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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 Q3 FY26

Dear Sir(s)/Madam(s),

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 Q3 FY26, held on Monday, 2nd February, 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

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"Awfis Space Solutions Limited Q3-FY'26 Earnings Conference Call"

February 02, 2026

Disclaimer: E&OE - This transcript is edited for factual errors. In case of discrepancy, the audio recordings uploaded on the stock exchange on 2nd February 2026 will prevail.



MANAGEMENT: **MR. AMIT RAMANI – CHAIRMAN & MANAGING DIRECTOR, AWFIS SPACE SOLUTIONS LIMITED**
MR. SUMIT LAKHANI – CHIEF EXECUTIVE OFFICER, AWFIS SPACE SOLUTIONS LIMITED
MR. RAVI DUGAR – CHIEF FINANCIAL OFFICER, AWFIS SPACE SOLUTIONS LIMITED
MR. SUMIT ROCHLANI – DEPUTY CHIEF FINANCIAL OFFICER, AWFIS SPACE SOLUTIONS LIMITED

Moderator: Ladies and Gentlemen, Good Day and Welcome to the Awfis Space Solutions Limited Q3FY26 Earnings Conference Call hosted by Ambit Capital Private Limited.

As a reminder, all participants' 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 “*” and “0” on your touchtone phone. Please note that this conference is being recorded.

I now hand the conference over to Mr. Shamit Ashar from Ambit Capital Private Limited. Thank you and over to you, sir.

Shamit Ashar: Yes, thank you. Good evening, everyone. On behalf of Ambit Capital, I would like to welcome you all to the Third Quarter and Nine Months FY26 Earnings Conference Call of Awfis Space Solutions Limited.

From the Management, we have with us Mr. Amit Ramani – Chairman and Managing Director, Mr. Sumit Lakhani – CEO, Mr. Ravi Dugar, and Mr. Sumit Rochlani – Deputy CFO.

We would like to now begin the call with “Opening Remarks from the Management,” post which we will have the forum open for an “Interactive Q&A Session.” Thank you and over to you, Amit and Sumit.

Amit Ramani: Thank you, Shamit. Good evening and a very warm welcome to everyone present on the call. Along with me, I have Mr. Sumit Lakhani – our CEO, Mr. Ravi Dugar - our chief financial officer, Mr. Sumit Rochlani – our deputy Chief Financial Officer, and SGA, our Investor Relations Advisors.

Before we begin, we would like to place on record our sincere appreciation for the valuable contribution and leadership of Mr. Ravi Dugar during his tenure with the company. We thank him for his dedication and the role he has played in strengthening the company's financial framework.

I would like to also inform you that the board has appointed Mr. Sumit Rochlani as the Chief Financial Officer of the Company, effective February 3rd, 2026, based on the recommendations of the nomination and remuneration committee. Mr. Rochlani brings over 14 years of experience across audit, controllership, financial planning and analysis, corporate finance, and indirect taxation. Having previously served as Head of Finance at Awfis, he brings valuable continuity and deep understanding of the business as he steps into this role.

Coming to our “Quarterly Performance,” we have uploaded our Q3 FY26 Results and Presentation on the exchanges and I hope everybody had an opportunity to go through the same.

Let me start with a “Brief Overview of the Business for the Year”:

As India's largest flexible workspace provider, Awfis delivers a strong performance amid buoyant commercial real estate environment. This is supported by a record office leasing of 82 million square feet in 2025 across major Indian cities driven by sustained demand from domestic enterprises and GCC. These are operating across technology, BFSI, engineering, and emerging new sectors.

In Q3 FY26, Awfis continues to maintain a strong growth trajectory supported by sustained client demand, healthy occupancy levels, and operational efficiency.

Revenue for the quarter grew 20% year-on-year to Rs.382 crores, while EBITDA increased to 30% to Rs.139 crores, with margins expanding by 270 basis points on a year-on-year basis, reflecting improved scale efficiency, a higher share of mature centers, and a favorable operating leverage.

Our co-working and allied services segment continue to lead growth, rising 32% year-on-year to Rs.322 crores and contributing 84% of the total revenue. This momentum was driven by our ability to maintain high occupancy levels across an expanded seat based coupled with strong traction from GCCs and enterprise clients.

Additionally, the construction fit-out projects further referenced as Awfis transform segment contributed Rs.60 crores during the quarter. Revenue there saw a decline primarily due to temporary project deferrals and execution delays linked to GRAP-IV pollution norms, as well as lower managed aggregation seat addition during the nine months FY26 versus last year.

Looking ahead, the demand for Awfis transform remains strong. The third-party pipeline currently spans about 9 lakh square feet, translating roughly into Rs.200 crores of revenue opportunity, while the managed aggregation link transform pipeline covers about 4 lakh square feet of upcoming supply. With project execution expected to normalize and multiple large mandates moving into active delivery, this segment is positioned for a strong recovery trajectory.

Our geographic expansion strategy continues to strengthen our Pan-India presence. Today, we stand tall with 257 centers, nearly 1,77,000 seats across 18 cities, serving a diverse base of 3,400 client companies from dynamic startups, emerging enterprises to large corporates and GCCs.

We continue to focus on Grade-A buildings and premium locations, aligning with evolving requirements of GCCs and large enterprises. 100% of the new supply was on Grade-A and A-minus assets, with a rising share of gold and elite formats, reinforcing premium enterprise-led positioning.

Our Tier-2 seat capacity grew by 16% year-on-year, showcasing the growing acceptance and adoption of flexible workplace models beyond traditional metropolitan centers.

On the industry front, a key structural shift underway is growing preference for flexibility. Occupiers are increasingly seeking speed-to-market, capital efficiency, compliance, readiness, and scalability requirements that traditional real estate models often struggle to meet.

Flexible workspace solutions have therefore transitioned from being tactical or interim arrangements to becoming a core component of enterprise real estate strategy.

Flexible workspaces currently account for roughly one-sixth of total new office leasing in India and are expected to approach almost one-fifth of over the near-term.

A powerful structural demand driver continues to be the rapid expansion of global capability centers in India. Global enterprises are increasing scale their India presence through GCCs supported by countries' deep talent pool and structural cost advantages, with GCCs expected to account for approximately 40% of the total office absorption in 2026.

Importantly, this demand is becoming more broad-based, extending beyond large multinationals to include mid-market global firms, global unicorns, and emerging new age sectors.

The momentum is further reinforced by recent measures announced in the Union Budget 2026 aimed at improving long-term tax certainty for the multinational corporations. Key among these is the introduction of the long-term tax holiday for the foreign companies delivering global digital and cloud services using India-based infrastructure, which significantly reduces uncertainty around future tax liabilities and strengthens India's attractiveness as a global operating base.

In parallel, the budget introduced transfer pricing norms applicable to the multinational corporations, improving tax clarity and predictability for global enterprises, operating services in India, technology and capability centers, which are being driven from here. These measures significantly enhance ease-of-operations for MNCs, adding incremental fuel to an already strong growth cycle and supporting sustained demand for scalable enterprise-grade workplace solutions.

In Awfis, we already have 80-plus GCCs in our ecosystem, and we have aligned our strategy to capture this opportunity by moving up the value curve, strengthening our presence in Grade-A and Aplus assets locations, and seeing increasing traction from mid-size and large GCCs, with 500-plus seats clients now contributing to 36% of our portfolio.

Our growing Gold and Elite Center footprint and Pan India Network position us well to capture both new GCC setups and expansion-led demand.

At Awfis, we believe one of our biggest strengths is our ability to address demand across the entire spectrum of occupiers. On one hand, we are very well positioned to capture large enterprises and

GCC demand to manage office segments, where clients are looking for speed, compliance, scalability, and long-term flexibility. On the other hand, we continue to serve small cohorts through our co-working segment, which remains a strategic part of our business.

Importantly, Awfis is the only large-scale player in India with a strong presence in small cohort co-working segments, catering to the clients ranging from single seat to more than 100 seats.

This is a highly operational-intensive business. It requires years of execution, capability, strong processes, and on-ground depth to build at a scale that we operate today.

Awfis portfolio depth meaningfully reduces client concentration risk and enhances the resiliency and stability of our revenue profile.

As we move forward, our focus remains unwavering to build the most agile, high-performing, and future-ready workspace ecosystem in India.

On the client side, we continue to enhance the experience through technology integration, superior design, and sustainable operations. Our aim is to position Awfis not just as a workplace provider but as a long-term strategic partner that empowers businesses to scale with agility and confidence.

Let me hand it over to now “Mr. Sumit Lakhani, our CEO, to share Q3 FY26 Operational Highlights.” Over to you, Sumit.

Sumit Lakhani: Thank you, Amit. Good evening, everyone.

I would like to share with you the “Key Operational Highlights for Q3 FY26:”

On the supply side, during the quarter, we added 8,000-plus new seats, bringing our total capacity to around 152,000 operational seats across 232 centers Pan-India as of December 2025.

When including centers currently in the fit-out phase and those under LOI, our total capacity now stands at around 177,000 seats across 257 centers, covering an expansive 8.6 million square feet.

Year-on-year, our growth remains robust. Operational seats and centers grew by 25% and 20% respectively.

Looking ahead, we have a pipeline with signed LoIs for 11 new centers, adding approximately 11,000 seats and 0.5 million square feet of chargeable area.

On the premium workspace side, we now have 32 centers divided between 25 gold centers and 7 elite centers across some of the most prestigious commercial locations in the country.

Moving to our Supply Pipeline, Our expansion continues to be driven by a deep and high quality managed aggregation pipeline, enabling capital-efficient network growth. Currently, we have 8 lakh square feet of MA supply committed across prime micro-markets. Of this, 4.1 lakh square feet is already confirmed across the key cities, including Mumbai, Pune, Delhi NCR, Hyderabad, Chennai, and Kolkata. The balance 3.9 lakh square feet is under advanced stages of closure, providing clear visibility for asset-light growth over the coming years.

On the demand side, we signed contracts for 15,000-plus new seats in Q3 FY26 and roughly 57,000 new seats since December 2024, reflecting a well-diversified revenue base. Approximately 64% of our occupied seats are taken by the large corporates and MNCs, 25% by SMEs, mid-corporates, 10% by startups, and remaining share by freelancers.

We are very happy to announce that we have 80-plus GCCs in our ecosystem, contributing 21% of our space revenue share.

During nine months FY26, we closed 12 deals with GCCs and 11 more already logged in to go live between January to June 2026.

Notably, multi-center clients account for 46% of occupied seats for us. This cohort comprises over 300-plus clients with an average tenure of approximately 42-months, underscoring strong client stickiness. Within this space, 27% of clients operate in more than three centers, 15% across more than five centers, and 6% across more than 10 centers, reflecting sustained expansion within our network.

The average client tenure has increased to 37 months, with an average lock-in period of 26-months, demonstrating strong long-term client commitments.

Our client base remains highly diversified, with more than 3,400-plus active clients as of December 2025.

We are currently operating at an overall occupancy level of about 75% versus 73% last year, providing meaningful headroom for margin expansion and growth without incremental Capex.

Demand performance remains robust, with centers older than 12 months operating at 84% occupancy, reinforcing the steady ramp-up curve and the strength of mature centers. This segment is largely served through our asset-light managed aggregation model and supported by favorable pricing and higher ROCEs. It continues to be a highly profitable and scalable growth engine for Awfis.

Despite the competitive nature of the market, we have continued to deliver profitable growth, reflecting disciplined execution and a differentiated operating model.

Our strategy remains focused on mid-size mandates, complemented by select large engagements such as National Stock Exchanges. We are increasingly partnering with first-time GCCs, which tend to be highly sticky and long-term in nature.

With a dedicated team systematically identifying and pursuing GCC opportunities aligned with our strategic criteria, we have strong confidence in the sustainability and scalability of our managed office growth. With India adding approximately 20 to 30 first-time GCCs every quarter, our existing portfolio of over 80-plus GCCs, combined with long-standing relationships with GCC enablers and consultants across India, US, and Europe, provides us early and consistent access at the inception stage of GCC setups.

This together with our proven enterprise-grade execution capabilities, enable Awfis to capture a meaningful share of this growing segment.

That concludes my update. I will now hand over to Ravi, our CFO, for the Financial Discussion

Ravi Dugar: Thanks, Sumit. Good evening, everyone, and a very warm welcome to everyone.

Let me give you a Quick Overview on our Financial Performance:

Our consolidated operating revenues stood at Rs.382 crores, which is a strong growth of 20% on a year-on-year basis, and for nine months FY26, it was Rs.1,083 crores, which is a growth of 25% year-on-year basis. This was supported by a robust growth in our co-working and allied services business, which grew by 38% on a year-on-year basis.

The operating EBITDA stood at Rs.139 crores, a growth of 30% on a year-on-year basis. The margins stood at 36.5%. And for the nine months FY26, the operating EBITDA stood at Rs.398 crores, again a growth of 39%, with EBITDA margins at a strong 36.7%.

In Q3 FY26, PAT excluding exceptional items stood at Rs.22 crores compared to Rs.15 crores in Q3 of last year. And for nine months FY26, PAT excluding exceptional items stood at Rs.48 crores compared to Rs.32 crores in the nine months of last financial year.

On the normalized basis, which is adjusted for Ind AS 116 lease rentals and for Ind AS 109 and 102, the normalized operating EBITDA stood at Rs.55 crores, a growth of 18% on a year-on-year basis for this quarter. For nine months FY26, the operating EBITDA stood at Rs. 155 crores, which is a growth of 30% on a year-on-year basis.

On liquidity, our position continues to be very strong with the net debt-to-equity ratio at minus 0.06% as at 31st December 2025.

This is all from our end. We now open the floor for Q&A.

Moderator: We will now begin the question-and-answer session. The first question is from the line of Girish Choudhary from Avendus Spark. Please go ahead.

Girish Choudhary: Hi! Good evening. Thanks for the opportunity. Firstly, how should we look at the occupancies going ahead? This quarter has been 75%. If you can give a bit of detail about what can happen to the occupancy, because what I see is that the mature center occupancy has remained at around 84%, so is this optimal kind of occupancy in the mature center? The incremental ramp up has to come in from the centers which have been added in the last six to nine months. So, that is the first question.

Sumit Lakhani: Hi, Girish, this is Sumit. So, with respect to occupancy, as you would see over the last one year, the blended occupancy has increased by over 200 basis points from 73% to 75%. So, there is a serious effort with respect to improving the occupancy. The way the new sales is happening and the kind of committed new sales has happened, we see a serious improvement around on occupancy build up in the next one and two quarters itself where we feel very optimistic around moving these numbers substantially. In terms of the occupancy for 12 months-plus centers, internally, we think 84%, 85% is not the steady state. This can get increased up. We see a couple of centers are taking a bit longer. So, in the next one or two-odd quarters, you would see even this segment getting an improvement by almost about 100 to 150 basis points.

Girish Choudhary: Okay, great. So, this improvement you are expected to see in the coming one to two quarters, is that right?

Sumit Lakhani: Yes, because like I mentioned, the way we have visibility of signed seats pipeline, in the next one to two quarters, we are expecting improvement in both blended occupancy for the whole portfolio, as well as improvement around in the occupancy across the 12-months-plus portfolio.

Girish Choudhary: Sure. Secondly, on the overall pricing, right, what is the kind of price growth you are seeing like-to-like in the centers? And also wanted to understand the margin trajectory going ahead in the co-working segment?

Sumit Lakhani: So, Girish, as we would have mentioned earlier as well, the pricing is a direct reflection of the overall micro market rental at that point of time. So, even for a mature center, any new customer who is coming in that center, the pricing reflects the current micro market rental, so which in the last one to two years is higher. So, the customer ends up paying a larger price. For the existing customer cohort, our agreements, contracts have 5% to 7% kind of escalations being built in, where for small-to-mid-sized cohorts, and 4% to 5% escalations for larger size cohorts. So, in any case, for the existing client cohorts, the overall business model enables about a 5% kind of escalation in pricing. So, that is always built in, and that is the nature of the business.

Moderator: The next question is from the line of Yash Kishlanshi. Please go ahead.

Yash Kishlanshi: Good evening. Thank you for taking my question. The tenure bucket of greater than 24-months has not really changed in any material way despite enterprise, MNCs, including SMEs and mid-sized corporates, making up a bigger portion of your client distribution. Please help me understand the corporates, MNCs, or SMEs in your client mix. What cohort of seats do they usually prefer? What kind of lease terms are they signing? And how do you expect this mix to evolve in the future?

Sumit Lakhani: So, if you look at the tenure bucket, the greater than 24 months tenure clients constitute about 73% of our portfolio currently, and 12 to 23 months is 20%. From my vantage point, the way I see is I have seen this tenure bucket growing up significantly around over the last couple of years. Probably, you may be referring to one or two quarters of data. I do not have that data handy with me. But, if we look at over the last one to two years period, I have seen this growing significantly. And where we feel very confident around is because originally when we started the overall tenure buckets used to be between six to 12 months and now almost about two-thirds of the business, it is around more than 24-odd months. To your question around on what kind of preferences various kind of occupiers have with respect to various tenure buckets, it is more around on the cohort sizes. Generally, a larger cohort, let us say a 200, 300-plus seater cohort, prefers to sign up for 36-to-48 months kind of lock-ins and 48-to-60 months kind of tenures, whereas shorter tenure customers end up signing up more between 12-to-24 months. It is a bit more agnostic between enterprises, SMEs, mid-corporates, and startups.

Amit Ramani: Yes, just to add to that, this quarter, obviously, the overall locked-in tenure for the complete portfolio, is now 26-months instead of 24-months, and the tenure for the overall portfolio is 32 months. And if you look at the greater than 100 seats, which typically is the larger cohorts, that overall locked-in tenure is basically 37-months, and basically, the total tenure is about 49-months. So, there has been significant improvement as we see it in those two buckets as well. You also need to understand that a large portion of our portfolio, almost 45%, is less than 100 seats, and in that, obviously, there will be a bit more lesser tenure.

Yash Kishlanshi: Okay, understood. And yes, indeed, I was just comparing the numbers from the previous quarter. So, I know you spoke about your blended occupancy improving because of increased sales traction. Please help me understand what is causing that increased sales traction -- is it something that in your offering that has changed or is it something in the macroeconomic environment that you see changing that is causing these increase in sales?

Sumit Lakhani: So, primarily, this had been organic. If you would see the number of new seats sold, we have been selling every quarter. It is broadly organically increasing every quarter. There is a significant level of behavioral change with the occupiers looking to prefer flex, and that is continuing, and that is probably why the demand is going up. Now, where you are seeing also some improvement around

in blended occupancy is also a function of the aging of centers. Till about two quarters back, a lot of our centers were aged between zero to three months kind of a bracket. As that profile of vintage of those centers became six to seven months, they have started hitting higher occupancies. We generally require about nine to 10 months for centers to start hitting 80%-plus kind of occupancy. So, it is a function of both that a lot of our centers, which we opened during Q4 of last financial year, they were more without any kind of customers. They were pure speculative centers where we opened up a center and then we were filling in the demand for those centers versus the kind of centers where you start with a new demand. So, the overall cycle is about nine to 12 months to hit occupancies. So, currently, it is more organic. Market and demand over the last couple of years had been growing steadily with the more adoption of co-working.

Yash Kishlanshi: Thanks. That is helpful. And just one last from me. Going forward what proportion of your revenue from operations is expected from construction and fit-out business?

Ravi Dugar: So, roughly about 20% of the revenue is expected from the construction fit-out business. Currently, the split is about 83-17, but roughly this will settle in somewhere around 80-20 kind of a number.

Yash Kishlanshi: Got it. Thank you very much.

Moderator: The next question is from the line of Adhidev from ICICI Securities. Please go ahead.

Adhidev: Yes, good evening, everyone. Thank you for the opportunity. The first question is to Amit and Sumit is, could you help us understand what is going to be the end of '26 operational seats and a similar number for FY27 considering the pipeline which you have now? That is my first question.

Amit Ramani: So, Adhidev, the guidance for FY26 is somewhere around 32,000 seats for FY26. I would not want to comment on the FY27 guidance right now, which we will give as part of the revenue and the other financial metric guidance that we will provide in the last quarter.

Adhidev: Okay. Sir, then this 1,52,000 seats goes to around how much incrementally?

Amit Ramani: So, we ended FY25 at 1,35,000 seats. So, roughly you add another 30,000 seats, somewhere around 1,66,000-odd seats.

Adhidev: Okay. So, this quarter is going to be quite a few number of seats should open up, right?

Amit Ramani: That is correct. If you see the under fit-out center is 1,66,000 seats already, right? So, these centers are already under fit-out. The 1,52,000 seats will be closer to 1,66,000 seats at the exit of March '26.

Adhidev: Okay. And sir, you alluded obviously that for '27, you do not have to share guidance, but the overall 1,77,000 seats, this is something you have clear visibility, means, over the next 18-months, this should definitely come on-stream or how should we look at it?

Amit Ramani: We have clear visibility down to the center level. I mean, we know the name of the building asset where this will go live. So, a complete clarity on that 1,77,000 seats.

Adhidev: Okay. Fine. The second question is mainly for Ravi if you could answer. Just wanted a capex number YTD? So, this number is around Rs.110 crores, right, in the six months. So, what is the number for nine months and '26, how much are you going to end up with?

Ravi Dugar: So, for the nine months period, the number is Rs.159 crores, and we had given a guidance of Rs.200 to Rs.210 crores for the year, and we expect the number to be around that only.

Adhidev: Okay. So, another Rs.55, 60 crores of CAPEX. Okay. And just as a bookkeeping question, are there net cash on books as of December, do you have that number handy?

Ravi Dugar: The cash balance in the books what we have is around Rs.96 crores.

Adhidev: Okay. Including investments?

Ravi Dugar: Including investments. Yes.

Adhidev: Okay. Around Rs.96 crores.

Ravi Dugar: Yes. Rs.96 crores is including FDs and the cash balance and whatever we are carrying.

Adhidev: Okay. This taxation, are we out of it from the fourth quarter onwards or do we move to a normal tax rate means, or there are still some losses and all, which we can cover in the thing?

Ravi Dugar: So, we have a runway of one more year, Adhidev, from here.

Adhidev: Another three or four quarters.

Ravi Dugar: Yes, we will be out of it most likely.

Adhidev: Okay. Fine. That is it from my side. All the best. I will come back if I have more. Thank you.

Moderator: The next question is from the line of Vikrant Kashyap from Asian Market Securities. Please go ahead.

Vikrant Kashyap:

Hi, good evening to the team. My first question pertains to the seat addition. So, the industry has shown a very strong seat addition during the quarter, while if you look at, we have added only 8,000 seats compared to around 11,000-plus seats same quarter last year. So, where we went wrong this quarter? The seats sold number are very high compared to what industry standards are. But in terms of seat addition and also the share of managed seats which used to be 65, 67%-odd is now 62% of the portfolio. So, where the deferrals are and how we are planning ahead because we had earlier guided for 40,000 seats in the beginning of the year, now we are guiding for 32,000 seats, so can you please show some more lights on that?

Sumit Lakhani:

So, the original guidance for seat additions had been around 40,000 gross addition in a year, whereas we are now guiding around 32,000 to 33,000 seats to be added in this financial year. See, it is primarily from a perspective that we do not need to add a lot of seats for our revenue growth. Our focus is more around on building blended occupancies for the current portfolio and run it that way. So, we are taking a more balanced approach around on it because if you look at the last six to nine months had also been a very peak commercial real estate cycle and we are playing it very guarded and conservatively because we do not want to be stuck with signing up deals at prices which are not conducive for us in long-term. So, that is primarily one of the reasons where we had been a bit more conservative in the whole financial year with respect to our seat additions. Second, we had been balancing our overall blended occupancy along with the margins because we do not want to be in a situation where we add up more seats and sit with a bit more muted kind of occupancy which will have a negative impact on the overall margins. If you look at now, currently in our presentation also, we had given the complete pipeline of our seats especially in the managed aggregation way and the numbers and the kind of pipeline looks very promising. Third, if you see our business model is significantly different than most of the peers. For most of the peers, they end up taking very large spaces. So, the seat addition numbers becomes straightforward and their model is more around on straight leases. Our model is more around on setting up mid-sized co-working centers which cater to the larger number of clients around and which we believe works in a better form both from a capital-light perspective as well as managing the risk perspective and that is the model we follow. So, there the seat addition will always grow in a bit more organic way versus what the peers do. If I can take an example, it is more like building a retail banking book with doing some level of managed offices could be some larger loans happening versus building a complete NBFC book. So, our approach to life is build the business more organically on a brick-by-brick basis in a fundamentally right manner. So, that is what we have been doing. My last point over here would be like if you go through our presentation, we have also given guidance around on how the seat addition is happening across the various quarters. Lot of our managed aggregation seats have already been forward leased. We have signed up these buildings which are brand new buildings which will go live in the coming quarters. And that is the reason why a bit less addition of seats in this financial year.

Vikrant Kashyap:

Okay, so the second question is on your transform business. So, for the last two quarters, we have seen deferral in execution or may delay by the landlords in the handover. Still in the nine months

numbers we look at we are down by around 10% on a YoY basis and we are still Rs.200 crores of pipelines. Please highlight what went wrong this financial year because you are growing very strongly in the transform business, suddenly everything is stuck and the margin profile also deteriorated. So, what kind of steady run rate, we can see and what kind of margin profile if you look at in the transform business?

Amit Ramani: So, the D&B revenue obviously should be viewed on a year-on-year basis. So, Q3 FY26 was impacted, as we said earlier, due to the GRAP restrictions in North and had three large client projects that obviously led to a revenue dip. The office and the construction fit out have two revenue streams, managed aggregation, which is landlord spend and the external client design and fit out projects. The lower managed aggregation, seat addition in nine-month period, obviously last year has impacted the revenue as that number came down. The second piece is that the external client pipeline is obviously very, very strong and Awfis is seeing growth and obviously in this revenue segment and providing obviously a positive outlook going forward. As far as the margin profile goes, it is a fixed cost business, right? So, as the revenue dips, obviously, the margin will dip, because the fixed costs of people continues even when your revenue might drop for reasons such as GRAP or reduction in the number of managed aggregation things.

Vikrant Kashyap: That clarifies. Thank you. One thing that you did very well that you have given the bifurcation of gold and elite models. And also would request if you can give a bifurcation of your co-working and managed enterprise models bifurcation if you can?

Amit Ramani: Sure. Happy to do that from the future. Right now, obviously, I do not have the data handy with me, but absolutely happy to do that.

Vikrant Kashyap: No issues.

Amit Ramani: Thank you very much.

Moderator: Thank you. The next question is from the line of Yashowardhan Agarwal from IIFL Capital Asset Management. Please go ahead.

Yashowardhan Agarwal: Yes. Hi, good evening. Thanks for taking my questions. A couple of questions from my side. So, initially we had guided for 30% growth in revenue and 30% growth in EBITDA. Does that still hold true for us?

Sumit Lakhani: So, if you look at the way the overall business is going. And from a co-working segment perspective, both the revenue guidance as well as the margin guidance we are meeting, but as of nine months, the design and build business as Amit has explained, is an area where the guidance is not going as per

plan. But, otherwise, in a co-working segment, both the margin as well as the revenue guidance we are going as per the guidance.

Yashowardhan Agarwal: Okay. And sir, coming on to the occupancy, it has improved year-on-year by 200 bps, but if I look at the occupancy of the new seats that we have added, so that has been different quarter-on-quarter, so what is the reason that we are unable to scale up or ramp up the occupancy in the new seats that we are adding?

Sumit Lakhani: So, can you explain how you are figuring out the occupancy for the new seats?

Yashowardhan Agarwal: Sure. So, I do have the data for total operational seats last year, that is in Q3, '25, right? So, in that, the total operational seats were around 122,000. And so I do have the number of occupancy for more than 12 months that is 84%. Sir, I can calculate what would be the occupancy of those seats plus the new seats that we have added this year, so current it is around 152,000 seats and the blended number is 75% is given. So, 122,000 into 84% will give me the occupancy of the mature seats and 152,000 into 75% will give me the blended occupancy. So, this is how I have done the calculation. I hope that is okay with you or else I can share it later on as well.

Sumit Lakhani: So, the way I look at is the overall blended occupancy, the way it is working is a couple of times there is a churn in our mature center also and then the whole occupancy ramp up for the center also needs to do. From our vantage point, the business is not working in a manner that the seats which we have signed up over the last 12-months, that there is any slow ramp up of occupancy for those seats. It is more of a blended portfolio that a couple of times, even the mature center, there is a churn and it takes a bit longer time around on it. So, we look at the occupancy right now more on a blended basis and we feel that the centers we have signed up since Q3 of last financial year, the occupancy buildup is happening as per plan.

Yashowardhan Agarwal: Coming on to the churn, is that too high, because if I look at a presentation from first quarter till third quarter, it is mentioned that we have signed 15,000 seats in each of these quarters, right, that is 45,000 seats signed versus if I see the change in total occupied seats, so that is coming around 16,000 seats, so is the ramp up happening too slow or is the churn so high that on a blended level basis, we are seeing the occupancy lower than it could have been, what if the churn would be less?

Sumit Lakhani: No, it is more of a function that most of the seats were added around in Q4 of last financial year. That is why I mentioned in the first question also that I am expecting in the next one or two quarters that the blended occupancy will grow significantly. See, it is also a function like a lot of seats get added in let us say, Feb or March of financial year, then we still have the new centers are in seventh or eighth or ninth month of operation around. So, even the seats like 15,000 seats, which we have signed up in this quarter, the client join in generally happens within 60 to 120-odd days from the day they have signed up the seat. So, there is a lag of almost about 60 to 120-odd days. So, the centers where

we have signed up or the centers which went live in Q4 of last financial year, we expect a ramp up in occupancy or the occupancy going up beyond 80%-plus in those centers let us say in Q4 of this financial year as well as in Q1 of the next financial year.

Yashowardhan Agarwal: So, if I look at the depreciation per seat that has increased meaningfully versus last year versus our revenue per seat has been constant. So, what is the reason for depreciation increase? And sir, if it has been the more increase through straight lease model, so why are our margins not increasing in the same direction? So, that is my question.

Ravi Dugar: So, Mr. Agarwal, the depreciation has increased because obviously we are actually focused on the elite and the MO seats what we are talking about, that has led to an increase in depreciation. Obviously, on the margin side, you will see an uptick in the coming quarters because these seats have been filled over the last one or two quarters. So, this will obviously give an uptick in the margins profile for these seats.

Yashowardhan Agarwal: Okay. I will come back in the queue soon. Thank you.

Moderator: The next question is from the line of Akshata Telisara from Aionios Alpha. Please go ahead.

Akshata Telisara: Yes, hi. Thanks for the opportunity. The capex number, correct me if I am wrong, was Rs.200-210 crores for 40,000 seats and now you are guiding for the same number despite that number coming down to 32,000 seats. Is it largely because of the elite part or there is something more to it?

Sumit Lakhani: So, you are right. If you look at the whole nine-month financial year, the larger portion of seats which went live had been more on the straight lease side versus the managed aggregation seats which are right now skewed for Q4 and Q1 of the next financial year. Why we ended up doing a bit more straight leases is two reasons. One is we set up more few elite centers which came in more straight lease model where the whole fit-out capex needed to be done from our side and it also has a higher capex as compared to our flagship product. Second, we saw significant traction in GCC business where we set up new centers for these GCCs and the supply structure in these were primarily straight leases and where we ended up doing our own fit-outs. So, it is a function that in nine months, the more nature of the business was around on GCCs as well as elite versus typically our managed aggregation model.

Akshata Telisara: Okay. And despite the occupancy jump that has not really flown down to Ind AS EBITDA margins. Would you only assign it to the transform business or there is something beyond that?

Ravi Dugar: The main reason for that is the transform business because if you otherwise look at it, the margin would have certainly improved in the co-working business, but because of the transform business

having a bit of a dip this quarter because of the reasons we explained earlier, it has had an almost negligible impact on overall EBITDA improvement in Ind AS.

Akshata Telisara: Okay. And would you be able to share capex for '27 right now?

Ravi Dugar: I would not be.

Akshata Telisara: Okay. Sure.

Moderator: The next question is from the line of Siva from iThought PMS. Please go ahead.

Siva: Hi, thank you for the opportunity, sir. So, my first question is regarding Awfis Transform. In the last call, we had an update that we are expanding into a new segment of clients like retail, hospitality, and others as well. So, could you share an update on how it is working out for us and out of the pipeline that you mentioned how much do these segments contribute?

Sumit Lakhani: Sure. So, I do not think we said that we would immediately move into these categories. The majority of the focus for us is on commercial workplace interiors, which we have done in the last four years since the business has been kind of incepted, has primarily focused on commercial workplace interiors. The plan was not to immediately go into these new segments, but as we subsidiarize this business, the idea was that this would give the leadership of that business the opportunity to expand into those avenues. Today, almost I would say 95% of the business comes from commercial workplace interiors. Even the pipeline that I mentioned earlier of almost 8 lakh square feet, 100% of that is basically from the commercial workplace opportunities. Obviously, the sectors are diverse; they are across industrial chemicals, across IT, ITES, across BPO, etc., But currently, the business does not do any major, I would say, non-commercial workplace interior. We do a little bit of educational spaces that we have recently started, but that is about only 5%. Rest of the segments is negligible. These will develop over the next two to three years. Today, we have a market leadership in IT, ITES and BPO, etc., these kinds of service offerings, especially under 100,000 square foot area. We want to make sure that we continue to have a market leadership position in that space, and then obviously, once we have established that, then expand it to the other category.

Siva: Yes, I understood. Thanks for the clarification. And so my next question is regarding the investment that we made for a furniture capacity. So, we made a Rs.7 crores to Rs.10 crores investment, right? And do we have any update on the same? So, what is the revenue potential here that you are looking at apart from capital consumption?

Ravi Dugar: So, we have not made any investment into the furniture manufacturing. Currently, all the manufacturing has gone through contract manufacturing. There is actually no zero capital investment and there is very negligible investment that has gone into the furniture business. We will in the fourth

quarter be able to give a more clear guidance for the furniture business, which currently is in a very nascent stage, but we have not invested anything in that business at all.

Siva: Understood, sir. So, what is our refurbishment capex cycle looking like, so how many years do we wait until we renovate the property, and what is the capex per square feet for refurbishment?

Ravi Dugar: So, typically, if you look at our centers, the average tenure of a center is between nine to 10 years. At a five-year mark, we believe that at that mark, the center requires probably 15% to 20% of investment to refresh it for another five years. Essentially, every month, we have what we call a repair and maintenance, depends on the center, age, etc., but it is basically enough for us to keep the center fresh for the first five years with that minimal investment that happens as part of the operating expense every month. Essentially, at the five-year mark, there could be one or two things. One, we could obviously continue in that center. Sometimes we decide not to continue, but ideally, 80% to 85% of centers, we look at a 10-year tenure. In that situation, at the five-year mark, we do a 15% to 20% in refurbishment.

Siva: Understood, sir. That is it from my side. Thank you.

Moderator: The next question is from the line of Aditya Sharma from Shikara Investments. Please go ahead.

Aditya Sharma: Hi, sir. Thanks for the opportunity. Trying to understand the reasons why we reduced the guidance from 40,000 seats to 32,000 seats. So, one of the reasons you highlighted was basically we are trying to go slow in the larger seat format, the 500-seater. So, that is the understanding that we are trying to maintain a mix? So, around 500-seater plus is currently around 35%, 36%-odd. So, are we trying to maintain a mix which is leading to a lower seat addition?

Sumit Lakhani: So, I will explain and clarify it a bit. We are not averse to signing up 500-plus-seater clients. But, as a business model, when we sign up a speculative center, so let us define a center where we do not have a demand on day one, these centers, we prefer to sign up generally at 30,000 to 40,000 square feet kind of size, not very large kind of centers like 100,000 or 200,000 square feet where the seat sizes would almost be 2.5-4x of that. So, by default, we look forward to more number of sites to be selected, more number of cities to be covered, more number of micro-markets to be covered, because we love setting up a larger network. So, by nature of this, when we sign up these mid-size centers, we get a mixed cohort. So, our typical center gets cohort of one or two customers of 200-plus, two or three of 100 to 200, and lot between one to 100-seater cohorts. We love doing this site because the diversity of clients, the diversity of supply, the diversity of buildings, the diversity of locations ensure that we are able to run through any kind of macro headwinds for 10-to-12-year period in that center. Second, if you look at the other big advantage, what we see is, we have a clear market leadership in one to 100-seater cohort, which ends up yielding better price realizations for us as compared to the larger cohorts, so that is the kind of business we do. Now, this is a typical co-working business. For

lot of GCCs and large strategic clients, which we have disclosed earlier as well, like National Stock Exchange and couple of GCCs, we have set up centers which are much larger, which are dedicated to them, and they are in the 500-plus or 1,000-plus-seater cohort, and we continue to do it, but we do it in a more strategic kind of manner. What we see as a risk is if we grow a business very large kind of dedicated centers for these larger cohorts, the challenge is that after their locking period ends, which could range from 36 months to 60-odd months, these centers are very, very customized only to that client's requirement, and the occupancy buildup at that point of time could have a negative impact on the P&L. Second, the refurbishment cost would end up being a bit more. So, there we are a bit more strategic and a bit more conservative for doing back-to-back businesses, but this we are doing very seriously and very aggressively for first-time GCCs. If you would refer to our presentation this time, we had also given two case studies on how we are growing this segment of business, which in our industry is called "Managed Office" with respect to the first-time GCCs.

Aditya Sharma: Yes, got it. If you could touch on that point, how are you strategic in the sense like how do we circumvent these risks that you highlighted in the time with GCCs?

Sumit Lakhani: So, one, we are strategic in a manner that we select the customers with whom we work and provide more larger kind of projects dedicatedly, so for whom we are setting up larger kind of contracts. So, these are either the strategic clients with whom we have worked across the multiple centers. So, like one of the IT majors, we have probably delivered almost about 500,000 plus square feet for them across five to six different locations. So, tomorrow, if they come back to us and they want us to even set up a 100,000 square feet center, we are very clear because we are aligned with the team, we know their teams well, we know their strategy well, and we feel comfortable that they would be there with us for a long time. So, these are a group of almost about 15 to 18 different large occupiers with whom we work. Second, a case in point, a company like National Stock Exchange with whom we have a relationship across four plus centers. Second, the segment of customers which is helping us grow this managed office business is the first time GCCs. There, we see a very strong stickiness which comes across with these GCCs. For them, a flex operator is the preferred choice because they are looking at us, we add significant value for them in terms of execution of space, finding the space and running the space, and they want preferably one single player to run and manage the whole thing, and they end up giving a more longer kind of lock-ins to us.

Aditya Sharma: Got it. Thank you.

Moderator: Ladies and gentlemen, due to time constraint, we are taking it as a last question. I would now hand the conference over to the management for the closing comments. Over to you, sir.

Sumit Lakhani: So, we thank everyone for joining the call today. We hope we have been able to give you a detailed overview of our business and answer your queries. Should you have further queries or clarifications, please feel free to reach out to SGA, our investor relations advisors. Thank you.



Awfis Space Solutions Limited
February 02, 2026

Moderator:

Thank you. On behalf of Ambit Capital Private Limited that concludes this conference. Thank you for joining us and you may now disconnect your lines.