate strategy to focus on these growth corridors. We understand these aspects extremely deeply and the lack of non-institutional in nature, very difficult to deal with, is where we understand the pulse. We also understand the talent pools here, because that is the critical aspect for our clients. The enterprise demand patterns, this is the growth of office spaces which are being built, this is the availability of talent pool.

And all of this supported with regulatory environment is where we understand in and out of it. And this ultimately results into superior unit economics, because our rent to revenue ratio in Tier 2 cities stands at 2.62x, while in tier one cities it is 2.1x. This showcases that our strategy is impacting on ground and is not just a mere love towards Tier 2 cities, but it translates into positive numbers as well.

What our rent to revenue ratio means is that every rupee we pay in rent, we generate INR2.62 of revenue. And this premium is being achieved because we are able to negotiate better in terms of rental price points with landlords, which is being achieved because of the track record that we have been able to operate in these cities. And largely the competition here is fragmented. That is the primary reason why we are able to achieve a better rent to revenue ratio here. The client stickiness is also very high in these markets.

As 65% of our revenue comes from enterprise clients, the clients whom we have offered a built to suit solution, the average client lock-in which is still left off with us is 3.5 years. The return retention ratio is staggering 98% for us. And the net churn rate which essentially means that we add more number of seats from our existing clients than we are losing is negative 0.6%. The clients that are there with us beyond 300 seats have an average lock-in of 37 months, which would showcase a very strong cash flow for us in the coming months.

One third of our clients are multi-city clients, meaning they would be with us not only in one city on one center, they would be with us in beyond one city or beyond one center. And they have been growing with us across the country and across the center. And we scale along with them.

As I mentioned earlier, we are not just a workspace provider, we are a full stack enterprise infrastructure partner. Through our integrated platform, we offer complete end-to-end managed

office space solution, which is the core revenue or the cash flow for us. Then we have our design and build services, which we offer it to our subsidiary, wherein external clients takes our services of designing and building the entire office space.

We provide end-to-end facility management services as well. And through another subsidiary of SaaSjoy Solutions, we offer Technology solutions as well. Under the same umbrella, we provide recruitment as well as payroll services. So this makes us a complete full stack solution provider for global capability centers. GCCs are now an emerging consumers of IT real estate sector in India. Commerce office space largely is consumed by global capability centers.

And we are building from a resource pool perspective, from a technology stack perspective, a complete platform where we can offer them end-to-end solutions. This is largely done to capture more wallet share from our existing client. Just to cite you an example, QX Global, which started with us as the first client back in 2018 with a 500-seater space, is still operating and working with us.

We are the only preferred partner for that customer and operates with us in more than five cities. That is the strength of relationship that we've been able to build. Now let me walk you through some of our financial performance, which we've been able to demonstrate because of this model.

I'll share the consolidated numbers first. Our revenue from operations for the quarter three FY26 stood at INR59.2 crores on a comparable basis. That is 19 percentage year-on-year. For the nine-month FY26, we achieved INR166.7 crores as revenue, which is a 53 percentage year-on-year growth. Just to help the people that are listening, last complete year, we did INR158 crores of revenue. For nine month FY26 we achieved INR166.7 crores of revenue. Our EBITDA for nine-month FY26 stood at INR77.6 crores.

That is an EBITDA margin of 46.1 percentage. This again reflects the operating leverage as our mature centers are able to deliver higher utilization. Our PBT for nine-month FY26 grew 173 percentage and we have been able to achieve INR5.2 crores as our PBT. And we have been consistently delivering positivity since last past two years at the PBT level.

On a standalone basis, the numbers are much stronger as our revenue grew 50 percentage year-on-year, ending INR124 crores in nine-month FY26. Our EBITDA margin increased to the highest level in the industry, which is 61 percentage, up from 57.5 percentage in the same period last year. Our cash EBIT for nine-month FY26 is INR26.42 crores. I'll throw some light on our subsidiary. Our design and build subsidiary is the core strength of delivering projects faster and efficiently.

We delivered INR38.8 crores of revenue in nine-month FY26, with 16.8 percentage of EBITDA margin. Overall, we delivered 19 plus projects across 7 lakh square feet of area with an average project size being 5,000 square feet and an average project value being INR1.25 crores. Our rent to revenue ratio has increased from 1.86 in the preceding same period of nine-month FY25 and we have achieved 2.62x of rent to revenue ratio.

This showcases our operational efficiency in Tier 2 markets. As I shared the numbers, I'll give a quick glimpse of the entire industry as to why we are very bullish on this. The Indian flexible

office space market is going through a paradigm shift. It is currently valued at \$6 billion today, and it is expected to reach \$11.4 billion by 2030. That is a growth of 14 percentage on a CAGR basis. But the compelling story is the shift which is happening in this market.

According to the recent industry research, managed workspaces, the category in which we operate, has grown at 47% CAGR since 2018, which is outpacing the co-working which is growing at 16% CAGR. GCCs, as I touched upon earlier, are the single biggest demand driver for flexible office space providers. They contribute anywhere between 60% to 65% of the seat observation annually.

India today has 1,850 GCCs, which is up from 1,285 GCCs in FY19, with approximately 100 to 115 GCCs being added upon every year. By 2030, the country expects that we'd be serving 2,200 GCCs, and the employee count would be doubling and reaching to 2.8 million. Now, this research was being conducted earlier, with the advent of Safe Harbor being announced in yesterday's budget.

I am certain that this number is going to grow exponential. GCC revenue has achieved a number of \$105 billion. Today, GCC consumes approximately 34% of India's grade A office market. GCCs kind of prefer managed office spaces because we're able to provide them long lease tenures with customized solutions. They have a lower churn risk, and they expect enterprise grade A infrastructure, all of that being served by an office space provider. They are not looking for hot desks.

They do not want dedicated different spaces. They are looking at branded spaces that can scale along with their growth. And, importantly, GCCs are now looking beyond metros to tap the talent pool. Today, tier-2 cities are growing at 16% CAGR faster than the national average. Hiring in Tier 2 cities is also growing 21% year-on-year. Hence, a lot of GCCs have started coming into Tier 2 cities.

They have grown from 5% in FY19 to 20% in FY25. And there are structural shifts that are happening, largely because the talent arbitrage is high. The cost arbitrage is extremely high. Today, Tier 2 cities offer 20% to 35% cost advantage over metros. In terms of digitally skilled availability of professionals, Tier 2 cities have 800,000 people available. And we have been witnessing as a country, the budget, the national focus has also been into filtering the infrastructure gap in Tier 2 cities.

Missions like smart cities, PM GatiShakti, metros being set up, and most importantly, the connectivity between Tier 1 and Tier 2 cities has reduced the infrastructure gap and enforced the global employers to come to Tier 2 cities. This is precisely the way we have been waiting and waiting for since 2017. And this quarter, we have taken a decisive step to cement our leadership in this.

I'll share one of the largest deals that we have signed this quarter. We have signed an 8 lakh square feet of single managed office space contract in Ahmedabad, which is on Ambli - Bopal Road. That's the same micro market, wherein we have a current standing of three and a half lakh square feet.

This is extremely large, not only from a Tier 2 city standard, but across the country, this would be one of the single largest flex office space transaction that we have done. I'll just share a few of the lime lights of the deal. Its 8 lakhs, 10,000 square feet, to be very precise. It will have 8500 seats. We are committing an investment of INR100 crores across four years and an occupancy of 85%. It will start generating a revenue of INR120 crores.

Now, this deal is extremely significant for us because it falls under a development management model. It is a re-engineered model for the first time that's being done in the flexible office space industry. We ourselves are putting in the shoes of landowners, which are non-institutional in nature. Since we understand the quality of assets that are referred by GCCs.

We are partnering with landowners, offering them our expertise and skill set, building their products or assets with our processes and helping them to build a grade A plus asset, which would be leased by us. And then offered as a complete solution to Global Capability Center. These are purpose-built buildings, largely for Global Capability Center, which would be operationally extremely effective and we, now onwards, intend to scale this up rapidly by partnering with landowners across the country.

By focusing more in Tier 2 cities, where the land ownership is fragmented. Landowners are non-institutional in nature, but are aspired to have enterprise demand and that is where we would play a role. We would institutionalize that supply. We would bring in our expertise and focus on bringing Global Capability Centers, set up their offices by offering them payroll recruitment and infrastructure under a single umbrella.

An update on the asset that we had on Ambli - Bopal Road, which was one of our largest in an operational stock, that 3.15 lakh square feet asset, which is one of the largest in Tier 2 cities, will start operations from this quarter, which is JFM quarter. We have already achieved 95% pre-leasing even before going operational. This is technically not heard of because this size typically takes anywhere between 9 to 12 months to reach a 95% occupancy. We have got 95%, we have achieved 95% occupancy even before going operational.

This would add roughly 4,000 seats in the inventory and from a revenue standpoint, it would add INR2.75 crores to INR3 crores on a month on month basis in the operational revenue that we will be achieving. And the margins, we will be operationally positive in this center from day one. A few of the marquee clients that we have onboarded here is Manubhai & Shah, which is a five decade old CA firm based out of headquartered in Ahmedabad.

They are with us in more than five cities across the country. They are consolidating their entire inventory, which was not with us in Ahmedabad and shifting their headquarters with us and they have taken 100,000 square feet of area. Another client is Walter P Moore, a globally recognized design and structural consulting firm. They have taken almost a full floor there, which translates into 10,000 square feet of area. Then OpenXcell, Tatvic Digital Analytics, these are a few of the other clients, marquee ones, which have signed up with us.

This campus is located on Ambli - Bopal Road, wherein the additional eight lakh square feet has been signed by us. And we are establishing this corridor as a flagship for GCC destination in

Tier 2 cities in Western India. I'll share my closing remarks now after the updates. We are India's leading managed office space platform in Tier 2 cities. We have built a deep mode in landlord relationship in bringing client stickiness and built our operational efficiency. We have understood the unique dynamics that are required in this market.

The landmark deal of eight lakh square feet is not just a transaction for us, but it is a playbook or template, which we will be replicating in other traditional real estate markets in other Tier 2 cities and bringing in innovative solutions by a flexible operator across the country. Our vision is clear to become the preferred destination and the preferred infrastructure partner for GCCs in Tier 2 cities.

Again, sharing the quick understanding, we are there across 28 centers in 12 cities, a strong balance sheet and an integrated platform offering built to suit workspaces, design and build along with allied services. This is a proven playbook that we have showcased as a testimony, which we are going to replicate for our future expansion in Tier 2 cities. We strongly remain confident of delivering sustained growth and long-term value for our shareholders. Thank you everyone for your continued support. I'll now open the floor for questions.

Moderator: The first question comes from the line of Shamit with Ambit Capital.

Shamit: So since I'm new to your business, I just wanted to, you know, understand a few things in depth. So what is your sourcing strategy? So is it like you take entire buildings from since you mentioned non-institutional landlords or you just have a typical 25 to 15,000 square feet center size in some of the properties sourced by the non-institutional landlords? That is what first and what would your top 10 client contribute to your revenues?

And I just wanted to know in your -- for your DNB division, what kind of order visibility you have in hand? And lastly, on the new managed office deal, which you signed in Ahmedabad for 8,15,000 square feet. So I wanted to know what is the average seat size per average seat size in that sector?

Umesh Uttamchandani: Thank you for interesting questions. I'll start with the first one, which is our sourcing strategy. So we have two approaches here. First is the city where we are not present. There we'll set up anywhere between 25,000 to 40,000 square feet of area. We take up 25 to 40,000 square feet because our focus is to set up a presence there. Now the dynamics in a newer city works differently and there are multiple stakeholders there.

Our objective is to become a hyper local player there. So we would understand who our supplier is in terms of who our vendors are, basically understanding where we would bring in the furniture and fit outs. That's first understanding that we want to build in an ecosystem. Second, I want to understand the dynamics of where and which micro market is evolving and where it is heading towards.

So that's the second understanding that I would build. And third, I would want to build a strong pipeline of clients who are looking to take up future inventory or future seats or who can be my probable customers. So we would always start small in a newer city that is taking up 25 to 40,000

square feet of area. Two years later, or probably one and a half years later, older in that ecosystem in that city.

Once these metrics are established, we would start taking up larger inventory. Now that inventory would be upcoming in nature. That is, we would sign up an asset, let's say one and a half years later, but the delivery of that asset would be a year down the line. So that gives us the time frame to market ourselves. And by that time, we would have some other client who would have committed us bigger inventory for future supply that is coming up with us.

So that is our modus operandi. We would take up 25 to 40,000 square feet of area in a new city. Once we are established, we would take up anywhere between 2 lakh to 3 lakh square feet in an older city. So that's the first answer on the sourcing strategy. The top 10 clients, the question that you asked, the second one, contributes today roughly 40% of our entire revenue.

With respect to our design and build contribution, what we have done essentially is we have built a lot of processes since last three years. And annualized, if I see, since last three years, we have been growing 100% year-on-year. So back in 2022, we did INR12.5 crores of revenue. Then we were able to achieve INR32 crores of revenue. This year, we are on the verge of achieving almost INR50 crores of revenue by this time frame.

And December, we have closed INR38 crores of revenue. The average seat size, so I think I'll just touch upon a little bit more on the design and build piece, because more than contributing revenue, it also adds a lot of value in terms of the resources that we bring in. Just to give you a context on this, if I was a standalone company, like DevX, we do not have this capability of design and build, I would not have the flexibility to hire senior resources with this.

Today, we have a team of 100 people, comprising of project leads with 12 to 15 years of experience. Now, I'm able to bear that cost because I'm sharing that cost along with the clients that I'm bringing in on a standalone basis. So if I see from a lens of DevX, we get the value of quality resources, while the cost is not completely borne by us. And that is being shared with the clients that are coming on board.

With these resources being added, we are able to reduce down our procurement costs, we are able to make our processes more stringent, and effectively achieving an output of delivering offices on a timely basis. That is the ultimate outcome. The focusing on the last question of 8 lakhs square feet, to be very honest, that deal is very close to our heart.

We have been kind of negotiating on that deal since the last one quarter. It gives us a landmark position, not only in the city, but in the entire country, because of the sheer size of the supply that we have taken up. The average desk size that we have witnessed within GCC is anywhere between 60 to 65 per square feet.

Umesh Uttamchandani: Yes. Right. So I was saying about the 8 lakhs square feet deal, we have been kind of negotiating and working on the numbers since last one quarter. And on a per seat size basis, we have experienced anywhere between 60 to 65 per square feet is the consumption pattern by GCCs.

With this 8 lakhs square feet, we are looking at 8500 seats of inventory coming here. And all the common amenities that we typically plan in the asset consume a lot of spaces and reduces the effectiveness of the layout for us.

Here, we would be redesigning and keeping a lot of common inventories, common features like we'll put a game zone, we'll have a box cricket, and we'll have a salon. We'll have a daycare facility, all incorporated in the design of the building that ultimately increases the efficiency of the layout that we can offer to our clients. And in turn, obviously increasing the revenue for us. I hope I was able to answer the question.

Shamit: And what kind of escalations in terms of rentals are you witnessing currently? From both the landlord and tenant side?

Umesh Uttamchandani: Yes. So on the supply side, our escalations are anywhere Between 4% to 5% on an annualized basis. But I'll contextually help you understand this. Our rent to revenue ratio is 2.62. So let's take an example. Our rentals are INR40. And our revenue that I'm generating from the client is INR110. So my escalation comes on INR40 of rental, which is anywhere Between 4% to 5%. While on the client side, my escalations are on INR110 which is 5% to 6%. On a year-on-year basis.

Moderator: The next question comes from the line of Juzer, an Individual Investor.

Juzer: Yes. So my first question is like, what progress has been made on the center currently under the fit-out during the quarter? And when are they expected to become operational, sir?

Umesh Uttamchandani: I'm assuming you're referring to this 3.15 lakh square feet asset?

Juzer: Yes.

Umesh Uttamchandani: So we received the occupancy certificate or building usage permission in the month of December. That is the 27th December is when we received the occupancy certificate. So technically, that is when we started full-fledged fit-outs. We are expected to deliver the project in the next 15 to 20 days of time frame, giving us a full-fledged revenue towards the end of February and the first week of March.

Juzer: Okay. And my second question is, what is the current occupancy level, sir? And how does it compare to the previous quarter and last year? And what is your outlook for the occupancy in the coming quarter, sir, in the last quarter?

Umesh Uttamchandani: So occupancy has always been north of 85% historically as well. The reason why occupancy levels are higher in our case is because we are focusing on being an enterprise or a managed office space provider. So we largely would have a customer on hand before we sign up a new supply. This quarter, we've been able to achieve 88.4% of occupancy number. But historically also, the numbers have been north of 85 percentage largely as the enterprise clients.

Juzer: Okay.

Umesh Uttamchandani: My CFO as well to kind of add a point on that.

Parin Shah: Out of the total 0.83 million square feet, around 70% of our centres are operating at 100% occupancy. On an overall basis, portfolio occupancy stands at 88.4%. Importantly, from a centre-level profitability perspective, about 0.58 million square feet of the total area is fully occupied and classified as mature centres. This provides a strong and reliable metric to evaluate the performance of our portfolio.

Juzer: And I have one more question. How quickly do a new center, particularly GCC-led project become the ROCE attraction? And what is the typical timeline to reach steady state return?

Umesh Uttamchandani: Juzer I'll break this into two parts. Let's say a center is of a size of less than 50,000 square feet of area. So that's a traditional deal wherein the landlord would give us the space. We would invest in the fit-outs and deliver a customized office to our enterprise clients. There, our ROCE is 36 months. But in larger centers, but in the centers like 3.15 lakh square feet center, there we are forecasting our ROCE to be around 27 months. And there are logical reasons to that.

One of the biggest driver to achieve that outcome is the rent-free period that we are able to achieve in larger assets. So typically, a rent-free period in a smaller asset is anywhere between 3 months to 4 months. While in larger assets, we are able to achieve 8 months to 12 months of rent-free period. That is one primary driver. Second, we are able to bring in common areas from a percentage basis to an extremely low level.

So let's say a 40,000 square feet area is being built; the common areas that I have to incorporate range between 22% and 25%, which include my lounge, meeting rooms, conference rooms, game area, and cafeteria. Now that percentage in a bigger area like 3.5 lakh square feet of building drops to 16%. So technically giving us a saving of 5%-6% which increases the value for us.

Moderator: The next question comes from the line of Rohit Mehra with SK Securities.

Rohit Mehra: So my first question is related to the Tier 2 cities. During the opening remarks, you mentioned Tier 2 cities will be our target henceforth, like cities like Indore and Udaipur, Jaipur. So what is the strategic rationale for current focus on Tier 2 cities and how long is the opportunity there?

Umesh Uttamchandani: Sure, sir. We are of the belief that Tier 2 cities would be the next wave of growth. As a country, if you have to grow from \$4 trillion economy to \$10 trillion economy, the contribution from Tier 2 cities like Ahmedabad, Jaipur, Indore, Baroda, Chandigarh, would be way higher as compared to Tier 1 cities.

And that is significantly showcased by the policies as a country that we are putting across. The infrastructure push, in fact, is also being higher in Tier 2 cities. And on ground, what we have been witnessing since last seven years is the fact that the talent pool available in these cities is much more loyal, stays with you for a longer duration.

The arbitrage, cost arbitrage of the talent is also higher here. So let's say a Real Estate Developer resource that is available in Bangalore, vis-à-vis Real Estate Developer available cost of that resource in Baroda, is at least 25% to 30% lower. And that gives an advantage for the last mile

employer to consider Tier 2 cities as a market to expand in. That's first reason. Second is cost arbitrage. The real estate cost is also significantly lower.

Say a city like Mumbai, which wherein we also have our center, we have taken up a place at INR120 per square foot, while a city like Jaipur is being taken up at INR60 to INR65 per square foot. So that's the arbitrage that end employers are able to see and witness. And hence the transition or shift to Tier 2 cities is happening faster.

Rohit Mehra: Got it. So henceforth, we will see the margin expansion due to the Tier 2 cities focus and all?

Umesh Uttamchandani: So we are currently also focusing on Tier 2 cities. Our 75% of our revenue comes from Tier 2 cities.

Rohit Mehra: Yes, yes. Okay. And how is the Ahmedabad mega campus and similar large GCC-related projects are funded?

Umesh Uttamchandani: How we are funding that is the question?

Rohit Mehra: Yes, yes.

Umesh Uttamchandani: So currently, under the development management model, we do not incur the cost of developing the asset. The capital investment from land to development is done by the landowner only. Our investment comes in paying security deposit and investing in the fit outs. That is where our investment lies.

In fact, for monitoring of the project, we are -- that has now become a revenue stream for us. Since we bring in our expertise to build a Grade A asset, that quality is now helping us to generate revenue from the landowners. Because we're building expertise to establish a Grade A plus asset.

So that knowledge, that understanding of global market is what we bring across the table as our contribution to monitor that asset. So landowners would pay us a certain fee to overlook development of that asset. While our task would be to then invest in fit outs, bring in GCCs, offer them a full-fledged solution, and then serve them across years.

Rohit Mehra: Okay. So thank you for a very elaborate answer. That is it from my side. For any questions, I will back in the queue. Thank you so much. Thank you.

Moderator: The next question comes from the line of Vraj Shah from Tatvic Digital Analytics. Please go ahead.

Vraj Shah: Yes, hi. Thank you for the opportunity. My question is with regards to the four new centers that we are, which are under the pipeline currently. So I wanted to know like, when are we expecting these four new centers to get operational? And what EBITDA margins can we expect from the centers?

Umesh Uttamchandani: Sure. So one of the largest centers in fact is Capital One, which is 3.15 lakh square feet of area. We are expecting the revenues to start from end of February to early first couple of weeks of

March. And as I mentioned, that asset would be generating a faster ROCE for us. At the center level, typically we operate at 30%-35% margin.

For the first few months, this center would be operating at 60%-65% margin because of the rent fee availability there. And obviously, because of the size scale that we have. And we've been able to kind of bring in operational area much more effectively. So the layout is kind of much better, that is one.

Second center is in Pune. We have just got the position of that center. We'll be starting the fit outs now. We are expecting that center to go live in the month of April, end of May, first week. We already have 50% occupancy already achieved there, even before the fit outs being started. So there we can expect anywhere between 35%-40% of margins being achieved. And there's one more center in Ahmedabad, which is Million Minds. We have started the fit-outs there.

We have reached to a stage when we are awaiting occupancy certificate from the developer. Once that is achieved, post that 25 days to 30 days, we'll be operational there. Again, we have a pre-committed demand there. So we are expecting the revenue to kick start from April or May. We had signed that asset before time. So we have a good leverage on rentals.

So there the margins would be 40%-45%. And the asset would be GMDC asset. The development of that asset is currently ongoing. We are expecting to get the delivery of that asset in the month of September or October. And that asset from an operational perspective would be December, January '26 or January '27.

Vraj Shah: All right, understood. And some mega center that you mentioned in Ambli Bopal. So is it considered under signed pipeline or is it under fit-out right now?

Umesh Uttamchandani: No, we have just signed that deal. It is a development management contract with the land owner. The entire building is yet to be developed. We have just on-boarded India's one of the largest and the prominent architects to start the designing process there.

Vraj Shah: All right, sir. And the revenue guidance that you have provided for FY'27 for INR350 crores around. So can I expect these four centers that you mentioned, Pune, Million Mind and GMDC, along with the Capital One, to kind of contribute majorly towards that revenue?

Umesh Uttamchandani: Yes. So the revenue forecast for '27 was done. This is the same line with the current centers that we already planned and achieved the supply on hand are the same ones that are going to be supporting us in achieving an outcome of INR350 crores. It comprises of three revenue streams. One is a Managed office space contribution. Second is our design and build unit.

And third is our technology unit of SAAS Solutions.

Vraj Shah: Understood, sir. And one last bookkeeping question. So in this quarter, other expenses have increased by more than 100% for the standalone business. So any specific corporate expenses that have contributed to this increase or is this one off?

Umesh Uttamchandani: No, these are one-off expenses, one-time expenditures that were incurred post the IPO processing.

Vraj Shah: Okay. That was approved in this quarter. Okay. All right. Thank you, sir, for picking up my question and all the best.

Umesh Uttamchandani: Thank you. Thank you so much.

Moderator: The next question comes from the line of Aniket Redkar, an Individual Investor. Please go ahead.

Aniket Redkar: Good afternoon, sir.

Management: Very good afternoon.

Aniket Redkar: So, sir, in terms of our GCC, just wanted to understand how this GCC demand evolved on a Y-o-Y basis and what basically the rationale behind this GCC across Tier 2 market?

Umesh Uttamchandani: Sure. Well, largely, I mean, if you understand India from a service standpoint, in early 2000s, we were a BPO market for the globe, right? So we used to be the back office for the world. So people used to set up their BPOs, call centers, and that kind of helped them support their global growth.

So from 2000 to 2010, if you see, we have been largely voice or chat support system for the globe. 2010 onwards, the country evolved, and we started attracting knowledge process outsourcing units. So a lot of accounting units, a lot of financial units, M&A units kind of were set up as back offices in the country.

With the advent of education and the exposure that we as a country got, a lot of evolution happened on the technology front. And the contribution at the global level from development perspective also increased. So 2017-2018 onwards, we saw a lot of financial units setting up their back offices in India.

And that is where it got unearthed that development can also be a strong backbone for them to set up in India. Rather than just voice, chat, or accounts, it can also be that we can build products, we can do R&D here, and then support their global expansion. That is all when it started. And today, when we see, a lot of companies set up their development units, R&D units, in India. Roughly 1850 GCCs are operating in the country.

Why we are kind of pursuing them? Primary reason is it is a full spectrum of solution. It increases a single contribution of revenue from a client. Rather than providing just an infrastructure, we can be a partner for them in growth, which helps them understand how do they hire people? Where do they hire people from? Where is that talent coming from?

What is the design of workspace that can inspire people to stay for longer duration? These are the sort of conventions that can become a partner for our clients and not just a vendor-client relationship. And that is the advent why we are focusing on GCC. And categorically in Tier 2 cities, is the backbone or strength of ours. As I shared earlier, I'm a firm believer that the next wave of growth in the country is coming from Tier 2 cities.

And it is inevitable from the policies that we are witnessing today. A lot of infrastructure investments are going in Tier 2 cities. And to attract talent, to reach out to the right mindset and the infrastructure that is getting evolved, a lot of global companies you would see now coming to Tier 2 cities with a greater push.

They were already coming in, but it was not at the pace or speed which Tier 1s were attracting. Probably next couple of years is when we will witness a lot of global capability centers setting up their primary offices in Tier 2 cities.

Aniket Raidkar: Okay. Okay. And sir, one last question. What is the current, I mean, how much is the market opportunity for us? And how much have we already targeted?

Umesh Uttamchandani: Market opportunity from just a managed office space perspective or you're referring to GCC side?

Aniket Raidkar: No, from GCC perspective.

Umesh Uttamchandani: So today GCC, I'll come down top to bottom, right? I mean, today from a flexible office space market, we are at a \$5 billion contribution. This is bound to reach around \$11 billion in terms of market size.

Now out of this, 60% is by GCC, right? So we can easily evaluate that it is 6 to \$7 billion of revenue being contributed by GCC. Now out of all of that, 21% is being contributed by the flexible office space.

Aniket Raidkar: Okay.

Umesh Uttamchandani: And within that, we hold 13% market share in Tier 2 cities.

Aniket Raidkar: Okay.

Umesh Uttamchandani: That is the market size that we are probably looking to acquire.

Aniket Raidkar: Good, good, good. Thank you, sir. This is from my side and all the best for the future.

Umesh Uttamchandani: Thank you so much.

Moderator: The next question comes from the line of Rohan Mehta, an Individual Investor. Please go ahead.

Rohan Mehta: Thank you for the opportunity. So just you spoke about the geographical spread out that we have and you touched upon the rationale behind Tier 2 cities. If you could also just give some color on what kind of, which cities, if you are looking at it in that particular way, which cities are giving us relatively higher revenue and seat capacity and where the growth has come in from in terms of operational area, centers and seat capacity?

Umesh Uttamchandani: Sure. So we are currently, from a Tier 2 standpoint, we are currently focused on Ahmedabad, Baroda, Rajkot, Surat, Gandhinagar, That's the Gujarat belt. Then we are focusing on Indore in MP. And in Rajasthan, we are focusing on Jaipur and Udaipur. That is our current presence.

We are intending to add a few more Tier 2 cities, which we are currently researching and analyzing as to what growth parameters can be done. I'll share the top level parts of that as well. Lucknow, Bhubaneswar, Coimbatore and Kochi.

These are four other cities that we are currently evaluating from our, from taking up our exposure there. And we are speaking to a few of our clients in understanding their growth metrics is there. Personally, I think cities like Ahmedabad, Baroda, and Jaipur would be outliers for us and for the country as well because that is where majority of the infrastructure investment has already been done.

Some of the marquee events like Commonwealth Game, which has already been signed by Ahmedabad, would probably shape as to how the city would grow and evolve into. And with the advent of that already being done, I think, we participating more in that growth would only help us to scale up faster.

Rohan Mehta: Got it. So as of now, do you see, do you look at it in terms of a bifurcation between revenue coming in from Tier 2 versus Tier 1?

Umesh Uttamchandani: So I think we categorically want a larger portion of our chunk coming to Tier 2 cities. We are, today our revenue contribution is 70%-30%. 70% comes from Tier 2 cities and Tier 1 contributes 30%. Going forward also, our focus would be to continue with this share of revenues coming in from Tier 2s and Tier 1s.

Rohan Mehta: Understood. Sir, do you think that...

Umesh Uttamchandani: I'll tell you the logic behind it.

Rohan Mehta: Yes, sir, please go ahead.

Umesh Uttamchandani: I'll explain the logic behind this for the interest of everybody. The questions are focusing more on Tier 2 cities. See, in this sector, the entry barrier is not that high. There are a lot of lifestyle businesses as well opened up into this sector.

What we are essentially doing is creating a virtual entry barrier in this Tier 2 cities. Today, I can proudly say that I'm the largest operator in Ahmedabad. I'm the largest operator in Baroda. I'm the largest operator in Jaipur.

Now, these statements are not mere statements. These are not just headlines for our marketing perspective. These are on-ground challenges that I'm throwing for my peers to enter into those cities. These are kind of virtual entry barriers for the external or the Tier 1 players to enter into these cities.

Rohan Mehta: Right. Fair enough, sir. That makes sense. So, would you say that Tier 1 cities have saturated in terms of competition with so many players being there?

Umesh Uttamchandani: So, that is also one of the reasons why we are kind of shying away from entering in a very big way in Tier 1 cities. But having said that, we need to be mindful of the fact that today, Bangalore,

Delhi, and Mumbai contribute largest consumption of real estate in the country. We can't deny the reality on ground.

Yes, it is saturated. Yes, it is moving to Tier 2 cities. But still, they contribute the largest in terms of consumption of real estate. Hence, we need to take a pie something from there. And also, the decision makers are in these Tier 1 cities. So, our presence in front of them becomes inevitable for us to win them in Tier 2 cities.

Rohan Mehta: All right. Fair enough. Also, if you could touch upon how much of growth comes in from new client additions versus expansion of an existing client or the recurring revenue from an existing client. Do we look at revenue from these two perspectives?

Umesh Uttamchandani: Yes. So, I will share this contextually. QX Global, as I mentioned, has been with us since 2018. Retention of a client is one of the primary metrics for us. In my Investor deck, if you see, we have bucketed them into three categories. Clients who are there consuming almost 100 seats with us, clients who are consuming between 100 to 300 seats, and clients consuming more than 300 seats with us.

I have a staggering 57% continuation coming from 100 seats who are going to stay with us for more than two years, that's a lock-in period. Between 100 to 300 seats, I have clients who are going to stay with us for almost three years of retention.

And for more than 300 seats per bucket, we have clients who are going to stay with us beyond three years of lock-in. And these are lock-in duration that I am saying. Agreement tenure is obviously at least 30% higher than that, which means we have witnessed in the past that they are going to continue with us at least till the agreement tenure.

They do get a right to exit after the lock-in period as well. But that right has not yet been exercised in our case. That is not the journey that we have seen yet. We have not seen clients moving out of our privileges. So answering your question, categorically, we have seen our existing clients contribute more in our growth story and contribute more to our revenue while we are kind of expanding rapidly.

But having said that, 2022-2023 were an outlier for us, wherein a lot of external demand also had to be brought in by us, because we were expanding at a pace of more than 50%.

Rohan Mehta: Right sir. Sir speaking of seats, what would be our current total capacity utilization in terms of occupancy of seats?

Umesh Uttamchandani: We are at 88 point some percentage being occupied by the client. So out of 13,500 seats that translates into some 12,000 seats being consumed by the client. But I think, to be very honest, from an industry point of view, I probably share this number because it is a metric that has been created within the industry.

Honestly, that is not how I prefer to get monitored. The number of seats or the number of clients that are kind of continuing with us after the lock-in and the quantum of revenue that is going to stay with me for the next three years is the right metric for me to get monitored or judged upon.

Because in a managed office space, even while I was small at 100,000 or 200,000 square feet of area, I was achieving more than 85%, 90% occupancy level, because I am technically designing the space for a bigger client. My speculative take-up is very less in nature.

We work on a hedging sort of environment, where my lock-in from the supplier gets hedged by the lock-in from the client. My exposure of lock-in rental gets hedged from the exposure of revenue that I am supposed to receive from the client. Did I make sense?

Rohan Mehta: Fair enough, sir. That makes a lot of sense. And you also answered another question that I would have asked about the KPIs that we should look at, the key performance indicators. So that is very helpful, sir. Just I'll conclude with a question. If you could have any long-term vision in terms of our revenues, maybe two, three years down the line, and that's all, sir.

Umesh Uttamchandani: Well, I'm a newly listed promoter. I'm not sure how much I'm supposed to share here. But as I've given an outlook, in FY'27, we are looking at the numbers of INR350 crores being achieved across three revenue streams, so largely managed office space contributing the larger number.

Then design and build becoming much stronger, effective, and across the country. And our SaaSjoy Solutions, which is a technology unit, wherein our recruitment, payroll, and customized solutions for our enterprise clients kicking in. These all three would be kind of contributing and helping us to achieve a revenue outlook of INR350 crores by FY'27.

Rohan Mehta: Got it. Okay, sir. That was all from my side. Thank you. Thanks a lot for taking my questions and all the best.

Umesh Uttamchandani: Thank you so much, sir

Moderator: The next question comes from the line of Anand Mundra with MyTemple Capital. Please go ahead.

Anand Mundra: Hello. Thank you for the opportunity. So this might be slightly repetitive for you because my apologies, I joined the call late. But I just wanted to understand the economics of the development management model that you highlighted in the presentation, with regards to the new 8 lakh square feet of deal that you won in Ahmedabad?

Umesh Uttamchandani: Sure, sir. Thank you so much. And I'll send a special thank you note, sir. This will help all the people that are listening to get a much more clarity on development management model. It is a new model that has been kind of financially re-implemented by us. So I'll give a background on this.

We did a development management model, which is a prop-co-op-co model as well for us, wherein right from the land stage, we partnered with the landowner. We told them that we want specs of this quality. We want a Grade A plus asset, something what is easily available, accessible in Tier 1 cities, is not available in Tier 2 cities.

So for us, the entire game that is being played is on the supply side and not the demand side. Across the country, if you see, Grade A plus assets enjoy north of 95% of occupancy levels. Now, if this statement is true, Tier 2 cities do not have a lot of Grade A or A plus assets.

And that is where we thought there's a larger vacuum that can be solved by us. So we started approaching landowners, told them that there are a lot of skill sets that we have achieved in the last seven years, which we can share it with you. Skill sets like understanding what is the ratio on a single floor plate?

What can be the column width? What are the common amenities or features that can be added in the building? And what are the specs on the electrical side? How does the file design get built in so that you can attract 1,500 clients? You know, lots of pointers. There's a detailed questionnaire, a pointer that has been created for the landowner to get on-boarded with us.

Roughly around 190-odd points are being created by us as to how a supply Grade A or A plus. Now, we told them that we'll bring in expertise on the architectural side, on the NEPF side, on the structural side, and on the PMC side. These are all four aspects of the development of the building, which we will cover from our side.

The contracting piece can be done by you. If you want, we can bring in an external partner as well. But that remains a decision to be taken going down the line. For doing this, the revenue that we will charge them is anywhere between INR400 to INR600 per square feet.

So, if I'm building, let's say, 100,000 square feet of area, I'll charge them INR100,000 on an average or INR500 per square feet. That is the revenue that comes in my books. And the entire investment from a land stage is done by the landowner. The development investment is incurred by the landowner. That can be done in the form of equity or debt that is at the prerogative of the landowner.

So, that is how it helps us. A, it creates a strong pipeline of grade A assets in Tier two cities. B, it creates a stable source of revenue for us as well, when we are just capitalizing on our existing resources and skill set and experience that we acquired. Did I kind of answer that question, sir?

Anand Mundra: Yes. So, in the operations also, then once the building is developed, is the operations also managed by us? Do we put the entire unit on rent, ourselves? How does, I mean, post the development, how does it work?

Umesh Uttamchandani: Yes. So, I mean, one of the primary aspects of shining a development management model is that we want to have the operational side of the business, because that is the core bread and butter for us.

We wanted Grade A supply to come in at the time, at a micro market where we want, which was not coming in effectively. And hence, this DM model will help us achieve that. So, operational agreement is mandatory. If that is true, if that selection is done by our research team, then only we go ahead and sign the DM model.

Anand Mundra: Okay. And then once the, so then, then it's the straight lease model that, that takes up, like, do we pay a fixed rental every month and the normal contract?

Umesh Uttamchandani: Yes.

Anand Mundra: Okay.

Umesh Uttamchandani: That's correct.

Anand Mundra: So, at the, at the development stage, there's an additional 400 to 600 square feet per square feet that we charge to the client for our expertise in designing the building. And post that, it's the normal straight lease model that, that, okay, that happens.

Umesh Uttamchandani: That's right, sir.

Anand Mundra: Okay. But here, the capex is done by the, the only difference is that the capex is being done, carried on from the books of the, the developer.

Umesh Uttamchandani: The landowner, yes.

Anand Mundra: Okay. Understood. Thank you.

Umesh Uttamchandani: Sir, we are typically looking at landowners rather than developers, sir, because developers would prefer to not get into agreement with us. Landowners are the ones who would prefer to get into arrangement with us because those are the ones who would look at long-term rental revenues on an ongoing basis.

Anand Mundra: Understood. Thank you. Thank you so much, sir.

Moderator: Thank you. As there are no further questions from the participants, I would now like to hand the conference over to Mr. Umesh for closing comments.

Umesh Uttamchandani: Thank you so much, everybody, for coming on the call. We value and respect the time that you have given to understand our business. We look forward to your continued support going down the line. Thank you so much.

Moderator: Thank you. On behalf of Dev Accelerator Limited, that concludes this conference. Thank you for joining us and you may now disconnect your lines. Thank you.